

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **December 31, 2018**

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: **000-55347**

Relmada Therapeutics, Inc.

(Exact name of registrant as specified in its charter)

Nevada

(State or Other Jurisdiction of
Incorporation or Organization)

45-5401931

(I.R.S. Employer
Identification No.)

**880 Third Avenue, 12th Floor
New York, NY**

(Address of Principal Executive Offices)

10022

(Zip Code)

(212) 547-9591

(Registrant's Telephone Number, Including Area Code)

N/A

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer
Non-accelerated filer

Accelerated filer
Smaller reporting company
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

As of February 13, 2019 there were 30,266,373 shares of common stock outstanding \$0.001 par value per share outstanding.

Relmada Therapeutics, Inc.
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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

**Relmada Therapeutics, Inc.
Consolidated Balance Sheets
(Unaudited)**

	<u>December 31,</u> 2018	<u>June 30,</u> 2018
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,426,751	\$ 2,238,943
Other receivable	-	7,617
Lease payments receivable – short-term	67,235	64,486
Prepaid expenses	537,665	426,921
Total current assets	<u>3,031,651</u>	<u>2,737,967</u>
Fixed assets, net of accumulated depreciation	9,374	12,080
Other assets	18,908	24,788
Lease payments receivable – long-term	238,925	273,244
Total assets	<u>\$ 3,298,858</u>	<u>\$ 3,048,079</u>
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities:		
Accounts payable	\$ 358,892	\$ 765,439
Accrued expenses	1,390,547	659,455
Notes payable	114,738	285,170
Derivative liabilities	-	4,194,634
Total current liabilities	1,864,177	5,904,698
Promissory notes payable, net of discount of \$0 and \$4,548,543	-	2,656,457
Total liabilities	<u>1,864,177</u>	<u>8,561,155</u>
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.001 par value, 200,000,000 shares authorized, no shares issued or outstanding	-	-
Class A convertible preferred stock, \$0.001 par value, 3,500,000 shares authorized, no shares issued and outstanding	-	-
Common stock, \$0.001 par value, 100,000,000 shares authorized, 29,764,210 and 12,549,870 shares issued and outstanding, respectively	29,764	12,550
Additional paid-in capital	106,258,627	88,818,681
Accumulated deficit	(104,853,710)	(94,344,307)
Total stockholders' equity (deficit)	<u>\$ 1,434,681</u>	<u>\$ (5,513,076)</u>
Total liabilities and stockholders' equity (deficit)	<u>\$ 3,298,858</u>	<u>\$ 3,048,079</u>

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Relmada Therapeutics, Inc.
Consolidated Statements of Operations
(Unaudited)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2018	2017	2018	2017
Operating expenses:				
Research and development	\$ 1,257,418	\$ 150,720	\$ 2,678,900	\$ 316,470
General and administrative	2,221,566	1,305,865	3,211,314	2,120,971
Total Operating Expenses	3,478,984	1,456,585	5,890,214	2,437,441
Loss from Operations	(3,478,984)	(1,456,585)	(5,890,214)	(2,437,441)
Other income (expenses):				
Change in fair value of derivative liabilities	263,907	341,106	(54,634)	335,404
Loss on extinguishment of debt	(3,774,468)	-	(3,774,468)	-
Interest expense, net	(139,765)	(311,871)	(790,087)	(309,349)
Other income	-	-	-	2,350
Total other income (expenses)	(3,650,326)	29,235	(4,619,189)	28,405
Net loss	\$ (7,129,310)	\$ (1,427,350)	(10,509,403)	(2,409,036)
Loss per common share – basic	\$ (0.28)	\$ (0.11)	(0.55)	(0.19)
Loss per common share – diluted	\$ (0.28)	\$ (0.11)	(0.55)	(0.19)
Weighted average number of common shares outstanding – basic and diluted	25,583,922	12,547,176	19,066,896	12,540,208

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Relmada Therapeutics, Inc.
Consolidated Statements of Cash Flows
(Unaudited)

	Six Months Ended	
	December 31,	
	<u>2018</u>	<u>2017</u>
Cash flows from operating activities		
Net loss	\$ (10,509,403)	\$ (2,409,036)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	2,707	1,130
Stock-based compensation	415,844	202,908
Amortization of deferred financing costs	661,167	207,781
Change in fair value of derivative liabilities	54,636	(335,404)
Fair value of shares relinquished in litigation	(394,410)	-
Loss on promissory note extinguishment	3,774,468	-
Changes in operating assets and liabilities:		
Other receivable	7,617	232,597
Other assets	5,880	-
Lease payment receivable	31,570	29,040
Prepaid expenses	(110,744)	232,043
Accounts payable	(406,549)	(321,995)
Accrued expenses	1,648,372	50,274
Net cash used in operating activities	<u>\$ (4,818,845)</u>	<u>(2,110,662)</u>
Cash flows from investing activities		
Purchase of fixed assets	-	(2,591)
Net cash used in investing activities	<u>-</u>	<u>(2,591)</u>
Cash flows from financing activities		
Proceeds from promissory notes and warrants, net of fees	-	6,507,700
Principal payments of notes payable	(170,432)	(165,435)
Net proceeds from sale of units	5,177,085	-
Net cash provided by financing activities	<u>\$ 5,006,653</u>	<u>6,342,265</u>
Net (decrease) increase in cash and cash equivalents	187,808	4,229,012
Cash and cash equivalents at beginning of the period	<u>2,238,943</u>	<u>1,710,512</u>
Cash and cash equivalents at end of the period	<u>\$ 2,426,751</u>	<u>\$ 5,939,524</u>

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Relmada Therapeutics, Inc.
Consolidated Statements of Cash Flows (Continued)
(Unaudited)

Six Months Ended December 31,	
2018	2017

Supplemental disclosure of cash flow information:

Cash paid during the period for:

Income taxes	\$	-	\$	-
Interest	\$	1,509	\$	2,131

Non-cash investing and financing transactions:

Issuances of common stock resulting from cashless exercise of warrants	\$	-	\$	17
Warrants issued to placement agent	\$	-	\$	200,658
Warrants issued to promissory note holders	\$	-	\$	1,266,344
Derivative associated with issuance of promissory notes	\$	-	\$	3,843,019
Debt issuance cost from accrued financing fees	\$	-	\$	127,757
Write-off of derivative liability due to adoption of ASU 2017-11	\$	59,397		
Conversion of promissory notes and accrued interest to common stock	\$	8,030,365		

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Relmada Therapeutics, Inc.
Statements of Stockholders' Equity
(Unaudited)

	Common Stock		Additional	Accumulated	Total
	Shares	Amount	Paid-in Capital	Deficit	Stockholders' Deficit
Balances at June 30, 2018	12,549,870	\$ 12,550	\$ 88,818,681	\$ (94,344,307)	\$ (5,513,076)
Cumulative effect of write-off of derivative liability for adoption of ASU 2017-11	-	-	59,397	-	59,397
Adjusted Balances as at June 30, 2018	12,549,870	\$ 12,550	\$ 88,878,078	\$ (94,344,307)	\$ (5,453,679)
Stock based compensation	-	-	152,801	-	152,801
Net loss	-	-	-	(3,380,093)	(3,380,093)
Balances at September 30, 2018	12,549,870	12,550	89,030,879	(97,724,400)	(8,680,971)
Stock based compensation	-	-	263,044	-	263,044
Conversion of Notes and accrued interest	10,731,669	10,731	11,794,102	-	11,804,833
Equity units issued for cash	6,482,671	6,483	5,170,602	-	5,177,085
Net loss	-	-	-	(7,129,310)	(7,129,310)
Balances at December 31, 2018	29,764,210	\$ 29,764	\$106,258,627	\$(104,853,710)	\$ 1,434,681

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Relmada Therapeutics, Inc.
Notes to Unaudited Consolidated Financial Statements

NOTE 1 – BUSINESS

Relmada Therapeutics, Inc. (“Relmada” or the “Company”) (a Nevada corporation), is a clinical-stage, publicly traded biotechnology company focused on the development of d-methadone (dextromethadone, REL-1017), an N-methyl-D-aspartate (NMDA) receptor antagonist. d-Methadone is a new chemical entity that potentially addresses areas of high unmet medical need in the treatment of central nervous system (CNS) diseases and other disorders. REL-1017 is in Phase 2 for the treatment of major depressive disorder.

The Company has a portfolio of three 505b2 product candidates at various stages of development. These products are: LevoCap ER (REL-1015), an abuse resistant, sustained release dosage form of the opioid analgesic levorphanol; BuTab (oral buprenorphine, REL-1028), an oral dosage form of the opioid analgesic buprenorphine; and MepiGel (topical mepivacaine, REL-1021), an orphan drug designated topical formulation of the local anesthetic mepivacaine. These products are not currently in active development.

In addition to the normal risks associated with a new business venture, there can be no assurance that the Company’s research and development will be successfully completed or that any product will be approved or commercially viable. The Company is subject to risks common to companies in the biotechnology industry including, but not limited to, dependence on collaborative arrangements, development by the Company or its competitors of new technological innovations, dependence on key personnel, protection of proprietary technology, and compliance with the FDA and other governmental regulations and approval requirements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited consolidated financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) for interim unaudited consolidated financial information. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete consolidated financial statements. The unaudited consolidated financial statements reflect all adjustments (consisting of normal recurring adjustments) which are, in the opinion of management, necessary for a fair statement of the results for the interim periods presented. Interim results are not necessarily indicative of the results for the full year. These unaudited consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Company for the year ended June 30, 2018 and notes thereto contained in the Company’s Annual Report on Form 10-K.

Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business for the twelve month period following the issuance of these consolidated financial statements. As shown in the accompanying financial statements, the Company incurred negative operating cash flows of \$4,818,845 for the six months ended December 31, 2018 and accumulated deficit of \$104,853,710 from inception through December 31, 2018. These conditions raise doubt as to the Company’s ability to continue as a going concern within one year after the date the financial statements are issued. These financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. The Company will need to raise additional funds in order to continue our clinical trials. Insufficient funds may cause us to delay, reduce the scope of or eliminate one or more of our development programs. Our future capital needs and the adequacy of our available funds will depend on many factors, including the cost of clinical studies and other actions needed to obtain regulatory approval of our products in development. Management plans to raise additional funds through public or private sales of equity or debt securities or from bank or other loans or through strategic collaboration and/or licensing agreements, to fund operations until the Company is able to generate enough revenues to cover operating costs. Financing may not be available on acceptable terms, or at all, and our failure to raise capital when needed could materially adversely impact our growth plans and our financial condition or results of operations. Additional equity financing, if available, may be dilutive to our shareholders. In addition, the Company may never be able to generate sufficient revenue if any from its potential products.

Principles of Consolidation

The unaudited consolidated financial statements include the Company’s accounts and those of the Company’s wholly-owned subsidiary. All significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from those estimates. The significant estimates are the valuation of derivative liabilities, stock-based compensation expenses and recorded amounts related to income taxes.

Relmada Therapeutics, Inc.
Notes to Unaudited Consolidated Financial Statements

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

The Company considers cash deposits and all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The Company's cash deposits are held at two high-credit-quality financial institutions. The Company's cash deposits at these institutions exceed federally insured limits.

Patents

Costs related to filing and pursuing patent applications are recorded as general and administrative expense and expensed as incurred since recoverability of such expenditures is uncertain.

Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Fixed assets are comprised of computers and software, leasehold improvements, and furniture and fixtures. Depreciation is calculated using the straight-line method over the estimated useful life of the assets. Computers and software have an estimated useful life of three years. Furniture and fixtures have an estimated useful life of approximately seven years.

Fair Value of Financial Instruments

The Company's financial instruments primarily include cash, accounts payable and notes payable. Due to the short-term nature of cash, accounts payable and notes payable the carrying amounts of these assets and liabilities approximate their fair value.

Fair value is defined as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants. A fair value hierarchy has been established for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The fair value hierarchy is as follows:

Level 1 Inputs - Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 Inputs - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These might include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (such as interest rates, volatilities, prepayment speeds, credit risks, etc.) or inputs that are derived principally from or corroborated by market data by correlation or other means.

