

Director Performance Rights

10 July 2020

Zelira Therapeutics Ltd (ASX: ZLD, OTCQB: ZLDAF): a leading medicinal cannabis company is pleased to announce it has agreed, subject to Shareholder approval at Zelira's next General Meeting, for the issue of 12,500,000 Performance Rights to, Chairman, Mr Osagie Imasogie and, Non-Executive Director, Ms Lisa Gray.

The issue provides Mr Imasogie and Ms Gray with a performance based remuneration package consistent with other Non-Executive Directors and further aligns their interest with the other directors and shareholders of Zelira.

Zelira believes the issue will further motivate and reward their performance as Directors in achieving specified performance milestones within a specified performance period. The Board considers the granting of the Performance Rights to be a cost-effective reward for the Company to make to appropriately incentivise the continued performance of Mr Imasogie and Ms Gray and is consistent with the strategic goals and targets of the Company.

The Key Terms of the Performance Rights are set out below:

The Performance Rights will be split into two equal tranches:

- 6,250,000 Class A Performance Rights;
- 6,250 000 Class B Performance Rights.

Conversion of the Class A Performance Rights

- (a) (Milestone) A Performance Right will be able to be converted into a Share by a Holder subject to satisfaction of one of the following milestone
- (i) the cumulative revenues from 1 July 2020 received by the Company or its subsidiaries from US based product sales of products developed, derived or generated internally by the Company or its subsidiaries exceeds US\$1,000,000.

Conversion of the Class B Performance Rights

- (b) (Milestone) A Performance Right will be able to be converted into a Share by a Holder subject to satisfaction of one of the following milestone
- (i) the cumulative revenues from 1 July 2020 received by the Company or its subsidiaries from US based product sales of products developed, derived or generated internally by the Company or its subsidiaries exceeds US\$2,500,000.

The Performance Rights will otherwise be on terms that are considered standard, and will be outlined in detail in the Notice of Meeting seeking the approval of the Performance Rights, to be issued late July 2020.

Milestone Date

The proposed milestone date for the above Performance Rights is 23 December 2024, which would align the issue with existing performance rights held by other Directors.

Price

Performance Rights will be issued for \$0.0001 cash consideration per Performance Right.

The terms of the Performance Rights may otherwise be subject to approval by ASX in accordance with its policies and procedures.

This announcement has been authorised by the Board.

**Richard Hopkins
Managing Director****About Zelira Therapeutics (www.zeliratx.com)**

Zelira Therapeutics Ltd is a leading global therapeutic medical cannabis company with access to the world's largest and fastest growing cannabis markets. Zelira owns a portfolio of proprietary revenue generating products and a pipeline of candidates undergoing clinical development that are positioned to enter global markets from 2020. The company is focused on developing branded cannabis products for the treatment of a variety of medical conditions.

The Company is undertaking product development programs targeting specific conditions (e.g. HOPE™) and human clinical trial programs focused on insomnia, autism and opioid reduction in patients with chronic non-cancer pain.

The Company conducts this work in partnership with world-leading researchers and organizations including Complutense University in Madrid, Spain; Curtin University in Perth, Western Australia; the Telethon Kids Institute in Perth; the University of Western Australia, in Perth; St. Vincent's Hospital in Melbourne, Australia; and the Children's Hospital of Philadelphia (CHOP) in the United States.

In a world first, Zelira recently announced that its proprietary Insomnia formulation, ZTL-101, had successfully met its primary and secondary clinical endpoints for safety and efficacy in a Phase 1a/2b clinical trial targeting patients with chronic insomnia. The trial was conducted at the University of Western Australia Sleep Centre, led by Professor Peter Eastwood, under the regulatory auspices of the Australian TGA.

The HOPE™ franchise was developed to address patient symptoms associated with Autism Spectrum Disorder. In the United States, the franchise was launched successfully in Pennsylvania in May 2019 under Ilera Healthcare, which holds the license for the state. HOPE™ has also been licensed to Advance Biomedics LLC in Louisiana for launch and availability to patients throughout Louisiana.

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