

# ASX Release

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## **SUDA ENTERS AGREEMENT WITH AUSTRALIAN CANNABIS COMPANY ZELDA THERAPEUTICS TO DEVELOP CANNABINOID SPRAY.**

- **SUDA enters into a fully funded feasibility & option agreement with Zelda Therapeutics;**
- **SUDA will optimise its OroMist® oro-mucosal spray technology to deliver Zelda's pharmaceutical-grade cannabis formulations;**
- **If successful, Zelda has the right to negotiate an exclusive license over SUDA's OroMist® technology for defined indications**

**PERTH, AUSTRALIA Thursday 6<sup>th</sup> December 2018:** SUDA Pharmaceuticals Ltd (ASX: SUD), a leader in oro-mucosal drug delivery ("SUDA"), today announces that it has entered into a fully funded feasibility and option agreement with Australian based Zelda Therapeutics Ltd. (ASX: ZLD, OTCQB: ZLDAF) ("ZELDA"), a leading company in the field of medical grade cannabis to develop an oral spray of pharmaceutical-grade cannabinoid derivatives (Agreement).

SUDA had identified an opportunity in the cannabinoid field as part of its strategic intentions and included a co-development deal as part of its anticipated milestones in its Investor Presentation of 28 August 2018.

Under the work plan outlined in the Agreement, SUDA will apply its proprietary OroMist® oro-mucosal spray technology to ZELDA's pharmaceutical-grade cannabinoid derivatives, for evaluation by ZELDA. Under the terms of the Agreement Zelda will pay SUDA an option fee of \$200,000 consisting of an upfront of \$100,000 and a further \$100,000 in downstream milestone payments. Zelda will also fund the formulation work. The 24-month option provides ZELDA with an exclusive right to extend the Agreement and to enter into a global development and licensing agreement for the oral spray formulations developed by SUDA.

The Agreement intends to provide ZELDA with a wide range of therapeutic targets and also contains an exemption over a number of therapeutic areas where SUDA has ongoing discussions with other cannabis companies.

Mr Stephen J Carter, SUDA's CEO and Managing Director, commented: "We are delighted to be working with ZELDA in the field of medical grade cannabis ("MGC") to assess the feasibility of formulating MGC for a wide range of conditions utilising our OroMist® and Hydrotrope platforms. We believe that our technology can offer unique advantages compared to other routes of administration which will further benefit patients seeking MGC therapy.

"In our opinion, ZELDA's strategy of developing a package of strong clinical evidence with pharmaceutical grade MGC has the potential to set ZELDA above a large number of current MGC companies and SUDA are pleased to be able to assist ZELDA by developing an MGC oral spray utilizing our technology and expertise."

A handwritten signature in black ink, appearing to read 'SJC', with a small dot at the end.

**Further information:**

**STEPHEN CARTER**

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## NOTES TO EDITORS:

### About SUDA Pharmaceuticals Ltd

SUDA Pharmaceuticals Ltd (ASX: SUD) is a drug delivery company focused on oro-mucosal administration, headquartered in Perth, Western Australia. The Company is developing low-risk oral sprays using its OroMist® technology to reformulate existing pharmaceuticals. The many potential benefits of administering drugs through the oral mucosa (i.e.: cheeks, tongue, gums and palate) include ease of use, lower dosage, reduced side effects and faster response time. SUDA's product pipeline includes ZolpiMist™, a first-in-class oral spray of zolpidem for insomnia. ZolpiMist is marketed in the USA and SUDA has rights to the product outside of the US and Canada. SUDA has submitted a Marketing Authorisation Application to the Australian Therapeutic Goods Administration for ArTiMist®, its novel sublingual malaria treatment for children. In a Phase III trial, ArTiMist was shown to be superior to intravenous quinine. Other products in development include oral sprays for the treatment of: migraine headache; chemotherapy-induced nausea and vomiting; erectile dysfunction; PAH; epileptic seizures and pre-procedural anxiety and cancer.

For more information, visit [www.sudapharma.com](http://www.sudapharma.com)

### About Zelda Therapeutics Ltd

Zelda Therapeutics Ltd (ASX: ZLD) 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. For more information, visit [www.zeldatherapeutics.com](http://www.zeldatherapeutics.com).

### Cannabinoids

Cannabis is a flowering plant containing at least 85 types of cannabinoids with evidence suggesting it has been used for medicinal purposes since antiquity. Cannabinoids are the chemical compounds secreted by cannabis flowers and include tetrahydrocannabinol (THC) and cannabidiol (CBD).

When cannabis is consumed, cannabinoids bind to receptor sites in the brain and body mimicking naturally occurring compounds in the body known as endocannabinoids. Different cannabinoids have different effects depending on which receptors they bind to. For example, THC binds to CB1 and CB2 receptors in the brain and other body sites, whereas CBD has a low affinity for these receptors but conceivably stronger affinity for other -as yet unknown- receptors. Different types of medical effects can be achieved through targeting different receptors using differing quantities of cannabinoids (eg. THC vs CBD).

This concept is the cornerstone of cannabis as a medicine.