Level 3 Inputs - Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

Fair Value on a Recurring Basis

As required by Accounting Standard Codification ("ASC") Topic No. 820 - 10 *Fair Value Measurement*, financial assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of the fair value of assets and liabilities and their placement within the fair value hierarchy levels. The estimated fair value of the derivative instruments resulting from equity offerings in May 2014 and June 2014 have a down-round protection provision that, prior to the adoption of ASU 2017-11, was calculated with the Black Scholes option pricing model. Sensitivity analysis for the Black-Scholes has many inputs and is subject to judgement which includes volatility. Volatility is based upon the Company's historical volatility and the expected term is based upon the expiration date of the warrants. The estimated fair value of the derivative instruments from the convertible promissory notes issued during the year ended June 30, 2018, which have a redemption feature was estimated using the Monte Carlo pricing model, prior to the debt conversion. On the date of debt conversion, when the conversion price of the notes was established and there was no uncertainty as to the conversion of the debt, the estimated fair value of the derivative instrument from the convertible promissory notes was valued using the Black-Scholes model which closely approximates the value under the Monte Carlo pricing model.

Relmada Therapeutics, Inc.
Notes to Unaudited Consolidated Financial Statements

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

The Company accounts for income taxes using the asset and liability method. Accordingly, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in the tax rate is recognized in income or expense in the period that the change is effective. Tax benefits are recognized when it is probable that the deduction will be sustained. A valuation allowance is established when it is more likely than not that all or a portion of a deferred tax asset will either expire before the Company is able to realize the benefit, or that future deductibility is uncertain. As of December 31, 2018 and June 30, 2018, the Company had recognized a valuation allowance to the full extent of the Company's net deferred tax assets since the likelihood of realization of the benefit does not meet the more likely than not threshold.

The Company files a U.S. Federal income tax return and, various state returns. Uncertain tax positions taken on the Company's tax returns will be accounted for as liabilities for unrecognized tax benefits. The Company will recognize interest and penalties, if any, related to unrecognized tax benefits in general and administrative expenses in the statements of operations. There were no liabilities recorded for uncertain tax positions at December 31, 2018 and June 30, 2018. The open tax years, subject to potential examination by the applicable taxing authority, for the Company are from June 30, 2015 through June 30, 2018.

Research and Development

Research and development costs primarily consist of research contracts for the advancement of product development, salaries and benefits, stock-based compensation, and consultants. The Company expenses all research and development costs in the period incurred. The Company makes an estimate of costs in relation to clinical study contracts. The Company analyzes the progress of studies, including the progress of clinical studies and phases, invoices received and contracted costs when evaluating the adequacy of the amount expensed and the related prepaid asset and accrued liability.

Stock-Based Compensation

The Company measures the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award. That cost is recognized over the period during which an employee is required to provide service in exchange for the award - the requisite service period. The grant-date fair value of employee share options is estimated using the Black-Scholes option pricing model adjusted for the unique characteristics of those instruments. Compensation expense for warrants granted to non-employees is determined by the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measured, and is recognized over the service period. The Company reviews its agreements and the future performance obligation with respect to the unvested warrants for its vendors or consultants. When appropriate, the Company will expense the unvested warrants at the time when management deems the service obligation for future services has ceased.

Loss per Common Share

Basic loss per common share attributable to common stockholders is calculated by dividing the loss attributable to common stockholders by the weighted-average number of common shares outstanding for the period, without consideration for common stock equivalents. Diluted loss per common share attributable to common stockholders is computed by dividing the net loss attributable to common stockholders by the weighted-average number of common share equivalents outstanding for the period determined using the treasury-stock method. Dilutive common stock equivalents are comprised of restricted stock awards, options and warrants to purchase common stock. For all periods presented, there is no difference in the number of shares used to calculate basic and diluted shares outstanding due to the Company's net loss position.

For the six months ended December 31, 2018 and 2017, the following potentially dilutive securities were excluded from the computation of diluted net loss per share, as the inclusion of such shares would be anti-dilutive:

	Six months ended	
	December 31, 2018	December 31, 2017
Stock options	5,743,240	2,619,240
Restricted common stock	-	37,625
Common stock warrants	14,975,591	9,627,426
Total	<u>20,718,831</u>	<u>12,284,291</u>

Relmada Therapeutics, Inc.
Notes to Unaudited Consolidated Financial Statements

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, “Leases” (Topic 842), whereby lessees will be required to recognize for all leases at the commencement date a lease liability, which is a lessee’s obligation to make lease payments arising from a lease, measured on a discounted basis; and a right-of-use asset, which is an asset that represents the lessee’s right to use, or control the use of, a specified asset for the lease term. The new standard is effective for us on July 1, 2019, with early adoption permitted. We expect to adopt the new standard on its effective date. A modified retrospective transition approach is required, applying the new standard to all leases existing at the date of initial application. An entity may choose to use either (1) its effective date or (2) the beginning of the earliest comparative period presented in the financial statements as its date of initial application. If an entity chooses the second option, the transition requirements for existing leases also apply to leases entered into between the date of initial application and the effective date. The entity must also recast its comparative period financial statements and provide the disclosures required by the new standard for the comparative periods. We expect to adopt the new standard on July 1, 2019 and use the effective date as our date of initial application. Consequently, financial information will not be updated and the disclosures required under the new standard will not be provided for dates and periods before July 1, 2019.

In July 2017, the FASB issued ASU No. 2017-11, *Earnings Per Share* (Topic 260); *Distinguishing Liabilities from Equity* (Topic 480); *Derivatives and Hedging* (Topic 815); (Part I) *Accounting for Certain Financial Instruments with Down Round Features*. These amendments simplify the accounting for certain financial instruments with down round features. The amendments require companies to disregard the down round feature when assessing whether the instrument is indexed to its own stock, for purposes of determining liability or equity classification. This ASU is effective for the Company beginning July 1, 2019 and early adoption is permitted. The Company elected to early adopt ASU 2017-11 effective October 1, 2018.

In June 2018, the FASB issued ASU 2018-07, *Compensation-Stock Compensation (Topic 718): Improvements to Non-employee Share-Based Payment Accounting*, which simplifies the accounting for share-based payments made to non-employees so the accounting for such payments is substantially the same as those made to employees. Under this ASU, share based awards to non-employees will be measured at fair value on the grant date of the awards, entities will need to assess the probability of satisfying performance conditions if any are present, and awards will continue to be classified according to ASC 718 upon vesting which eliminates the need to reassess classification upon vesting, consistent with awards granted to employees. This ASU is effective for the Company beginning July 1, 2019 and early adoption is permitted. The Company elected to early adopt ASU 2018-07 effective October 1, 2018 and will apply the guidance to any future equity-classified share based awards to nonemployees.

NOTE 3 – PREPAID EXPENSES

Prepaid expenses consisted of the following (rounded to nearest \$00):

	December 31, 2018	June 30, 2018
Rent	\$ -	\$ 9,200
Research and development	230,700	20,800
Insurance	216,000	345,700
Taxes	6,000	-
Legal	18,300	10,000
Other	66,700	41,200
Total	\$ 537,700	\$ 426,900

NOTE 4 – FIXED ASSETS

Fixed assets, net of accumulated depreciation, consisted of the following (rounded to nearest \$00):

	Useful lives	December 31, 2018	June 30, 2018
Computer and software	3 years	\$ 16,700	\$ 16,700
Less: accumulated depreciation		(7,300)	(4,600)
Fixed assets		\$ 9,400	\$ 12,100

Relmada Therapeutics, Inc.
Notes to Unaudited Consolidated Financial Statements

NOTE 5 – ACCRUED EXPENSES

Accrued expenses consisted of the following (rounded to nearest \$00):

	December 31, 2018	June 30, 2018
Research and development	\$ 25,400	\$ 10,400
Professional fees	122,800	173,600
Interest on promissory notes	-	371,600
Accrued vacation	68,300	48,000
Litigation settlement, net	1,105,700	-
Other	68,300	55,900
Total	\$ 1,390,500	\$ 659,500

NOTE 6 – NOTES PAYABLE

In June 2018, the Company entered into a note for approximately \$285,200 in conjunction with a renewal of its director and officer insurance policy. The interest rate was 2.35% per annum. The note matures on April 9, 2019.

At December 31, 2018 and June 30, 2018, the note payable outstanding balances were approximately \$114,700 and \$285,200, respectively.

NOTE 7 – DERIVATIVE LIABILITIES

ASC Topic No. 815 – *Derivatives and Hedging* provides guidance on determining what types of instruments or embedded features in an instrument issued by a reporting entity can be considered indexed to its own stock for the purpose of evaluating the first criteria of the scope exception in the pronouncement on accounting for derivatives. These requirements can affect the accounting for warrants and convertible preferred instruments issued by the Company.

At December 31, 2018 and June 30, 2018, the Company had warrants resulting from equity offerings in May 2014 and June 2014 that do not have fixed settlement provisions because their exercise prices may be lowered if the Company issues securities at lower prices in the future, the Company concluded that the instruments are not indexed to the Company's stock.

Until September 30, 2018, the Company followed ASC Topic No 815 and treated the warrants as derivative liabilities. In determining the fair value of the derivative liabilities, the Company used the Black-Scholes option pricing model at September 30 and June 30, 2018.

As noted in Note 2, the Company elected to early adopt ASU 2017-11 and reversed the derivative liability into equity effective July 1, 2018. The warrants balance of \$59,397 was reversed to equity effective July 1, 2018.

The following is a summary of the assumptions used in the valuation model at June 30, 2018:

	June 30, 2018
Common stock issuable upon exercise of warrants	2,574,570
Market value of common stock on measurement date	\$ 1.01
Exercise price	\$7.50 and \$11.25
Risk free interest rate (1)	2.33%
Expected life in years	\$ 0.95
Expected volatility (2)	102%
Expected dividend yields (3)	None

- (1) The risk-free interest rate was determined by management using the applicable Treasury Bill as of the measurement date.
- (2) The historical trading volatility was determined by calculating the volatility of the Company's stock.
- (3) The Company does not expect to pay a dividend in the foreseeable future.

Relmada Therapeutics, Inc.
Notes to Unaudited Consolidated Financial Statements

NOTE 7 – DERIVATIVE LIABILITIES (continued)

Until October 18, 2018, the Company had promissory notes with a redemption feature that was not clearly and closely related to the host instrument and therefore is considered an embedded derivative which was bifurcated and recorded as a derivative liability. In determining the fair value of the derivative liabilities, the Company used the Monte-Carlo pricing model. The assumptions used in the valuation model considers the probability of redemption, the length of time to maturity and value of the redemption feature.

On October 12 and 18, 2018, the Company conducted closings on its private placement of securities. As a result of these closings, the outstanding promissory notes converted into common stock. The redemption feature associated with the promissory notes was valued on October 18, 2018 using the Black Scholes model. The change in value of the derivative between October 1, 2018 and the October 18, 2018 was recorded as income. The notes were converted to common stock on October 18, 2018.

The Company had no financial liabilities accounted for at fair value on a recurring basis as of December 31, 2018.

The following table sets forth, by level within the fair value hierarchy, the Company's financial liabilities that were accounted for at fair value on a recurring basis as of June 30, 2018:

Description	Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Carrying Value as of June 30, 2018
Derivative liability – warrant instruments	\$ -	\$ -	\$ 30,526	\$ 30,526
Derivative liabilities – embedded redemption feature of promissory notes	-	-	4,164,108	4,164,108
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,194,634</u>	<u>\$ 4,194,634</u>

The following table sets forth a reconciliation of changes in the fair value of financial liabilities classified as level 3 in the fair value hierarchy for the six months ended December 31, 2018 and 2017:

	Six Months Ended	
	December 31, 2018	December 31, 2017
Beginning balance	\$ 4,194,634	\$ 175,853
Adoption of ASU 2017-11 – warrants	(59,397)	-
Fair value of derivative liabilities for redemption feature of promissory notes payable	-	3,843,019
Change in fair value of derivative liabilities	54,634	(335,404)
Extinguishment of derivative liabilities on conversion of promissory notes.	(4,189,871)	-
Ending balance	<u>\$ -</u>	<u>\$ 3,683,468</u>

Relmada Therapeutics, Inc.
Notes to Unaudited Consolidated Financial Statements

NOTE 8 – PROMISSORY NOTES PAYABLE

Between September 2017 and January 2018, the Company issued two-year Convertible Promissory Notes (the “Notes”) and warrants, for aggregate gross proceeds of \$7,205,000, \$6,534,400 net of direct debt issuance costs. The notes had an interest rate of 7% per annum.

As a result of financings in October 2018, the principal and accumulated interest on the Convertible Promissory Notes was automatically converted into 10,731,669 shares of its common stock in accordance with the terms of the Notes. “This resulted in a loss on extinguishment of debt, a non cash item, of approximately \$3,774,500 in the quarter ended December 31, 2018.”

