proactiveinvestors AUSTRALIA
Suite 2, Level 10, 99 York St, Sydney NSW 2000
p: +61 2 9299 5001 | f: +61 2 9299 8001
action@proactiveinvestors.com.au
www.proactiveinvestors.com.au

9th December 2015

Gleneagle talks medicinal cannabis transition in Proactive Q&A Sessions™

Wednesday, December 09, 2015

Gleneagle talks medicinal cannabis transition in Proactive Q&A Sessions™

Gleneagle will transition into the medical cannabis sector after entering into an agreement with Zelda Therapeutics.

We are joined exclusively by Harry Karelis, chairman, Zelda Therapeutics, in Proactive Q&A Sessions™.

Gleneagle Gold (**ASX:GLN**) has positioned itself to transition into the medical cannabis sector after entering into an agreement in relation to acquiring 100% of the issued capital of Zelda Therapeutics Pty Ltd.

Zelda has been established to focus on funding clinical trials incorporating medicinal cannabis formulations and protocols developed over the past few years by California-based group Aunt Zelda's in treating >500 patients.

A pipeline of Phase 2 ready clinical trials helps de-risk the opportunity.

To discuss the transition, we are joined exclusively by Harry Karelis, chairman, Zelda Therapeutics, in Proactive Q&A Sessions™.

PROACTIVE INVESTORS: Welcome Harry.

What would the acquisition of Zelda mean for existing Gleneagle shareholders, and what potential could new shareholders expect?

Harry Karelis: The medical cannabis sector is one of the fastest growing sectors globally and Zelda provides a relatively unique, high quality exposure to the sector.

This acquisition gives an opportunity for existing Gleneagle shareholders, and is also likely to attract new investors, which will fund the development of the company.

The proposed backdoor listing will fast-track its development and have it on track to be commencing trials in 2016 initially for skin-based conditions such as eczema, acne and a condition known as post-burn itch.

We will be conducting some pre-clinical research with the world's best cancer cannabis researchers, with other relationships with key opinion leaders are pending.

Suite 2, Level 10, 99 York St, Sydney NSW 2000
p: +61 2 9299 5001 | f: +61 2 9299 8001
action@proactiveinvestors.com.au
www.proactiveinvestors.com.au

Gleneagle

Who is Zelda, and what does it control?

Harry Karelis: The founders of Zelda identified the opportunity of medical cannabis, by conducting clinical trials around an extensive set of human data based formulations and treatment protocols developed by a California-based group over several years.

Whilst Zelda is based in Perth, it is globally connected with some of the world's most respected medical cannabis researchers and clinicians.

There is tremendous anecdotal evidence that cannabis has a role to play in the treatment of a range of illnesses the missing link is formal clinical trial data and related intellectual property in a form acceptable by regulators such as the FDA & TGA and the bio-pharmaceutical industry.

The team behind Zelda's are all seasoned executives with multi-decade experiences in the life-sciences, capital markets and research sectors.

This experience has helped guide us in formulating Zelda's focus and objectives and identify priority areas of interest and manage our risk by constructing a pipeline of Phase 2 ready projects that address a large commercial market, are relatively inexpensive to run and are relatively short duration.

Overlaid with the existing human data we have access to that already demonstrated the efficacy in humans, we have initially focused our clinical trial program on skin based conditions such as eczema, acne and wound healing using formulations and protocols that have already demonstrated success.

In addition, we will also conduct some pre-clinical research in the area of cancer with one of the world's leading academic groups in Madrid.

Can you outline consideration for the deal, and where would you and current directors of Zelda be positioned in the new entity?

Harry Karelis: Gleneagle will be acquiring 100% of the issued capital of Zelda in an all-scrip deal.

No money is being taken off the table by the Zelda vendors.

The Zelda directors are all founders and as such retain a sizable shareholding aligning interests with all Gleneagle/Zelda shareholders.

These shareholdings will be escrowed for two years and everybody is focused on successfully implementing its business objectives.

Moving on the clinical data of Zelda, how could the existing human data be validated?

Harry Karelis: The main aspect that differentiates Zelda from other groups in the medical cannabis space is our exclusive, global access to an extensive set of patient data.

This data has been generated over several years by the Aunt Zelda's group in California - founded by Ms Mara Gordon who is a founding director of Zelda.

This group has adopted a very rigorous approach to patient intake, formulation, dosing and the often overlooked and critical treatment protocols.

That is, what to take and when to take it.

Zelda will take that data, prioritise the areas of interest and then work with professional Clinical Research Organisations (CRO's) who will design and run appropriate trials using industry standard methodology and generate

results in a form acceptable to the regulators.

We will engage across multiple-sites in jurisdictions such as Spain, Australia, the U.S. and Canada.

At the same time, we are working with one of Australia's leading intellectual property firms, Griffith Hack, to ensure that any novel intellectual property is identified and secured.

What intellectual property data does Zelda hold, and can you take us through steps which would ultimately lead to monetisation?

Harry Karelis: The initial intellectual property revolves around our licence to the Aunt Zelda's data coupled with our human resources and our global linkages.

Combined, these form the core proposition that is Zelda Therapeutics.

The key executives and directors have extensive experience in monetising intellectual property and have existing linkages and relationships within the global bio-pharmaceutical sector.

There is a fairly well established process to generate returns from solid clinical data and industry standard deal terms around up-front, milestone and royalty payments.

Think of Zelda as a bio-pharmaceutical company that has a 10 year head start given its products have already been shown to work in humans.

Finally, can you outline steps that would need to be achieved to move from the current agreement to a new entity listed on the ASX?

Harry Karelis: This transaction will result in a significant change to the nature and scale of Gleneagle's activities and as such will require shareholders' approval and will also require the company to re-comply with Chapters 1 and 2 of the ASX Listing Rules.

Steps we would need to take would be shareholders voting in favour of the transaction, then lodging a full form prospectus to raise at least $3 million.

A Notice of Meeting will be despatched in coming weeks with the Gleneagle shareholder meeting to be held roughly four weeks later.

The final step post a successful capital raising, is that Gleneagle will change its name to Zelda Therapeutics Ltd, with timing likely to be in March 2016.

PROACTIVE INVESTORS: Thank-you Harry.

proactiveinvestors AUSTRALIA
Suite 2, Level 10, 99 York St, Sydney NSW 2000
p: +61 2 9299 5001 | f: +61 2 9299 8001
action@proactiveinvestors.com.au
www.proactiveinvestors.com.au

Disclaimer

You understand and agree that no content published constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential advisability, value or suitability of any particular security, portfolio of securities, transaction, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including company related products and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made.

However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon. The contributors make every effort to ensure that the information and material contained in this report is accurate and correct and has been obtained from reliable sources. However, no representation is made about the accuracy or completeness of the information and material and it should not be relied upon as a substitute for the exercise of independent judgment. Proactive Investors does not accept any liability, including negligence, for any loss or damage arising from the use of, or reliance on, the material contained in this report. There are general risks associated with any investment in securities. Investors should be aware that these risks might result in loss of income and capital invested.

WARNING: No recipients should rely on any recommendation (whether express or implied) contained in this document without obtaining specific advice from their advisers. All investors should therefore consider the appropriateness, in light of their own objectives, financial situation and/or needs, before acting on the advice.

DISCLOSURE: The Company, its directors, associates, employees or representatives may not effect a transaction upon its or their own account in the investments referred to in this report or any related investment until the expiry of 24 hours after the report has been published.