ASX ANNOUNCEMENT

31 March 2025

Zelira secures $1 Million At-the-Market Funding Facility

AT-THE MARKET FUNDING FACILITY

Key Highlights

- Zelira secures $1 million ‘At-the-Market’ (ATM) funding facility with Securities Vault
- The ATM facility will help support Zelira’s key clinical programmes and growth strategy
- The facility provides Zelira with access to cost-effective standby equity capital during its 12-month term

Zelira Therapeutics Ltd (ASX:ZLD, OTCQB:ZLDAF), a global leader in the development and commercialisation of clinically validated cannabinoid-based medicines, has secured a $1 million At-the-Market Facility (ATM) Agreement with Securities Vault Pty Ltd (Securitiues Vault) to support its growth objectives.

The ATM facility provides Zelira with up to $1 million of standby equity capital over the next 12 months (which terms may be extended, by mutual agreement), enabling additional flexibility for the Company to conduct capital raising activities over time, closely aligning capital needs with operational activities.

A key advantage of using the ATM Facility is control over the timing of capital issuances with estimated net proceeds received occurring with minimal dilution (there are no additional options, or attaching options or rights, common in traditional placements, and there are none of the other more complex or expensive mechanisms found in some structured financing solutions). Furthermore, there are no restrictions at any time on Zelira raising capital through other methods (other than through an equity line of credit, equity swap or stand-by equity distribution agreement with a third party).

Zelira retains full control over all major aspects of the placement process, having sole discretion as to whether to use the ATM, the number of issued shares, and the minimum issue price of shares for any placement.

Under the ATM the Company has agreed to initially issue 550,000 fully paid ordinary ZLD shares (Subscription Shares) (representing 4.85% of its issued capital) to Securities Vault from its Listing Rule 7.1 capacity and without shareholder approval, at nil cash consideration to Securities Vault. The Company can then request Securities Vault to use its best endeavours to sell the Subscription Shares to raise funds for the Company. Further issues of Subscription Shares can be made by the Company over the term of the ATM Agreement in accordance with the Listing Rules; either through obtaining prior shareholder approval or utilising any then available placement capacity under Listing Rule 7.1.

Zelira may terminate the ATM at any time without incurring termination costs.

The key terms of the ATM are set out in Schedule 1.

Additional details relating to the issue of the Subscription Shares are set out in the Appendix 3B announcement to the ASX today.

Commenting on the facility, Global Managing Director & CEO, Dr Oludare Odumosu said

We are pleased to establish this At-The-Market facility with Securities Vault, providing Zelira with enhanced financial flexibility. This agreement allows the Company to access standby equity capital as needed, ensuring we are well-positioned to advance our key clinical programmes and growth strategy.

This announcement has been approved and authorised for release by the board of Zelira Therapeutics Limited.

For further information please contact

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Zelira Therapeutics Ltd (ASX:ZLD, OTCQB:ZLDAF) Zelira is a leading global biopharmaceutical company in the research, development and commercialisation of clinically validated cannabinoid-based medicines. Zelira owns a portfolio of proprietary revenue generating products and a pipeline of candidates undergoing clinical development positioned to enter global markets. The Company is focused on developing and clinically validating branded cannabinoid-based medicines in its prescription [Rx] business for the treatment of a variety of medical conditions including insomnia, autism and chronic noncancer pain as well as offering over the counter [OTC] products.

Zelira has established a special purpose vehicle (SPV) to conduct FDA Phase 1, Phase 2 and Phase 3 clinical trials for Zelira's proprietary and patent protected HOPE® 1. Zelira has contributed to the SPV its HOPE® 1 product, IP and real-world data for 55% equity ownership of the SPV. Cash investors will contribute a total of circa US$35 million to fund the SPV and US FDA trials for HOPE® 1 in exchange for a cumulative equity interest of 45% of the SPV. Zelira will manage the SPV as part of its business platform. The SPV has appointed iNGENū CRO Pty Ltd (iNGENū) as its Contract Research Organisation (CRO) to lead the clinical validation and regulatory registration of the study product with the US FDA through the submission of an Investigative New Drug (IND) application.