NOTE 9 – STOCKHOLDERS’ EQUITY

Common Stock

During the six months ended December 31, 2018, the Company closed on its private placements of securities on October 12, 2018, October 18, 2018, November 2, 2018 and December 5, 2018 pursuant to Unit Purchase Agreements dated as of October 12, 2018, October 18, 2018, November 2, 2018 and December 5, 2018, and Subscription Agreements, dated as of October 12, 2018, October 18, 2018, November 2, 2018 and December 5, 2018. The Company issued an aggregate of 6,482,671 shares of common stock to investors in these closings, for net proceeds of \$5,177,085.

The October 12, 2018 and October 18, 2018 financings represented an Equity Financing as defined in the Convertible Promissory Note agreement. As a result of the October 12, 2018 and October 18, 2018 financings, the Company’s outstanding 7% Convertible Promissory Notes and accumulated interest converted into 10,731,669 shares of common stock.

Options

In December 2014, the Board of Directors adopted and the shareholders approved Relmada’s 2014 Stock Option and Equity Incentive Plan, as amended (the “Plan”), which allows for the granting of common stock awards, stock appreciation rights, and incentive and nonqualified stock options to purchase shares of the Company’s common stock to designated employees, non-employee directors, and consultants and advisors. The Plan allowed for the granting of 1,611,769 options or stock awards. In August 2015, the board approved an amendment to the Plan. Among other things, the Plan Amendment updates the definition of “change of control” and provides for accelerated vesting of all awards granted under the plan in the event of a change of control of the Company. In January 2017, the stockholders approved an increase of 2,500,000 shares authorized to be issued under the Plan, raising the total shares allowed under the Plan to 4,111,768. In December 2017 the board approved, and in February 2018 the shareholders approved, an amendment to the Plan that increased the number of shares of common stock authorized for issuance under the Plan by an additional 2,500,000 shares from 4,111,768 to 6,611,768.

Stock options are exercisable generally for a period of 10 years from the date of grant and generally vest over four years. As of December 31, 2018, 868,528 shares were available for future grants under the Plan.

In December 2018 the board of directors approved an amendment to the Plan to increase the number of shares of common stock authorized for issuance under the Plan by an additional 4,000,000 shares from 6,611,768 to 10,611,768.

As of December 31, 2018, no stock appreciation rights have been issued.

The Company utilizes the Black-Scholes option pricing model to estimate the fair value of stock options and warrants. The price of common stock prior to the Company being public was determined from a third party valuation. The risk-free interest rate assumptions were based upon the observed interest rates appropriate for the expected term of the equity instruments. The expected dividend yield was assumed to be zero as the Company has not paid any dividends since its inception and does not anticipate paying dividends in the foreseeable future. The expected volatility was based on historical volatility. The Company routinely reviews its calculation of volatility changes in future volatility, the Company’s life cycle, its peer group, and other factors.

The Company uses the simplified method for share-based compensation to estimate the expected term for employee option awards for share-based compensation in its option-pricing model. Prior to the adoption of ASU 2018-07 on October 1, 2018, the Company used the contractual term for non-employee options to estimate the expected term, for share-based compensation in its option-pricing model.

Relmada Therapeutics, Inc.
Notes to Unaudited Consolidated Financial Statements

NOTE 9 – STOCKHOLDERS’ EQUITY (continued)

On February 13, 2017, Mr. Michael Becker, the Company’s Chief Financial Officer, resigned and entered into a consulting agreement with the Company to provide financial, investor, digital media, and public relations services for the Company. As a result of Mr. Becker’s change from an employee to a consultant, his options and shares of restricted stock outstanding on such date continued to vest pursuant to the awards’ original terms and were reclassified as non-employee awards. On December 15, 2017 Mr. Becker’s consulting agreement expired and all unvested options were cancelled.

On December 20, 2018, the Company awarded a total of 2,700,000 options to its chief executive officer, chief medical officer and board members with exercise price of \$1.15 and a 10-year term vesting over 4-year period. The options have an aggregate fair value of \$2.5 million calculated using the Black-Scholes option-pricing model. Variables used in the Black-Scholes option-pricing model include: (1) discount rate of 2.69% (2) expected life of 6.25 years, (3) expected volatility of 102.3%, and (4) zero expected dividends.

At December 31, 2018, the Company has unrecognized stock-based compensation expense of approximately \$3,754,000 related to unvested stock options over the weighted average remaining service period of 3.56 years.

Options

A summary of the changes in options during the six months ended December 31, 2018 is as follows:

	Number of Options	Weighted Average Exercise Price For Share	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding and expected to vest at June 30, 2018	3,068,865	\$ 1.45	8.8	\$ 511,000
Forfeited	(25,625)	\$ 7.59	-	\$ -
Issued	2,700,000	1.15	10.0	-
Outstanding and expected to vest at December 31, 2018	<u>5,743,240</u>	<u>\$ 1.28</u>	<u>9.1</u>	<u>\$ 882,000</u>
Options exercisable at December 31, 2018	<u>949,118</u>	<u>\$ 2.58</u>	<u>7.25</u>	<u>\$ 192,900</u>

Warrants

A summary of the changes in outstanding warrants during the six months ended December 31, 2018 is as follows:

	Number of Shares	Weighted Average Exercise Price Per Share
Outstanding and vested at June 30, 2018	9,815,025	\$ 3.96
Forfeited	(7,500)	-
Issued	5,168,066	1.00
Outstanding and vested at December 31, 2018	<u>14,975,591</u>	<u>\$ 2.22</u>

During the six months ended December 31, 2018, in connection with the closings on October 12, 2018, October 18, 2018, November 2, 2018 and December 5, 2018, the Company issued an aggregate of 4,213,732 warrants to the investors. The investor warrants have an exercise price of \$1.50, are non-cancellable, vest upon issuance and expire on the fifth anniversary of the warrant date of issuance. The Company additionally issued an aggregate of 854,334 warrants to the placement agent in connection with the closings. The agent warrants have an exercise price of \$0.99, are non-cancellable, vest upon issuance and expire on the fifth anniversary of the warrant date of issuance.

Relmada Therapeutics, Inc.
Notes to Unaudited Consolidated Financial Statements

NOTE 9 – STOCKHOLDERS’ EQUITY (continued)

On December 20, 2018, the Company granted 100,000 warrants to a contractor with exercise price of \$1.15, a 10-year term and immediate vesting. The warrants have an aggregated fair value of \$93,762 that was calculated using the Black-Scholes option-pricing model. Variables used in the Black-Scholes option-pricing model include: (1) discount rate of 2.69% (2) expected life of 6.25 years, (3) expected volatility of 102.3%, and (4) zero expected dividends.

At December 31, 2018 and June 30, 2018, the aggregate intrinsic value of warrants vested and outstanding was approximately \$415,000 and \$215,000, respectively.

The following summarizes the components of stock-based compensation expense which includes stock options in the consolidated statements of operations for the six months ended December 31, 2018 and 2017 (rounded to nearest \$00):

	Six Months Ended December 31, 2018	Six Months Ended December 31, 2017
Research and development	\$ 29,500	\$ 14,100
General and administrative	386,300	188,800
Total	\$ 415,800	\$ 202,900

NOTE 10 – RELATED PARTY TRANSACTIONS

Consulting Agreements

On August 4, 2015, the Company entered into an Advisory and Consulting Agreement with Sandesh Seth, the Company’s Chairman of the Board. The effective date of the consulting agreement is June 30, 2015. Mr. Seth has substantial experience in, among other matters, business development, corporate planning, corporate finance, strategic planning, investor relations and public relations, and an expansive network of connections spanning the biopharmaceutical industry, accounting, legal and corporate communications professions. Mr. Seth will provide advisory and consulting services to assist the Company with strategic advisory services, assist in prioritizing product development programs per strategic objectives, assist in recruiting of key personnel and directors, corporate planning, business development activities, corporate finance advice, and assist in investor and public relations services. In consideration for the services to be provided, the Company agreed to pay Mr. Seth \$12,500 per month on an ongoing basis. On June 6, 2017, Mr. Seth resigned from the Company to focus his attention on matters external to Relmada. The Company agreed to continue its advisory and consulting arrangement with Mr. Seth until December 31, 2017.

On June 12, 2017, the Company and Maged Shenouda, a director of the Company, entered into a Consulting Agreement. Pursuant to the terms of the agreement, Mr. Shenouda will assist the Company with matters that may be requested by the Company. Mr. Shenouda will be paid a consulting fee of \$10,000 per month. The term of the agreement is for one year. On November 13, 2017, Mr. Shenouda and the Company agreed to terminate the Consulting Agreement effective December 31, 2017.

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Legal

From time to time, the Company may become involved in lawsuits and other legal proceedings that arise in the course of business. Litigation is subject to inherent uncertainties, and it is not possible to predict the outcome of litigation with total confidence. Except as disclosed below, the Company is currently not aware of any legal proceedings or potential claims against it whose outcome would be likely, individually or in the aggregate, to have a material adverse effect on the Company’s business, financial condition, operating results, or cash flows.

In 2014, Relmada dismissed with prejudice its lawsuit against Najib Babul, which had sought to compel Najib Babul, Relmada’s former President, to account for questionable expenditures of Relmada funds made while Babul controlled the Company. Relmada’s decision to end its claims was informed by the fact that Babul came forward with plausible explanations for some of the expenditures, and the fact that, because Babul was a former officer and director of Relmada being sued for his conduct in office, the Company was required to advance his expenses of the litigation; hence, Relmada was paying all the lawyers and consultants on both sides of the dispute. Relmada also agreed to reinstate certain stock purchase warrants in Babul’s name, which had been cancelled during the pendency of the litigation, and offered Babul the right to exchange his shares in Relmada Therapeutics, Inc. (a Delaware corporation and subsidiary of the Company) for shares in the Company.

Najib Babul has brought a second lawsuit against Relmada. Ruling on Relmada’s Motion to Dismiss, the United States District Court for the Eastern District of Pennsylvania dismissed Babul’s claims for breach of contract and intentional infliction of emotional distress, and left intact his claims for defamation, and wrongful use of civil process. The parties settled the lawsuit on February 6, 2019 see Note 12. Subsequent Events.

Relmada Therapeutics, Inc.
Notes to Unaudited Consolidated Financial Statements

NOTE 11 – COMMITMENTS AND CONTINGENCIES (continued)

Leases and Sublease

The Company leased its corporate headquarters at 750 Third Avenue, 9th Floor, New York, New York 10017. The monthly rental fee was \$9,454 per month. The lease was terminated effective January 1, 2019. Effective January 1, 2019, the Company leased its headquarters at 880 Third Avenue, 12th floor, New York, NY 10022. The annualized monthly rent for 2019 is approximately \$7,500.

On June 8, 2017, the Company entered into an Amended and Restated License Agreement with Actinium Pharmaceuticals, Inc. (“Actinium”). Pursuant to the terms of the agreement, Actinium will continue to license the furniture, fixtures, equipment and tenant improvements located in the office (“FFE”) for a license fee of \$7,529 per month until December 8, 2022. Actinium shall have at any time during the term of this agreement the right to purchase the FFE for \$496,914, less any previously paid license fees. The license of FFE qualifies as a sales-type lease. At inception, the Company derecognized the underlying assets of \$493,452, recognized discounted lease payments receivable of \$397,049 using the discount rate of 8.38% and recognized loss on sales-type lease of fixed assets of \$96,403. As of December 31, 2018, the balance of unearned interest income was approximately \$55,232.

Contractual Obligations

The following tables sets forth our contractual obligations for the next five years and thereafter:

	Total	Less than 1 year	1 - 2 years	3 - 5 years	More than 5 years
Office lease	\$ 90,200	90,200	\$ -	\$ -	\$ -
Note payable	114,700	114,700	-	-	-
Total obligations	\$ 204,900	\$ 204,900	\$ -	\$ -	\$ -

NOTE 12 – SUBSEQUENT EVENTS

On February 6, 2019 the Company entered into a settlement agreement in which Najib Babul relinquished his 303,392 shares in Relmada, signed a consulting contract and Relmada committed to a \$500,000 initial payment and four subsequent payments of \$250,000 on March 31, 2019, June 30, 2019, September 30, 2019 and December 31, 2019. For accounting purposes no fair value was attributed to the consulting agreement. The Company recorded a liability at December 31, 2018 of \$1,105,590 representing the total cash payments of \$1,500,000 less the fair value of shares relinquished.

