



Quarterly Activities Report Quarter ended 30 September 2016

CORPORATE

Acquisition of Zelda Therapeutics Pty Ltd

As previously reported, the Company has entered into a binding heads of agreement (**Heads of Agreement**) in relation to the acquisition of all of the shares in unlisted Australian company Zelda Therapeutics Pty Ltd (**Zelda**) (**Proposed Acquisition**).

Zelda is a Perth-based biotechnology company that has secured exclusive, global access to an extensive set of human data related to medicinal cannabis based formulations and treatment protocols. This human data has been generated over several years by a California-based group, Caziwell Inc., which operates the *Aunt Zelda's* group. *Aunt Zelda's* has a very high profile within the USA and a growing international profile based upon its deep knowledge of the scientific rationale for certain cannabis-based formulations and protocols to treat a variety of medical conditions.

Zelda has been granted a worldwide, exclusive and perpetual licence to this data, related systems, formulations and treatment protocols.

Zelda will use this information to design a series of Phase 2-ready human clinical trials that have a strong probability of success given the existing patient data and experiences it has access to.

Since the Proposed Acquisition will result in a significant change to the nature and scale of the Company's activities, the Proposed Acquisition required shareholders approval under ASX Listing Rule 11.1.2 and also requires the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules.

During the quarter:

1. On 12 July 2016, the Company lodged a re-compliance Prospectus for an offer of up to 160,000,000 ordinary fully paid shares at an issue price of \$0.025 (post consolidation) to raise a minimum of \$3,000,000 and a maximum of \$4,000,000;
2. On 25 July 2016, shareholders approved the acquisition of Zelda and related resolutions (*Refer ASX Announcement 25 July 2016*);
3. The Company received conditional approval from ASX for reinstatement of its securities to the official list of ASX; and
4. The Company raised the maximum amount of \$4,000,000 (held in trust) and is currently working through the ASX re-compliance conditions.

Subsequent to the end of the quarter:

1. The company changed its name to *Zelda Therapeutics Limited*;
2. The Company completed a 5-for-1 shares consolidation; and
3. Due to technical issues associated with having the company re-admitted to ASX for quotations the company was required to issue a supplementary prospectus and extend the offer period until no earlier than the 11 November 2016.

The extension is merely a result of a technical issue related to having shares quoted on the Australian Securities Exchange within three months of the lodgement of the prospectus.

The Board remains excited by the future potential of the Company and looks forward to updating shareholders as it moves through this offer extension period and formally completing the acquisition of Zelda Therapeutics Pty Ltd. The company is confident of completing its ASX readmission requirements shortly after 11 November 2016.

Under the terms of the Supplementary Prospectus, the indicative timetable for the reinstatement of Zelda is now as follows:

Closing Date for the Offers	11 November 2016
Dispatch of holding statements	18 November 2016
Expected date for Shares to be reinstated to trading on ASX	25 November 2016

CUDDINGWARRA – WESTERN AUSTRALIA

EL20/742 (100%)

PL20/2095 (100%)

PL20/2096 (100%)

EL20/833 (100%)

The four leases are located in the Cue Mineral Field near the historic Big Bell and Cuddingwarra mining centres. Three of the leases are contiguous being E20/742 and P20/2095 and 2096. This project area is referred to as Milly Bore. EL20/833 is situated to the NW of Milly Bore and is referred to as the Berring Pool project.

The Milly Bore project is situated immediately to the north of the Cuddingwarra Mining Centre. Gold mineralisation is common in the area and there are numerous historical workings. The principal deposits are Black Swan, Black Swan South, Golden Gate, Chieftain and Rheingold.

The Berring Pool project is adjacent to the Big Bell-Coodardy gold trend that is interpreted to be on the northern margin of the lease.

Milly Bore

The project covers an area of approximately 100km² and is situated within the Archaean Meekatharra-Wydney Greenstone Belt. The greenstone belt is comprised of thick sequences of basalt and mafic rock with banded iron formation, ultramafic, felsic volcanic and volcanoclastic rocks. Felsic porphyries and granitoids have intruded the greenstones.

Berring Pool

The project covers an area of approximately 16km² and is also situated within the Archaean Meekatharra-Wydney Greenstone Belt.

Work Undertaken

In view of the proposed acquisition of Zelda Therapeutics Pty Ltd (refer above), the decision was taken not to expend further funds, other than minimum expenditure requirements, on the tenements, pending the outcome of completion of the acquisition of Zelda.

W Loxton
Director

Tenement Interests as at 30 September 2016

WESTERN AUSTRALIA

Cuddingwarra Project - Gold

Tenement	Status	Interest at beginning of quarter (%)	Interests relinquished, reduced or lapsed (%)	Interests acquired or increased (%)	Interest at end of quarter (%)
EL20/742	Granted	100	-	-	100
PL20/2095	Granted	100	-	-	100
PL20/2086	Granted	100	-	-	100
ELA20/833	Granted	100	-	-	100