In May 2023, Zelira completed an IRB approved strategically designed multi-arm, head-to-head study targeting diabetic nerve pain. The clinical trial included a comprehensive comparison against the widely recognised and highly successful multi-billion dollar revenue generating drug Lyrica® (Pregabalin). With the findings underscoring the exceptional efficacy of our treatments in managing pain, with ZLT-L-007 demonstrating the most substantial reduction in pain severity, particularly at the 60-day and 90-day follow-up periods. Zelira has developed Enhanced Distillate Capture and Dissolution Matrix (EDCDM) technology under the brand name Zyraydi™, that solves the problem of non-uniformity and separation of cannabinoid from powder bed, opening new ways to develop pharmaceutical grade solid oral dosage forms such as capsules and tablets. Zelira will be assessing opportunities for commercialisation of this technology.

Zelira's Rx business generates revenue from its proprietary medication, HOPE. The Company has two proprietary formulations under the HOPE® brand that are generating revenue in Australia, Washington, D.C., Pennsylvania and Louisiana. Zelira will also be expanding commercialisation of ZENIVOL® – the world's first clinically validated cannabinoid drug for treatment of chronic insomnia into Germany via its German commercialisation partner Adjupharm GmbH following recent approval from German regulatory authority BfArM. Zelira's OTC products in the oral and dermatology health care sectors are also generating revenue. Zelira, in partnership with SprinJeneCBD, launched a full line of oral care products, currently generating revenue in the US. Zelira also launched in 2021 the RAF FIVE™ brand, which consists of five OTC acne treatment products using a proprietary formulation incorporating cannabidiol (CBD).

For further information, please visit: **zeliratx.com**

Schedule 1 – ATM Key Terms

A summary the key terms of the ATM is set out below.

- The ATM provides the Company with a standby equity subscription facility of up to $1,000,000. No interest is payable under the Facility Agreement.
- The ATM has a maturity date of 30 March 2026.
- As consideration for Securities Vault entering into the Facility Agreement, the Company shall issue to Securities Vault 550,000 Shares (Initial Collateral Shares). No cash consideration is payable for the Initial Collateral Shares.
- In addition to the Initial Collateral Shares, the Company may make multiple placement requests to Securities Vault under the Facility Agreement, during the period up to the maturity date.
- For each new placement, the Company determines when the placement will occur and the number of shares (Collateral Shares) the subject of the placement. The consideration provided for each placement by Securities Vault is the promises made by Securities Vault under the Facility Agreement, including the obligation to remit the net proceeds of sale of the Collateral Shares to the Company (as described below).
- Any issue of shares under the Facility Agreement is required to be in compliance with ASX Listing Rule 7.1. The Initial Collateral Shares issued under the Facility Agreement will be made within the Company's current placement capacity.
- Neither the Company nor Securities Vault must acquire a relevant interest in Collateral Shares which causes its voting power (and that of its associates) to exceed 19.99%.
- Following the issue of Collateral Shares to Securities Vault, the Company may request funding by delivering a Drawdown Notice to Securities Vault specifying the number of Collateral Shares it wishes Securities Vault to sell, the period during which Securities Vault is permitted to sell Collateral Shares and the minimum sale price.
- Following receipt of a Drawdown Notice, Securities Vault will use reasonable endeavours to sell the Collateral Shares the subject to the Drawdown Notice. The sale cannot occur at a price less than the minimum issue price set by the Company. For each sale of Collateral Shares, Securities Vault must remit the entire sale proceeds to the Company less a fee of 6% of the gross sale proceeds. There is no other fee payable to Securities Vault in connection with the Facility Agreement other than an initial establishment fee of $25,000.
- The provision of funding by Securities Vault under the Facility Agreement is subject to a number of conditions, including the Collateral Shares being freely tradeable, no event of default affecting the Company and other conditions customarily included in facilities of this nature.
- The Company has the ability at any time (including after termination of the Facility Agreement) to require Securities Vault to return all Collateral Shares held by Securities Vault to the Company or as it directs, for no consideration.
- Either the Company or Securities Vault may terminate the Facility Agreement, by giving 7 days' notice, in accordance with the termination provisions as defined within the Facility Agreement.