On February 12, 2019 the Company closed a private placement of securities to accredited investors. The Company received \$725,000 and sold an aggregate of 805,554 units representing 805,554 shares of common stock and 523,610 warrants. The price per unit was \$0.90 and the exercise price of each warrant is \$1.50 with a 5-year term.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

FORWARD-LOOKING STATEMENT NOTICE

This Quarterly Report on Form 10-Q (this "Report") contains forward looking statements that involve risks and uncertainties, principally in the sections entitled "Description of Business," "Risk Factors," and "Management's Discussion and Analysis of Financial Condition and Results of Operations." All statements other than statements of historical fact contained in this Quarterly Report, including statements regarding future events, our future financial performance, business strategy and plans and objectives of management for future operations, are forward-looking statements. We have attempted to identify forward-looking statements by terminology including "anticipates," "believes," "can," "continue," "could," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "should," or "will" or the negative of these terms or other comparable terminology. Although we do not make forward-looking statements unless we believe we have a reasonable basis for doing so, we cannot guarantee their accuracy. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks outlined under "Risk Factors" or elsewhere in this Quarterly Report, which may cause our or our industry's actual results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time and it is not possible for us to predict all risk factors, nor can we address the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause our actual results to differ materially from those contained in any forward-looking statements. All forward-looking statements included in this document are based on information available to us on the date hereof, and we assume no obligation to update any such forward-looking statements.

You should not place undue reliance on any forward-looking statement, each of which applies only as of the date of this Quarterly Report on Form-10-Q. Before you invest in our securities, you should be aware that the occurrence of the events described in the section entitled "Risk Factors" and elsewhere in this Quarterly Report could negatively affect our business, operating results, financial condition and stock price. Except as required by law, we undertake no obligation to update or revise publicly any of the forward-looking statements after the date of this Quarterly Report on Form-10-Q to conform our statements to actual results or changed expectations.

BUSINESS OVERVIEW

Relmada is a clinical-stage, publicly traded biotechnology company focused on the development of d-methadone (dextromethadone, REL-1017), an N-methyl-D-aspartate (NMDA) receptor antagonist. d-Methadone is a new chemical entity that potentially addresses areas of high unmet medical need in the treatment of central nervous system (CNS) diseases and other disorders.

Our lead product candidate, d-methadone, is a New Chemical Entity (NCE) being developed as a rapidly acting, oral agent for the treatment of depression and other potential indications. We have completed Phase 1 single and multiple ascending dose studies. A Phase 2 study in major depressive disorder is ongoing, with the first patient dosed in June 2018, and we expect to have top line results in the first half of 2019.

NMDA receptors are present in many parts of the central nervous system and play important roles in regulating neuronal activity. We believe that dextromethadone acting as a NMDA receptor antagonist can have potential applications in a number of disease indications which mitigates risk and offers significant upside.

The Company has a legacy portfolio of three 505b2 product candidates at various stages of development. These products are: LevoCap ER (REL-1015), an abuse resistant, sustained release dosage form of the opioid analgesic levorphanol; BuTab (oral buprenorphine, REL-1028), an oral dosage form of the opioid analgesic buprenorphine; and MepiGel (topical mepivacaine, REL-1021), an orphan drug designated topical formulation of the local anesthetic mepivacaine. These products are not currently in active development.

Our four development projects are briefly described below:

d-Methadone (dextromethadone, REL-1017) and Treatment-Resistant Depression (TRD)

Background

In 2014, the National Institute of Mental Health (NIMH) estimated that 15.7 million adults aged 18 or older in the United States had at least one major depressive episode in the past year. According to data from nationally representative surveys supported by NIMH, only about half of Americans diagnosed with major depression in a given year receive treatment. Of those receiving treatment with as many as four different standard antidepressants, 33% of drug-treated depression patients do not achieve adequate therapeutic benefits according to the Sequenced Treatment Alternatives to Relieve Depression (STAR*D) trial published in the American Journal of Psychiatry. Accordingly, we believe that approximately 3 million patients with such treatment-resistant depression are in need of new treatment options.

In addition to the high failure rate, none of the marketed products for depression can demonstrate rapid antidepressant effects and most of the products take up to a month to show effectiveness. The urgent need for improved, faster acting antidepressant treatments is underscored by the fact that severe depression can be life-threatening, due to heightened risk of suicide.

Recent studies have shown that ketamine, a drug known previously as an anesthetic, can lift depression in many patients within hours. However, it is unlikely that ketamine itself will become a practical treatment for most cases of depression. It must be administered through intravenous infusion, requiring a hospital setting, and more importantly can potentially trigger adverse side effects including psychedelic symptoms (hallucinations, memory defects, panic attacks), nausea/vomiting, somnolence, cardiovascular stimulation and, in a minority of patients, hepatotoxicity. Ketamine also hasn't been thoroughly studied for long-term safety and effectiveness, and the FDA hasn't approved it to treat depression.

d-Methadone Overview and Mechanism of Action

d-Methadone's mechanism of action, as a non-competitive NMDA channel blocker or antagonist, is fundamentally differentiated from all currently FDA-approved antidepressants, as well as all atypical antipsychotics used adjunctively with standard, FDA-approved antidepressants. Working through the same brain mechanisms as ketamine but potentially lacking its adverse side effects, Relmada's d-Methadone is being developed as a rapidly acting, oral agent for the treatment of depression, neuropathic pain, and/or other potential CNS pathological conditions.

In chemistry an enantiomer, also known as an optical isomer, is one of two stereoisomers that are mirror images of each other that are non-superposable (not identical), much as one's left and right hands are the same except for being reversed along one axis. A racemic compound, or racemate, is one that has equal amounts of left- and right-handed enantiomers of a chiral molecule. For racemic drugs, often only one of a drug's enantiomers is responsible for the desired physiologic effects, while the other enantiomer is less active or inactive.

Racemic methadone has been used since the 1950s as a treatment for opioid addiction and has remained the primary therapy for this condition for more than 40 years. Methadone is a highly lipophilic molecule that is suitable for a variety of administration routes, with oral bioavailability close to 80%.

As a single isomer of racemic methadone, d-Methadone has been shown to possess NMDA antagonist properties with virtually no traditional opioid or ketamine-like adverse events at the expected therapeutic doses. In contrast, racemic methadone is associated with common opioid side effects that include anxiety, nervousness, restlessness, sleep problems (insomnia), nausea, vomiting, constipation, diarrhea, drowsiness, and others. It has been shown that the left (levo) isomer, l-Methadone, is largely responsible for methadone's opioid activity, while the right (dextro) isomer, d-Methadone, is much less active as an opioid while maintaining affinity for the NMDA receptor.

NMDA receptors are present in many parts of the central nervous system and play important roles in regulating neuronal activity and promoting synaptic plasticity in brain areas important for cognitive functions such as executive function, learning and memory. Based on these premises, d-methadone could show benefits in several different CNS indications.

d-Methadone Phase 1 Clinical Safety Studies

The safety data from two Company-funded d-Methadone Phase 1 clinical safety studies and a third study conducted by researchers at Memorial Sloan-Kettering Cancer Center indicate that d-Methadone was safe and well tolerated in both healthy subjects and cancer patients at all projected therapeutic doses tested.

In November 2014, Health Canada approved a Clinical Trial Application (“CTA”) to conduct the first Phase 1 study with d-methadone. This was a Single Ascending Dose (“SAD”) study and was followed by a Multiple Ascending Dose (“MAD”) study, both in healthy volunteers. The two studies were designed to assess the safety, tolerability and pharmacokinetics of d-methadone in healthy, opioid-naïve subjects. The SAD study included single escalating oral doses of d-methadone to determine the maximum tolerated dose, defined as the highest dose devoid of unacceptable adverse events. In the MAD study, healthy subjects received daily oral doses of d-methadone for several days to assess its safety, pharmacokinetics and tolerability. In March 2015, we reported that d-methadone demonstrated an acceptable safety profile with no dose limiting side effects after four cohorts were exposed to increasing higher doses. In April 2015, the Company received clearance from Health Canada to continue with dose escalation and explore even higher single doses of d-methadone. In June 2015, the Company successfully completed the SAD study identifying the maximum tolerated dose and subsequently received a No Objection Letter (NOL) from Health Canada to conduct the MAD clinical study in August 2015. The MAD study was completed in January 2016 and the results successfully demonstrated a potential therapeutic dosing regimen for d-methadone with a favorable side effect and tolerability profile. The data from these studies was used to design a Phase 2a study in patients with depression.

d-Methadone In Vivo Study for Depression

In May 2016, we announced the results of an in vivo study showing that administration of d-methadone results in antidepressant-like effects in a well-validated animal model of depression, known as the forced swim test (FST), providing preclinical support for its potential as a novel treatment of depression.

According to the Journal of Visualized Experiments, the FST is based on the assumption that when placing an animal in a container filled with water, it will first make efforts to escape by swimming or climbing, but eventually will exhibit “immobility” that may be considered to reflect a measure of behavioral despair. This test has been extensively used because it involves the exposure of the animals to stress, which was shown to have a role in the tendency for major depression. Additionally, the FST has been shown to be influenced by some of the factors that are altered by or worsen depression in humans, including changes in food consumption and sleep abnormalities. The main advantages of this procedure are that it is relatively easy to perform and that its results are easily and quickly analyzed. Importantly, the FST’s sensitivity to a broad range of antidepressant drugs makes it a suitable screening test and is one of the most important features leading to its high predictive validity.

In the Company’s FST study, male Sprague Dawley rats were administered single doses of placebo, ketamine, or d-methadone on day one (after habituation; 24 hours prior to forced swim testing). At all doses tested, d-methadone significantly decreased immobility of the rats compared to the placebo, suggesting antidepressant-like activity. In addition, the effect of d-methadone on immobility at the two highest doses tested was larger than the effect seen with ketamine. Moreover, the effects of d-methadone in the forced swim test were not caused by a stimulant effect on spontaneous locomotor activity of the rats. Locomotor activity of lab animals is often monitored to assess the behavioral effects of drugs.

In September 2017 we completed two additional in vivo studies to confirm and support the antidepressant-like effect of dextromethadone in validated animal models, the Novelty Suppressed Feeding Test (NSFT) and the Female Urine-Sniffing test (FUST) test. The studies were performed by Professor Ronald S. Duman, Ph.D. at Yale University School of Medicine.

For FUST, rats are first exposed to a cotton tip dipped in tap water and later exposed to another cotton tip infused with fresh female urine. Male behavior was video recorded and total time spent sniffing the cotton-tipped applicator is determined. For NSFT, rats were food deprived for 24 hr and then placed in an open field with food pellets in the center; latency to eat is recorded in seconds. As a control, food consumption in the home cage is quantified. Rats were administered vehicle, ketamine or d-methadone.

The results of the FUST demonstrate that administration of ketamine significantly increases the time male rats spent engaged in sniffing female urine compared to vehicle group. Similarly, a single dose of d-methadone significantly increased the time spent sniffing female urine compared to vehicle. In contrast, ketamine or d-methadone had no effect on time sniffing water, demonstrating that the effect of drug treatment was specific to the rewarding effects of female urine. The results of the NSFT demonstrate that a single dose of ketamine significantly decreases the latency to eat in a novel open field. Similarly, a single dose of d-methadone also significantly decreased the latency to enter and eat in the novel feed. In contrast, neither ketamine nor methadone influenced latency to feed in the home cage.

These findings demonstrate that ketamine and d-methadone produce rapid antidepressant actions in the FUST and NSFT, effects that are only observed after chronic administration of an SSRI antidepressant.

A separate in vitro electrophysiology study of d-methadone was conducted using 2 subtypes of cloned human NMDA receptors.

The results of this study demonstrated functional antagonist activity with d-methadone comparable to that of both racemic ketamine and the isomer [S]-ketamine.

Phase 2 Program for d-Methadone

Combined with the results of our Phase 1 studies, the encouraging results of in vivo and in vitro studies strongly support further evaluation of d-methadone in a Phase 2 study as a rapidly acting, oral agent for the treatment of major depressive disorder. Relmada filed an Investigational New Drug (“IND”) application for the Phase 2 study with the FDA, which was accepted on January 25, 2017.

On April 13, 2017, we announced that the FDA granted Fast Track designation for d-methadone (REL-1017 dextromethadone) for the adjunctive treatment of major depressive disorder. Fast Track designation is a process designed to facilitate the development and expedite the review of drugs to treat serious conditions and fill an unmet medical need. The purpose, according to the FDA, is to get important new drugs to the patient earlier. Drugs that receive Fast Track designation may be eligible for more frequent meetings and written communications with the FDA, accelerated review and priority approval, and rolling New Drug Application review.

On January 17, 2018, we announced that Relmada had acquired the global rights to develop and market dextromethadone for the treatment of neurological conditions including certain rare diseases with symptoms affecting the CNS.

