

15 January 2019

Australian Securities Exchange Limited
40 Central Park
152 – 158 St Georges Terrace
PERTH WA 6000
Attention: Anjuli Sinniah
By email only: anjuli.sinniah@asx.com.au

Dear Madam,

RESPONSE TO QUERY REGARDING APPENDIX 3Y

We refer to your letter to Zelda Therapeutics Limited (ASX: ZLD) (**Company**) dated 15 January 2019, regarding the release by the Company of an Appendix 3Y on 14 January 2019 (**Appendix 3Y**). The Appendix 3Y was in relation to a distribution to CPS Capital Group (**CPS**) shareholders as part of CPS's Dividend policy reducing Mr Jason Peterson notifiable interest of fully paid ordinary shares in the capital of the Company (**Shares**).

The Company acknowledges that the Appendix 3Y was lodged outside the required timeframe and apologises for any inadvertent breach of its ASX Listing Rule obligations under Listing Rules 3.19A and 3.19B.

Using the numbering contained in your letter, the Company responds as follows:

1. The late lodgement of the Appendix 3Y was due to an administrative oversight whereby an attachment was not included with the email advising the Company of Mr Peterson's change of interest containing details of the distribution to CPS shareholders as part of CPS's Dividend policy.
2. The Company has in place a Corporate Governance Plan, which includes a policy on continuous disclosure to ensure that all changes to the notifiable interests of Directors are communicated to the Company Secretary and then to the ASX within the timeframes set out in Listing Rules 3.19A and 3.19B.
3. The Company has reminded all Directors of their obligation to advise the Company of any changes in their notifiable interests and has reminded all officers that penalties can be imposed on the Directors and the Company for failure to comply with reporting obligations.

Aside from this isolated oversight, the Company considers its current policy to be adequate to ensure compliance with Listing Rules 3.19A.2 and 3.19B, noting that the late lodgement of the Appendix 3Y was a result of an administrative error in the process of Mr Peterson complying with its current policy and advising the Company of a change in his notifiable interest. The oversight was addressed as soon as it was discovered.



Should you have any queries, please contact Tim Slate.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Tim Slate', written in a cursive style.

Tim Slate
Company Secretary

About Zelda Therapeutics (www.zeldatherapeutics.com)

Zelda Therapeutics Ltd is an Australian-based bio-pharmaceutical company that is focused on developing a range of cannabinoid-based formulations for the treatment of a variety of medical conditions. The Company is undertaking:

- A **human clinical trial programme** focused on insomnia, autism and opioid reduction with activities in Australia and the USA.
- A **pre-clinical research programme** examining the effect of cannabinoids in breast, brain and pancreatic cancer as well as research examining the potential for cannabinoids to treat diabetes-associated cognitive decline. It has partnered with the world's leading cancer cannabis researchers at Complutense University Madrid in Spain to conduct pre-clinical work testing cannabis-based formulations known to have an effect in humans in order to generate data packs in a form expected by regulators and the pharmaceutical industry. A similar programme is in place with the Australian Telethon Kids Institute targeting paediatric brain cancer and Curtin University targeting pancreatic cancer and cognitive decline.

The Company has also formed a strategic partnership with European medicinal cannabis group HAPA Medical BV, to access HAPA's EU-GMP grade manufacturing capabilities and accessing its German distribution network providing a credible and rapid path to commercialisation for successful clinically validated formulations.



15 January 2019

Mr Tim Slate
Company Secretary

By email:

Dear Mr Slate

Zelda Therapeutics Limited ('ZLD'): Appendix 3Y – Change of Director's Interest Notice Query

ASX refers to the following:

1. ZLD's Appendix 3Y lodged on the ASX Market Announcements Platform ('MAP') on 14 January 2019 for Mr Jason Peterson (the 'Notice');
2. Listing Rule 3.19A which requires an entity to tell ASX the following:

3.19A.1 *"The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.*

- *On the date that the entity is admitted to the official list.*
- *On the date that a director is appointed.*

The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.

3.19A.2 *A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.*

3.19A.3 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director."*

3. Listing rule 3.19B which states that:

"An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director."

The Notice indicates that a change in Mr Peterson's notifiable interest occurred on 7 December 2018. It appears that the Notice should have been lodged with ASX by 14 December 2018. Consequently, ZLD may have breached Listing Rules 3.19A and/or 3.19B. It also appears that Mr Peterson may have breached section 205G of the *Corporations Act 2001* (Cth).

Please note that ASX is required to record details of breaches of the Listing Rules by listed entities for its reporting requirements.

ASX reminds ZLD of its contract with ASX to comply with the Listing Rules. In the circumstances, ZLD should make necessary arrangements to ensure it does not continue to breach the Listing Rules.

Request for Information

Under Listing Rule 18.7, we ask that you answer each of the following questions having regard to Listing Rules 3.19A and 3.19B and *Guidance Note 22: Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities*.

1. Please explain why the Appendix 3Y was lodged late.
2. What arrangements does ZLD have in place under Listing Rule 3.19B with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does ZLD intend to take to ensure compliance with Listing Rule 3.19B?

When and where to send your response

Your response should be sent to me by e-mail at ListingsCompliancePerth@asx.com.au. It should not be sent to the ASX Market Announcements Office.

A response is requested as soon as possible and, in any event, no later than 2pm WST on 17 January 2019.

Under Listing Rule 18.7A, a copy of this letter and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked.

Enquiries

If you have any queries or concerns about any of the above, please contact me immediately.

Regards

Anjuli Sinniah
Senior Adviser, Listings Compliance (Perth)