In February 2018, Relmada initiated its Phase 2 study of d-methadone in patients with major depressive disorder.

d-methadone (dextromethadone, REL-1017) in other indications

In addition to developing dextromethadone in major depression, Relmada is initiating work in additional indications. In particular, we have initiated a preclinical program to test the potential efficacy of dextromethadone in Rett syndrome. Rett syndrome is an X-linked neurodevelopmental disorder with high unmet need caused by Mecp2 gene mutation. Loss of Mecp2 disrupts synaptic function and structure and neuronal networks. Rett syndrome is an Orphan Disease affecting ~15,000 in U.S., primarily girls, with no approved therapy. The disease begins with a short period of developmental stagnation, then rapid regression in language and motor skills, followed by long-term stability.

Studies of ketamine, a NMDAR antagonist with mechanistic similarities with dextromethadone, in Rett Syndrome mouse models show that low-dose ketamine acutely reverses multiple disease manifestations and chronic administration of ketamine improves Rett Syndrome progression, providing a solid rationale to pursue this indication with dextromethadone.

Other indications that Relmada may explore in the future, potentially includes restless leg syndrome, and other neurological diseases.

In January 2018, we entered into an Intellectual Property Assignment Agreement (the “Assignment Agreement”) and License Agreement (the “License Agreement”) and together with the Assignment Agreement, the “Agreements”) with Dr. Charles E. Inturrisi and Dr. Paolo Manfredi (collectively, the “Licensor”). Pursuant to the Agreements, Relmada assigned its existing rights, including patents and patent applications, to d-methadone in the context of psychiatric use (the “Existing Invention”) to Licensor. Licensor then granted Relmada under the License Agreement a perpetual, worldwide, and exclusive license to commercialize the Existing Invention and certain further inventions regarding d-methadone in the context of other indications such as those contemplated above.

LevoCap ER (REL-1015)

LevoCap ER (REL-1015) is a novel version of a proven drug product. LevoCap ER -is an extended release, abuse deterrent, and proprietary formulation of levorphanol (levo-3-hydroxy-N-methyl-morphinan), a unique, broad spectrum opioid with additional “non-opioid” mechanisms of action. In particular, levorphanol binds to all three opioid receptor subtypes involved in analgesia (mu, kappa, and delta), the NMDA receptor, and the norepinephrine and serotonin reuptake pumps, whereas morphine, oxycodone, hydrocodone, and other opioids are highly selective for the mu receptor subtype. Due to its multi-modal mechanism of action, levorphanol could achieve analgesia in patients resistant to other strong opioids. In clinical studies, levorphanol has demonstrated a remarkably broad spectrum of analgesic activity against many different types of pain including neuropathic pain, post-surgical pain, and chronic pain in patients refractory to other opioids.

Levorphanol is a potent opioid analgesic first introduced in the U.S. around 1953 for the treatment of moderate to severe pain where an opioid analgesic is appropriate. Extended-release (long-acting opioid) agents may be preferable to immediate release formulations due to better patient adherence, less dose-watching, and result in improved sleep. Both immediate- and extended-release opioids can potentially be crushed to produce concentrated drug with greater appeal to abusers. Intentional crushing or extracting the active ingredient from the extended-release dosage form by addicts and recreational drug users can destroy the timed-release mechanism and result in a rapid surge of drug into the bloodstream for the purpose of achieving a high or euphoric feeling. Serious side effects and death have been reported from such misuse.

LevoCap ER is the first product candidate utilizing SECUREL™, Relmada's proprietary abuse deterrent extended release technology for opioid drugs. SECUREL dosage forms cannot be easily crushed for inhalation or to obtain rapid euphoria from high blood levels when swallowed. It is also exceedingly difficult for intravenous abusers to extract the active drug from the dosage form using common solvents, including alcohol.

LevoCap ER can be developed under the 505(b)(2) regulatory pathway. Following an exchange of correspondence and meeting with the FDA in January 2017, we have defined a path forward for the Phase 3 clinical study for LevoCap ER and a new drug application ("NDA") filing. In light of the promising data generated by Relmada's d-methadone research program, and Relmada's focus on the d-methadone program, Relmada is currently limiting the investments in LevoCap ER.

BuTab (REL-1028)

BuTab (REL-1028) represents a novel formulation of oral, modified release buprenorphine as a potential therapeutic for both chronic pain and opioid dependence. Buprenorphine has been widely used by the sublingual and transdermal routes of administration, but was believed to be ineffective by the oral route because of poor oral bioavailability. We have completed a preclinical program to better define the pharmacokinetic profile of BuTab and to assess the time course of systemic absorption of buprenorphine using several different oral modified release formulations of buprenorphine in dogs, compared to an intravenous administration. Based on the results of this work, we obtained approval from Health Canada and initiated a Phase 1 pharmacokinetic study in healthy volunteers in the second quarter of 2015. This trial was completed in the fourth quarter of 2015. The absolute bioavailability of BuTab relative to intravenous (IV) administration exceeded published data with non-modified buprenorphine when administered orally and compares favorably with a currently marketed transdermal patch. There were no safety or tolerability issues. The data generated by this study will guide formulation optimization and inform the design of subsequent clinical pharmacology studies. BuTab can be developed under the 505(b)(2) regulatory pathway. In light of the promising data generated by Relmada's d-methadone research program, and Relmada's focus on the d-methadone program, Relmada is currently limiting the investments in BuTab.

MepiGel (REL-1021)

MepiGel (REL-1021), is a proprietary topical dosage form of the local anesthetic mepivacaine for the treatment of painful peripheral neuropathies, such as painful diabetic neuropathy, postherpetic neuralgia and painful HIV-associated neuropathy. Mepivacaine is an anesthetic (numbing medicine) that blocks the nerve impulses that send pain signals to the brain. It is chemically related to bupivacaine but pharmacologically related to lidocaine. Mepivacaine is currently indicated for infiltration, nerve block and epidural anesthesia. Relmada has received two FDA Orphan Drug Designations for mepivacaine, one each for "the treatment of painful HIV-associated neuropathy" and for "the management of postherpetic neuralgia," or PHN. We have selected the formulations to be advanced into clinical studies for MepiGel after the evaluation of results from in vitro and ex vivo studies comparing various topical prototypes of mepivacaine that were conducted by MedPharm Ltd, a specialist formulation development company recognized internationally for its expertise in topical and transdermal products. Multiple toxicology studies were successfully conducted and completed in 2015. MepiGel can be developed under the 505(b)(2) regulatory pathway. In light of the promising data generated by Relmada's d-methadone research program, and Relmada's focus on the d-methadone program, Relmada is currently limiting the investments in MepiGel.

Overview of the 505(b)(2) Pathway

Part of our strategy is the utilization of FDA's 505(b)(2) new drug application process, ("NDA") for approval. The 505(b)(2) NDA is one of three FDA drug approval pathways and represents an appealing regulatory strategy for many companies. The pathway was created by the Hatch-Waxman Amendments of 1984, with 505(b)(2) referring to a section of the Federal Food, Drug, and Cosmetic Act. The provisions of 505(b)(2) were created, in part, to help avoid unnecessary duplication of studies already performed on a previously approved ("reference" or "listed") drug; the section gives the FDA express permission to rely on data not developed by the NDA applicant.

A 505(b)(2) NDA contains full safety and effectiveness reports but allows at least some of the information required for NDA approval, such as safety and efficacy information on the active ingredient, to come from studies not conducted by or for the applicant. This can result in a less expensive and faster route to approval, compared with a traditional development path [such as 505(b)(1)], while creating new, differentiated products with tremendous commercial value.

Overview of Orphan Drug Status

In accordance with laws and regulations pertaining to the Regulatory Agencies, a sponsor may request that the Regulatory Agencies designate a drug intended to treat a “Rare Disease or Condition” as an “Orphan Drug.” For example, in the United States, a “Rare Disease or Condition” is defined as one which affects less than 200,000 people in the United States, or which affects more than 200,000 people but for which the cost of developing and making available the product is not expected to be recovered from sales of the product in the United States. Upon the approval of the first NDA or BLA for a drug designated as an orphan drug for a specified indication, the sponsor of that NDA or BLA is entitled to 7 years of exclusive marketing rights in the United States unless the sponsor cannot assure the availability of sufficient quantities to meet the needs of persons with the disease. In Europe, this exclusivity is 10 years, and in Australia it is 5 years. However, orphan drug status is particular to the approved indication and does not prevent another company from seeking approval of an off-patent drug that has other labeled indications that are not under orphan or other exclusivities. Orphan drugs may also be eligible for federal income tax credits for costs associated with such as the disease state, the strength and complexity of the data presented, the novelty of the target or compound, risk-management approval and whether multiple rounds of review are required for the agency to evaluate the submission. There is no guarantee that a potential treatment will receive marketing approval or that decisions on marketing approvals or treatment indications will be consistent across geographic areas.

Results of Operations

For the Three Months Ended December 31, 2018 versus December 31, 2017

	Three Months Ended December 31 2018	Three Months Ended December 31, 2017	Increase (Decrease)
Operating Expenses			
General and administrative	\$ 2,221,566	\$ 1,305,865	\$ 915,701
Research and Development	1,257,418	150,720	1,106,698
Total	\$ 3,478,984	1,456,585	2,022,399

General and Administrative Expense

General and administrative expense for the three months ended December 31, 2018 was approximately \$2,221,600 compared to \$1,305,800 for the three months ended December 31, 2017, an increase of approximately \$915,700. The increased expense resulted from an increase in legal fees of \$1,069,700, driven by the legal and settlement expenses from the resolution of the Babul litigation; an increase in stock-based compensation costs of \$119,900; and an increase in other G&A expenses of \$91,000; these increases were partially offset by a decrease patent related costs of \$293,400 and a decrease of professional fees of \$66,800.

Research and Development Expense

Research and development expense for the three months ended December 31, 2018 was approximately \$1,257,400 compared to \$150,700 for the three months ended December 31, 2017, an increase of \$1,106,700. The increase was driven by an increase in study costs of \$1,063,100, of which the majority, \$996,200, pertained to our ongoing Phase 2a study and an increase in compensation costs of \$43,500.

Other Income (Expense)

The change in the fair value of derivative liabilities was a non-cash unrealized gain of approximately \$263,900 for the three months ended December 31, 2018 versus a non-cash unrealized gain of approximately \$341,100 for the three months ended December 31, 2017.

The loss on extinguishment of debt, a non cash item, of approximately \$3,774,500 for the three months ended December 31, 2018, versus zero for the three months ended December 31, 2017, was due to the conversion of outstanding principal and accrued interest on Convertible Promissory Notes into 10,731,669 shares of common stock.

Interest expense for the three months ended December 31, 2018 and 2017, was \$139,700 and \$311,900, respectively. The decrease was due to the extinguishment of the Convertible Promissory Notes on October 18, 2018.

Net Loss

The net loss for the Company for the three months ended December 31, 2018 and 2017 was approximately \$(7,129,300) and \$(1,427,400) respectively. The Company had net loss per basic and diluted weighted average common share of \$(0.28) and \$(0.11) for the three months ended December 31, 2018 and 2017, respectively.

Results of Operations

For the Six Months Ended December 31, 2018 versus December 31, 2017

	Six Months Ended December 31, 2018	Six Months Ended December 31, 2017	Increase (Decrease)
Operating Expenses			
General and administrative	\$ 3,211,314	\$ 2,120,971	\$ 1,090,343
Research and Development	2,678,900	316,470	2,362,430
Total	\$ 5,890,214	2,437,441	3,452,773

General and Administrative Expense

General and administrative expense for the six months ended December 31, 2018 was approximately \$3,211,300 compared to \$2,121,000 for the six months ended December 31, 2017, an increase of approximately \$1,090,300. The increase resulted from an increase in legal fees of \$1,072,300, driven by the legal and settlement expenses from the resolution of the Babul litigation; an increase in stock based compensation of \$197,500; and an increase in other G&A of \$152,800. These increases were partially offset by a decrease patent related costs of \$274,200 and a decrease of professional fees of \$42,500.

Research and Development Expense

Research and development expense for the six months ended December 31, 2018 was approximately \$2,678,900 compared to \$316,500 for the six months ended December 31, 2017, an increase of \$2,362,400. The increase was driven by an increase in study costs of \$2,279,800, of which the majority, \$2,162,200, pertained to our ongoing Phase 2a study, as well as an increase in compensation costs of \$82,700.

Other Income (Expense)

The change in the fair value of derivative liabilities was a non-cash unrealized loss for the six months ended December 31, 2018 of \$54,600 and a non-cash unrealized gain of \$335,400 for the six months ended December 31, 2017.

The loss on extinguishment of debt, a non-cash item, of approximately \$3,774,500 for the six months ended December 31, 2018, versus zero for the six months ended December 31, 2017, was due to the conversion of outstanding principal and accrued interest on Convertible Promissory Notes into 10,731,669 shares of common stock.

Interest expense the six months ended December 31, 2018 and 2017 was \$790,100 and \$309,300, respectively.

Net Loss

The net loss for the Company for the six months ended December 31, 2018 and 2017 was approximately (\$10,509,403) and (\$2,409,036) respectively. The Company had net loss per basic and diluted weighted average common share of \$(0.55) and \$(0.19) for the six months ended December 31, 2018 and 2017, respectively.

Liquidity

To date, we have financed our operations primarily through issuance of common stock and warrants and subordinated debt (convertible to common stock). Since our inception, we have not generated any product revenue and do not anticipate generating any revenues for the foreseeable future. We have incurred losses from inception to December 31, 2018 of approximately \$104,853,710. We have generated negative cash flows from operations since inception. We expect to incur additional losses over the next several years developing our products. These conditions raise substantial doubt as to the Company's ability to continue as a going concern.

At December 31, 2018, the Company had cash and cash equivalents of approximately \$2,426,800. The Company will need to raise additional funds in order to continue its development plans. Insufficient funds may cause us to delay, reduce the scope of or eliminate one or more of our development programs. Our future capital needs and the adequacy of our available funds will depend on many factors, including the cost of clinical studies and other actions needed to obtain regulatory approval of our products in development. If additional funds are required, we may raise such funds from time to time through public or private sales of equity or debt securities or from bank or other loans or through strategic research and development, or licensing. Financing may not be available on acceptable terms, or at all, and our failure to raise capital when needed could materially adversely impact our growth plans and our financial condition or results of operations. Additional equity financing, if available, may be dilutive to our shareholders.

The following table sets forth selected cash flow information for the periods indicated below:

	Six Months Ended December 31, 2018	Six Months Ended December 31, 2017
Cash used in operating activities	\$ (4,818,845)	\$ (2,110,662)
Cash used in investing activities	-	(2,591)
Cash provided by financing activities	5,006,653	6,342,265
Net (decrease) increase in cash and cash equivalents	<u>\$ 187,808</u>	<u>\$ 4,229,012</u>

For the six months ended December 31, 2018, cash used in operating activities was \$4,818,845 primarily due to the loss from operations for the six months ended December 31, 2018 of \$10,509,403, offset by loss on promissory note extinguishment of \$3,774,468, and an increase in accrued expenses of \$1,241,823.

For the six months ended December 31, 2017, cash used in operating activities was \$2,110,662 primarily due to the loss from operations for the six months ended December 31, 2017 of \$2,409,036.

For the six months ended December 31, 2018 and 2017, cash used in investing activities was \$0 and \$2,591, respectively, due to purchases of fixed assets.

Net cash provided by financing activities for the six months ended December 31, 2018 was \$5,006,653 due to the sale of units. Net cash provided by financing activities for the six months ended December 31, 2017 was \$6,342,265 due to proceeds raised through the promissory note financing.

Effects of Inflation

Our assets are primarily monetary, consisting of cash and cash equivalents. Because of their liquidity, these assets are not directly affected by inflation. Because we intend to retain and continue to use our equipment, we believe that the incremental inflation related to replacement costs of such items will not materially affect our operations. However, the rate of inflation affects our expenses, such as those for employee compensation and contract services, which could increase our level of expenses and the rate at which we use our resources.

Off-Balance Sheet Arrangements

As part of our ongoing business, we do not participate in transactions that generate relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities (SPEs), which would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually limited purposes. As of December 31, 2018 and June 30, 2018, we were not involved in any SPE transactions.

Contractual Obligations

Please refer to Note 12 in our Annual Report on Form 10-K for the year ended June 30, 2018 under the heading Commitments and Contingencies. To our knowledge there have been no material changes to the risk factors that were previously disclosed in the Company's Annual Report on Form 10-K for the year ended June 30, 2018. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results.

Critical Accounting Policies and Estimates

A critical accounting policy is one that is both important to the portrayal of a company's financial condition and results of operations and requires management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain.

Our unaudited consolidated financial statements are presented in accordance with U.S. GAAP, and all applicable U.S. GAAP accounting standards effective as of December 31, 2018 have been taken into consideration in preparing the unaudited consolidated financial statements. The preparation of unaudited consolidated financial statements requires estimates and assumptions that affect the reported amounts of assets, liabilities, expenses and related disclosures. Some of those estimates are subjective and complex, and, consequently, actual results could differ from those estimates. The following accounting policies and estimates have been highlighted as significant because changes to certain judgments and assumptions inherent in these policies could affect our consolidated financial statements:

- Research and development expenses,
- Stock-based compensation expenses; and
- Fair value of derivative liabilities

We base our estimates, to the extent possible, on historical experience. Historical information is modified as appropriate based on current business factors and various assumptions that we believe are necessary to form a basis for making judgments about the carrying value of assets and liabilities. We evaluate our estimates on an on-going basis and make changes when necessary. Actual results could differ from our estimates.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

There have been no material changes to our exposures to market risks as disclosed under the heading "Quantitative and Qualitative Disclosures about Market Risks" in the annual MD&A contained in our Form 10-K for the year ended June 30, 2018.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Based upon our evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective as of December 31, 2018, in ensuring that material information that we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, during the six months ended December 31, 2018 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, the Company may become involved in lawsuits and other legal proceedings that arise in the course of business. Litigation is subject to inherent uncertainties, and it is not possible to predict the outcome of litigation with total confidence. The Company is not currently aware of any legal proceedings or potential claims against it whose outcome would be likely, individually or in the aggregate, to have a material adverse effect on the Company's business, financial condition, operating results, or cash flows.

On February 6, 2019 the Company entered into a settlement agreement in which Najib Babul relinquished his 303,392 shares in Relmada and signed a three year consulting contract and Relmada committed to a \$500,000 initial payment and four subsequent payments related to his consulting agreement of \$250,000 on March 31, 2019, June 30, 2019, September 30, 2019 and December 31, 2019. As a result of the settlement agreement, all outstanding litigation between the parties was dismissed with prejudice, including all claims and counterclaims in all legal proceedings related to Najib Babul v. Relmada Therapeutics, Inc., et al., Case No. 2:15-cv-02937-GAM, pending in the United States District Court for the Eastern District of Pennsylvania.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors under Part I, Item 1A of our Form 10-K for the year ended June 30, 2018.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

On February 12, 2019 the Company sold to accredited investors an aggregate of 805,554 shares of common stock and 523,619 warrants pursuant to a private placement transaction. The price per unit was \$0.90 and the exercise price of each warrant is \$1.50 with a 5 year term. There were no commissions paid. We believe the issuance of the shares and warrants was exempt from registration and prospectus delivery requirements of the Securities Act of 1933 by virtue of Section 4(2) and/or Regulation D, Rule 506. The shares were issued directly by us and did not involve a public offering or general solicitation. The recipients of the shares were afforded an opportunity for effective access to our files and records that contained the relevant information needed to make their investment decision, including our financial statements and 34 Act reports. We reasonably believed that the recipients, immediately prior to granting the shares and warrants, had such knowledge and experience in our financial and business matters that they were capable of evaluating the merits and risks of their investment. The recipients had the opportunity to speak with our management on several occasions prior to their investment decision.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Not applicable.

ITEM 6. EXHIBITS

Copies of the following documents are included as exhibits to this report pursuant to Item 601 of Regulation S-K

Exhibit No.	Title of Document	Location
10.1	<u>Lease Agreement, effective January 1, 2019, between Relmada Therapeutics, Inc. and 880 Third Avenue Tenant LLC.</u>	Attached
10.2	<u>Settlement Agreement, dated February 6, 2019, among Najib Babul, Laidlaw & Company (UK) Ltd., Sandesh Seth, and Sergio Traversa.</u>	Attached
10.3	<u>Consulting Agreement, effective March 25, 2019, between Relmada Therapeutics, Inc. and Najib Babul.</u>	Attached
31.1	<u>Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>	Attached
31.2	<u>Certification of the Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>	Attached
32.1	<u>Certification of the Chief Executive Officer pursuant to U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*</u>	Attached
32.2	<u>Certification of the Principal Financial Officer pursuant to U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*</u>	Attached
101.SCH	XBRL Taxonomy Extension Schema Document	Attached
101.CAL	XBRL Taxonomy Calculation Linkbase Document	Attached
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document	Attached
101.LAB	XBRL Taxonomy Label Linkbase Document	Attached
101.PRE	XBRL Taxonomy Presentation Linkbase Document	Attached

* The Exhibit attached to this Form 10-Q shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to liability under that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: February 13, 2019

By: /s/ Sergio Traversa
Sergio Traversa
Chief Executive Officer and
Interim Chief Financial Officer
(Duly Authorized Executive Officer,
Principal Executive Officer and
Principal financial and Accounting Officer)



MEMBERSHIP AGREEMENT

HI SERGIO TRAVERSA

Please review your Membership Details below.

If you have any questions or concerns, please don't hesitate to reach out to us at WE-US-29617@wework.com

PRIMARY MEMBER INFORMATION

Relmada Therapeutics, Inc.

Primary member: Sergio Traversa

st@relmada.com

+19174051305

JOINING

WeWork 880 3rd Avenue

05-112 • 4 person office
\$3,550.00/mo
Start Date: January 1, 2019
Commitment term: 12 months
Notice period: 2 months

05-102 • 8 person office
\$7,650.00/mo
Start Date: January 1, 2019
Commitment term: 12 months
Notice period: 2 months

Discounts

-\$7,280.00/mo from January 1, 2019 to January 31, 2019
-\$3,360.00/mo from February 1, 2019 to December 31, 2019

Additional Fees

Setup Fee \$0.00

SERVICE RETAINER SUMMARY

Service retainer fees for WeWork
880 3rd Avenue
\$28,000.00
2.5x monthly membership fee
Your service retainer balance will be charged with any other
additional fees.

INCLUDED CREDIT ALLOTMENTS

Conference room credits

34 total credits per month starting on January 1, 2019.

Print credits

1440 total black & white prints and 240 total color prints per
month starting on January 1, 2019.

TERMS & CONDITIONS

By electronically signing the(se) membership agreement(s) below, your company is entering into legally binding agreement(s). Please download and read carefully prior to signing. Any Agreement(s), including the(se) Terms and Conditions and Membership Details form(s), and any applicable Service Package Addendum(s), will be effective when signed by both parties. In the event of any conflict between the(se) Terms and Conditions and the Membership Details form(s), the Membership Details form(s) shall prevail.

When signing this (these) Agreement(s) you must have the proper authority to execute this (these) Agreement(s) on behalf of the company listed above and incur the obligations described in this (these) Agreement(s) on behalf of such company.

I agree to the(se) Terms & Conditions, Payment Authorization Terms, Membership Details Terms, and any applicable Service Package Addendum in this (these) Membership Agreement(s). I additionally agree that in the event I have any pre-existing Membership Agreement(s) the terms of such Agreement(s) which are not revised, amended or terminated herein remain unchanged.

Community Manager's signature

Electronic Signature

Nicole Maxman
880 3rd Ave Tenant LLC

Sergio Traversa
Relmada Therapeutics, Inc.
Signed on December 21, 2018

WeWork
880 3rd Ave Tenant LLC
880 3rd Avenue
New York, NY, 10022, USA

WE-US-29617@wework.com

TERMS & CONDITIONS

1. THE LINGO

“Agreement” means, collectively, these Terms & Conditions (the “Terms and Conditions”), the attached Membership Details Form cover page(s) (the “Membership Details Form”), and any other attachments, exhibits, and/or supplements.

“Authorized Signatory” means an individual authorized to legally bind your company.

“Capacity” means the maximum number of Memberships allotted to your Office Space as set forth in the Membership Details Form.

“Commitment Term” means the period of time from the Start Date to the last day of the period set forth on the Membership Details Form under “Commitment Term” with respect to each Individual Office Number, and which may be extended upon mutual agreement of the parties.

“Individual Office Number” means each individual office number and/or workspace location as may be specified in the Membership Details Form. If the symbol “Ø” is included on the Membership Details Form, we will provide the Individual Office Number(s) for the agreed upon Capacity prior to the Start Date.

“Main Premises” means the Premises in which the Office Space is located, as set forth in the Membership Details Form.

“Member” means each person you authorize to receive the Services (defined below) (each Member granted a “Membership”).

“Member Company” or “you” means the company, entity, or individual entering into this Agreement as listed in the Membership Details Form.

“Office Space” means the actual office or workspace corresponding to the Individual Office Number(s), taken together.

“Premises” means a building or portion of a building in which WeWork offers offices, workstations, other workspaces, and/or other services to Members.

“Primary Member” means the primary in-Premises Member contact for WeWork.

“Regular Business Days” are all weekdays, except local bank/government holidays.

“Regular Business Hours” are generally from 9:00 a.m. to 6:00 p.m. on Regular Business Days.

“Set-Up Fee” means the fee you will be charged for each individual Membership included in the Capacity of your Office Space; you are obligated to pay the Set-Up Fee for each Individual Office that you occupy, including such Setup Fees as may be due upon transfer, including upgrade or downgrade (i.e. transferring to an Office Space with a higher or lower Capacity), of Office Space.

“Start Date” means the date set forth in the Membership Details Form upon which the Services will begin being provided with respect to each Individual Office Number.

“WeWork,” “we” or “us” means the WeWork entity you are contracting with.

“WeWork Member Network” means the WeWork members-only online community accessed through the internet or our mobile app.

2. THE BENEFITS OF MEMBERSHIP

- a. **Services.** Subject to the terms and conditions of this Agreement, and any other policies we make available to you with prior notice from time to time, during the Term (defined below), WeWork will use commercially reasonable efforts to provide you (and your Members, as applicable) the services described below. These services are referred to in this Agreement as the “Services.”
 - i. Non-exclusive access to the Office Space.
 - ii. Regular maintenance of the Office Space.
 - iii. Furnishings for the Office Space of the quality and in the quantity typically provided to other member companies with similar office space, workstations, and/or other workspace, as applicable, in the Premises.
 - iv. Access to and use of the WeWork Member Network in accordance with the terms of services available on our website.
 - v. Access to and use of the shared Internet connection in accordance with the terms of services available on our website.
 - vi. Use of the printers, copiers and/or scanners available to our members and member companies, in accordance with the terms described herein.
 - vii. Use of the conference rooms in your Main Premises and use of conference rooms in any other WeWork Premises during Regular Business Hours, in each case subject to availability and your prior reservation of such conference rooms, in accordance with the terms described herein.

- viii. Heat and air-conditioning in the Office Space during Regular Business Hours.
- ix. Electricity for reasonably acceptable office use.
- x. Use of kitchens and beverages made available to our members and member companies.
- xi. Acceptance of mail and deliveries on behalf of your business during Regular Business Hours.
- xii. Opportunity to participate in members-only events, benefits and promotions.

Other services may be provided for an additional fee, such as car parking space, phone service, and IT services, subject to availability at the Main Premises and any additional terms and expenses applicable to those services.

- b. **Our Reserved Rights.** We are entitled to access your Office Space, with or without notice, in connection with our provision of the Services, for safety or emergency purposes or for any other purposes. We may temporarily move furnishings contained in your Office Space. We reserve the right to alter or relocate your Office Space, provided that we will not do so in a manner that substantially decreases the square footage of your assigned Office Space or related amenities. We may also modify or reduce the list of Services or furnishings provided for your Office Space at any time. The Services may be provided by us, an affiliate or a third party.
- c. **Office Space Not Timely Available.** If we are unable to make the Office Space available by the Start Date we will not be subject to any liability related to such inability, nor will such inability affect the enforceability of this Agreement. This Agreement shall remain in full force and effect, provided that: (i) the failure to provide access to the Office Space does not last longer than two (2) months **and** (ii) at our sole discretion we will either (x) provide you with alternate office space (which may or may not be within a WeWork building) with reasonably comparable Capacity during such period and charge your Membership Fee **or** (y) not charge you the Membership Fee during the period the Office Space is not available to you. Following the two (2) month period set forth in (i) above, you shall have the ability to terminate this Agreement upon seven (7) days' prior notice to us. If we do provide you alternate office space as described in clause (x) above, during the period we provide you with such alternate office space, the individuals named as Members shall be deemed to be Members and otherwise shall be fully subject to the terms of this Agreement. Notwithstanding anything in this paragraph to the contrary, if the delay in providing the Office Space is due to your actions or inactions or due to changes in or work to the Office Space requested by you, we will not be subject to any liability related to such delay nor will such delay affect the validity of this Agreement and we shall have no obligations to provide you with the benefits described in subsections (x) and (y) of this paragraph and you shall not be entitled to terminate this Agreement and shall be liable for the payment of the Membership Fees from the Start Date.

- d. **Access Prior to Start Date.** If we, in our sole discretion, provide you with access to your Office Space for any period of time prior to your Start Date (a "Soft Open Period"), during any such Soft Open Period you and your Members shall be fully subject to the terms of this Agreement, regardless of whether we choose to charge you the Membership Fee during any such Soft Open Period.

3. YOUR MEMBERS

- a. **Member List.** You are responsible for maintaining the accuracy of your list of Members on the WeWork Member Network (your "Member List"). Only those individuals included on the Member List will be deemed to be "Members" and entitled to receive the Services described in this Agreement. To the extent permitted by law, all of your Members shall be required to provide valid government issued identification in order to be issued an activated key card to access the Premises. If the number of Members or other individuals regularly using your Office Space exceeds the Capacity, you will be required to pay the then current additional fee as set forth on our website. In no event will the number of Members exceed 1.5 times the Capacity, regardless of additional fees paid; however affiliated members with other active memberships offered by WeWork such as We Membership, Hot Desk, and/or separate Dedicated Desk Memberships using desks outside of the Office Space will not count towards this limit. We reserve the right to further limit the number of Members allowed at any point.

Upon the addition of a Member to the Member List, WeWork will create a profile for such Member on the WeWork Member Network. Such profile will be viewable by us, our employees and agents, and other members. The created profile will include only the Member's name and the Member Company; any additional information, including a photograph, shall be added solely as determined by you or your Members.

- b. **Changes to or Removal of Primary Member or Authorized Signatory.** An Authorized Signatory generally has the sole authority to make changes to or terminate this Agreement. A Primary Member will generally serve as WeWork's primary contact regarding matters that involve your Members, the physical Office Space or the Premises. If no Authorized Signatory other than the Primary Member is designated by you on the Membership Details Form, the Primary Member will serve as the Authorized Signatory. We will be entitled to rely on communications to or from the Authorized Signatory or Primary Member as notice to or from the applicable Member Company. However, an Executive Officer of the applicable Member Company ("Executive Officer") will have the authority to override the request of an Authorized Signatory or Primary Member, as applicable, provided that we receive such a request within 24 hours following such Authorized Signatory's or Primary Member's request. We will be entitled to request reasonable documentation to confirm that an individual claiming to be an Executive Officer truly is one and to exercise our discretion in determining whether a particular position constitutes an "Executive Officer." An Executive Officer will also have the authority to remove or replace the individual serving as the Authorized Signatory and/or Primary Member. Unless we receive instructions from the Authorized Signatory or Executive Officer, if the individual designated as the Primary Member ceases to provide services to the Member Company or ceases using the Office Space regularly, we will use our reasonable judgment in designating a replacement Primary Member.

4. MEMBERSHIP FEES; PAYMENTS

- a. **Payments Due Upon Signing.** Upon submitting a signed and completed Agreement, you will be obligated to deliver to us, in the amount(s) set forth on your Membership Details Form, (i) the Service Retainer and (ii) the Set-Up Fee.
- b. **Membership Fee.** During the Term (defined below) of this Agreement, your Membership Fee will be due monthly and in advance as of the first (1st) day of each month. You are obligated to make payment of all Membership Fees owed throughout the Commitment Term and this obligation is absolute notwithstanding any early termination of the Agreement by you ("Membership Fee Obligations"). You agree to pay promptly: (i) all sales, use, excise, value added, and any other taxes which you are required to pay to any other governmental authority (and, at our request, will provide to us evidence of such payment) and (ii) all sales, use, excise, value added and any other taxes attributable to your Membership as shown on your invoice. The Membership Fee set forth on the Membership Details Form covers the Services for only the number of Members indicated in the Membership Details Form. Additional Members will result in additional fees as set forth on our website.

On each anniversary of the Start Date (including during any Commitment Term) the Membership Fee will be subject to an automatic three percent (3%) increase over the then current Membership Fee. Following any Commitment Term, we reserve the right to further increase or decrease the Membership Fee at our sole discretion upon thirty (30) days' prior notice to you in advance of and in accordance with the Termination Notice Period described below in Section 5(d).

- c. **Invoices; Financial Information.** WeWork will send or otherwise provide invoices and other billing-related documents, information and notices to the Primary Member or, if a Billing Contact is indicated on the Membership Details Form, the Billing Contact. Change of the Billing Contact will require notice from the Authorized Signatory in accordance with this Agreement.
- d. **Credits; Overage Fees.** Each month, you will receive a certain number of credits for conference room use and a certain number of credits for color and black and white copies and printouts, as specified on the Membership Details Form. These allowances may not be rolled over from month to month. If these allocated amounts are exceeded, you will be responsible for paying fees for such overages. The current overage fee schedule is listed on our website. All overage fees are subject to increase from time to time at our sole discretion.
- e. **Late Fees.** If payment for the Membership Fee or any other accrued and outstanding fee is not made by the tenth (10th) of the month in which such payment is due, you will be responsible for paying the then-current late charge. The current late fee schedule is listed on our website. All late fees are subject to increase from time to time at our sole discretion.
- f. **Form of Payment.** We accept payment of all amounts specified in this Agreement solely by the methods we communicate to you during the membership sign up process or from time to time during the Term. You are required to inform us promptly of any changes to your payment information. Changing your payment method may result in a change in the amount required under this Agreement to be held as the Service Retainer.

- g. Outstanding Fees.** Any outstanding fees will be charged in arrears on a monthly basis. When we receive funds from you, we will first apply funds to any balances which are in arrears (including any outstanding late fees) and to the earliest month due first. Once past balances are satisfied, any remaining portion of the funds will be applied to current fees due. If any payments remain outstanding after we provide notice to you, we may, in our sole discretion, withhold Services or terminate this Agreement in accordance with Section 5.
- h. No Refunds.** Except as otherwise provided for herein, there are no refunds of any fees or other amounts paid by you or your Members in connection with the Services.

5. TERM AND TERMINATION

- a. Term.** This Agreement will be effective when signed by both parties (“Effective Date”); provided that we have no obligations to provide you with the Services until the later of (i) the date on which payment of your Service Retainer, Set-Up Fee and first month’s Membership Fee has been received by us or (ii) the Start Date. Unless otherwise set forth on the Membership Details Form, following the Commitment Term, this Agreement shall continue on a month-to-month basis (any term after the Commitment Term, a “Renewal Term”), subject to the Termination Notice Periods (defined below). The Commitment Term and all subsequent Renewal Terms shall constitute the “Term.” If no Commitment Term is indicated on your Membership Details Form, the default Commitment Term shall commence on the Start Date and end one (1) month after the Start Date. This Agreement will continue until terminated in accordance with this Agreement.
- b. Move In / Move Out.** If the Start Date is a Regular Business Day, you will be entitled to move into the Office Space no earlier than 11:00 a.m. on the Start Date, provided you have complied with the payment obligations described in Section 5(a). If the Start Date is not a Regular Business Day, you will be entitled to move into the Office Space no earlier than 11:00 a.m. on the first Regular Business Day after the Start Date. On the last Regular Business Day of the Termination Effective Month (defined below), you must vacate the Office Space by no later than 4:00 p.m.
- c. Cancellation Prior to Start Date by You.** You may cancel this Agreement prior to the Start Date upon delivery of notice to us. If you terminate more than one (1) full calendar month prior to your Start Date, you may be entitled to a refund of your Set-Up Fee, less any applicable charges, expenses or deductions; however, you will not be entitled to a refund of your Service Retainer. If you terminate within one (1) full calendar month prior to your Start Date, you will not be entitled to a refund of your Set-Up Fee or Service Retainer.

- d. Termination by You.** You may terminate this Agreement by providing written notice to us prior to the month in which you intend to terminate this Agreement (“Termination Effective Month”) in accordance with the notice periods set forth in the chart below (the “Termination Notice Period(s)”). The applicable Termination Notice Period shall be determined by the Commitment Term and Capacity for the relevant Individual Office Number, as depicted in the chart below, and as displayed on the Membership Details Form. The Termination Notice Periods shall apply to any termination by you during the Term. After receiving such notice we will deliver to you the WeWork Exit Form (“Exit Form”), which you must complete and submit to us. The termination will be effective on the later of the last Regular Business Day of the Termination Effective Month and the expiration of the Commitment Term. **No termination by you shall be effective during the Commitment Term (except pursuant to Section 2(c)), and termination by you during the Commitment Term is a breach of this Agreement. Downgrade of the Office Space (i.e. transferring to an office space with a lower Capacity) is also not permitted during the Commitment Term. If you terminate this Agreement prior to the end of the Commitment Term (or during any relevant Termination Notice Period), your Membership Fee Obligations shall become immediately due. In addition to any rights, claims and remedies we choose to pursue in our discretion, your Service Retainer shall be forfeited immediately as a result of your breach. Notice must be provided during Regular Business Hours.** The Exit Form needs to be completely filled out and signed by the Authorized Signatory; **however, please note that the termination of your Agreement on the last Regular Business Day of the Termination Effective Month will be triggered upon your provision of written notice of termination to us, regardless of when you complete and submit the Exit Form.** You will not be entitled to pro ration with respect to the last month’s Membership Fee. For instance, if you vacate your Office Space before the last Regular Business Day of April, you will still owe us the full Membership Fee for the full month of April.

Member Company Termination Notice Periods Required:

Commitment Term	Capacity		
	0 - 24	25 - 74	75+
1 - 5 months	1 month	2 months	3 months
6 - 11 months	1 month	2 months	3 months
12 - 23 months	2 months	3 months	6 months
24 + months	3 months	6 months	6 months

- **Example:** If the Capacity for the Office Space is between twenty-five (25) and seventy-four (74) Members, and the Commitment Term is between six (6) and eleven (11) months, the applicable Termination Notice Period would be two (2) months, and to terminate this Agreement effective the last Regular Business Day of April (provided that the Commitment Term shall have expired by such date) the last opportunity to provide notice to us would be during Regular Business Hours on the last Regular Business Day of February.
- e. **Termination or Suspension by Us.** We may withhold Services or immediately terminate this Agreement: (i) upon breach of this Agreement by you or any Member; (ii) upon termination, expiration or material loss of our rights in the Premises; (iii) if any outstanding fees are still due after we provide notice to you; (iv) if you or any of your Members fail to comply with the terms and conditions of the WeWork Member Network Terms of Service, our Wireless Network Terms of Service, or any other policies or instructions provided by us or applicable to you; or (v) at any other time, when we, in our sole discretion, see fit to do so. You will remain liable for past due amounts, and we may exercise our rights to collect due payment, despite termination or expiration of this Agreement.

An individual Member will no longer receive the Services and is no longer authorized to access the Main Premises or other Premises upon the earlier of (x) the termination or expiration of this Agreement; (y) your removal of such Member from the Member List or (z) our notice to you that such Member violated this Agreement. We may withhold or terminate Services of individual Members for any of the foregoing reasons; in such circumstances this Agreement will continue in full force and effect to the exclusion of the relevant Member.

- f. **Service Retainer.** The Service Retainer will be held as a retainer for performance of all your obligations under this Agreement, including the Membership Fee Obligations, and is not intended to be a reserve from which fees may be paid. In the event you owe us other fees, you may not rely on deducting them from the Service Retainer, but must pay them separately. We will return the Service Retainer, or any balance after deducting outstanding fees and other costs due to us, including any unsatisfied Membership Fee Obligations, to you by bank transfer or other method that we communicate to you within thirty (30) days (or earlier if required by applicable law) after the later of (i) the termination or expiration of this Agreement and (ii) the date on which you provide to us all account information necessary for us to make such payment. Return of the Service Retainer is also subject to your complete performance of all your obligations under this Agreement, including full satisfaction of your Membership Fee Obligations and any additional obligations applicable following termination or expiration of this Agreement.
- g. **Removal of Property Upon Termination.** Prior to the termination or expiration of this Agreement, you will remove all of your, your Members', and your or their guests' property from the Office Space and Premises. After providing you with reasonable notice, we will be entitled to dispose of any property remaining in or on the Office Space or Premises after the termination or expiration of this Agreement and will not have any obligation to store such property, and you waive any claims or demands regarding such property or our handling or disposal of such property. You will be responsible for paying any fees reasonably incurred by us regarding such removal. We shall have no implied obligations as a bailee or custodian, and you hereby indemnify us and agree to keep us indemnified in respect of any claims of any third parties in respect of such property. Following the termination or expiration of this Agreement, we will not forward or hold mail or other packages delivered to us.

6. HOUSE RULES

In addition to any rules, policies and/or procedures that are specific to a Premises used by you:

a. You acknowledge and agree that:

- i. keys, key cards and other such items used to gain physical access to the Premises, or the Office Space remain our property. You will cause your Members to safeguard our property and you shall promptly notify us and be liable for replacement fees should any such property be lost, stolen or destroyed;
- ii. you shall promptly notify us of any change to your contact and/or payment information;
- iii. we will provide notice to you of any changes to Services, fees, or other updates via email. It is your responsibility to read such emails and to ensure your Members are aware of any changes, regardless of whether we notify such Members directly;
- iv. carts, dollies and other freight items which may be made available may not be used in the passenger elevator except at our discretion;
- v. for security reasons, we may, but have no obligation to, regularly record certain areas in the Premises via video;
- vi. all of your Members are at least 18 years of age;
- vii. you shall be solely and fully responsible for ensuring that alcohol is consumed responsibly by your individual Members and that no alcohol is consumed by any of your Members or guests who is younger than the legal age for consuming alcohol in the applicable jurisdiction;
- viii. common spaces are to be enjoyed by all our member companies, members and guests unless otherwise instructed by us, and are for temporary use and not as a place for continuous, everyday work;
- ix. you will provide us with reasonable notice of and complete all required paperwork prior to hosting any event at the Premises;
- x. you will be responsible for any damage to your Office Space other than normal wear and tear;
- xi. you will be responsible for replacement fees for any item(s) provided to you by the WeWork community team for temporary use should any such property be lost, stolen or destroyed;
- xii. we are not liable for any mail or packages received without a WeWork employee's signature indicating acceptance;

xiii. you may not make any structural or nonstructural alterations or installations (including, but not limited to, wall attachments, furniture, IT equipment, and/or glass paneling) in the Office Space or elsewhere in the Premises without prior approval by us. In the event that any alterations or installations are made, you shall be responsible for the full cost and expense of the alteration or installation and, prior to the termination of this Agreement, the removal of such items and the restoration necessitated by any such alterations, and we shall deduct any such costs not otherwise paid by you from the Service Retainer. In no event are you permitted to perform any of these actions. **Only a member of our facilities staff is entitled to perform an alteration, installation, removal or restoration. Reach out to a member of your community team for more information;**

xiv. you and your Members' computers, tablets, mobile devices and other electronic equipment must be (a) kept up-to-date with the latest software updates provided by the software vendor and (b) kept clean of any malware, viruses, spyware, worms, Trojans, or anything that is designed to perform malicious, hostile and/or intrusive operations. We reserve the right to remove any device from our networks that poses a threat to our networks or users until the threat is remediated; and

xv. you consent to our non-exclusive, nontransferable use of your Member Company name and/or logo in connection with identifying you as a Member Company of WeWork, alongside those of other member companies, on a public-facing "Membership" display on our website, as well as in video and other marketing materials. You warrant that your logo does not infringe upon the rights of any third party and that you have full authority to provide this consent. You may terminate this consent at any time upon thirty (30) days' prior notice.

b. No Member will:

- i. perform any activity or cause or permit anything that is reasonably likely to be disruptive or dangerous to us or any other member companies, or our or their employees, guests or property, including without limitation the Office Space or the Premises;
- ii. use the Services, the Premises or the Office Space to conduct or pursue any illegal or offensive activities or comport themselves to the community in a similar manner; all Members shall act in a respectful manner towards other member companies and our and their employees and guests;

- iii. misrepresent himself or herself to the WeWork community, either in person or on the WeWork Member Network;
- iv. take, copy or use any information or intellectual property belonging to other member companies or their members or guests, including without limitation any confidential or proprietary information, personal names, likenesses, voices, business names, trademarks, service marks, logos, trade dress, other identifiers or other intellectual property, or modified or altered versions of the same, and this provision will survive termination of this Agreement;
- v. take, copy or use for any purpose the name "WeWork" or any of our other business names, trademarks, service marks, logos, trade dress, marketing material, other identifiers or other intellectual property or modified or altered versions of the same, or take, copy or use for any purpose any pictures or illustrations of any portion of the Premises, or engage in any conduct that is likely to cause confusion between WeWork and yourself, without our prior consent, and this provision will survive termination of this Agreement, provided that during the term of this Agreement you will be able to use "WeWork" in plain text to accurately identify an address or office location;
- vi. film within any Premises, including within the Office Space, without completing all required paperwork and receiving express written consent from WeWork;
- vii. use the Office Space in a retail, medical, or other capacity involving frequent visits by members of the public, as a residential or living space, or for any exclusively non-business purpose;
- viii. sell, manufacture or distribute any controlled substance, including alcoholic beverages, from the Office Space, or obtain a license for such sale, manufacture, importation, or distribution using the Office Space or the address of the Main Premises;
- ix. use our mail and deliveries services for fraudulent or unlawful purposes, and we shall not be liable for any such use;
- x. store significant amounts of currency or other valuable goods or commodities in the Office Space that are not commonly kept in commercial offices; in the event that you do so, we will not be liable for any such loss;
- xi. make any copies of any keys, keycards or other means of entry to the Office Space or the Premises or lend, share or transfer any keys or keycards to any third party, unless authorized by us in advance;
- xii. install any locks to access the Office Space or anywhere within the Premises, unless authorized by us in advance;
- xiii. allow any guest(s) to enter the building without registering such guest(s) and performing any additional required steps according to our policies;
- xiv. operate any equipment within the Premises that has a higher heat output or electrical consumption than in a typical personal office environment, or places excessive strain on our electrical, IT, HVAC or structural systems, with such determination to be made in our sole discretion, without our prior approval; or
- xv. bring any weapons of any kind, or any other offensive, dangerous, hazardous, inflammable or explosive materials into the Office Space or the Premises.

You are responsible for ensuring your Members comply with all House Rules and with all rules, policies and/or procedures that are specific to a Premises used by you, and agree that in the event of any penalty or fine resulting from the breach of any such rules, policies and/or procedures, you will be responsible for paying such penalty or fine.

7. ADDITIONAL AGREEMENTS

- a. **Information Technology.** In order to utilize all the functionalities offered by us, it may be necessary to install software onto a Member's computer, tablet, mobile device or other electronic equipment. In addition, a Member may request that we troubleshoot problems a Member may have with respect to printing, accessing the network connection or other issues. If we provide such services, we will not be responsible for any damage to your equipment.

- b. Network Connection.** WeWork provides shared Internet access to Members via a wireless network connection. Wired network connections are available for an additional monthly fee. For those Members wishing to implement a private wired network, WeWork may allow you to install a firewall device for your exclusive access and use, subject to WeWork IT approval, and you will be responsible for removal of the same. Prior to any such installation or removal, you shall coordinate with the WeWork IT team to discuss the actual setup, appropriate time, manner and means for such installation or removal and any additional fees that may result from the request. To the extent that we incur any costs in connection with such installation or removal, which are not otherwise paid by you, we shall deduct such costs from the Service Retainer. You shall also be responsible for any monthly fees incurred relating to your private, secured wired network.
- c. Waiver of Claims.** To the extent permitted by law, you, on your own behalf and on behalf of your Members, employees, agents, guests and invitees, waive any and all claims and rights against us and our landlords at the Premises and our affiliates, parents, and successors and each of our and their employees, assignees, officers, agents and directors (collectively, the “WeWork Parties”) resulting from injury or damage to, or destruction, theft, or loss of, any property, person or pet, except to the extent caused by the gross negligence, willful misconduct or fraud of the WeWork Parties.
- d. Limitation of Liability.** To the extent permitted by law, the aggregate monetary liability of any of the WeWork Parties to you or your Members, employees, agents, guests or invitees for any reason and for all causes of action, will not exceed the total Membership Fees paid by you to us under this Agreement in the twelve (12) months prior to the claim arising. None of the WeWork Parties will be liable under any cause of action, for any indirect, special, incidental, consequential, reliance or punitive damages, including loss of profits or business interruption. You acknowledge and agree that you may not commence any action or proceeding against any of the WeWork Parties, whether in contract, tort, or otherwise, unless the action, suit, or proceeding is commenced within one (1) year of the cause of action’s accrual. Notwithstanding anything contained in this Agreement to the contrary, you acknowledge and agree that you shall not commence any action or proceeding against any of the WeWork Parties other than the WeWork Party you are directly contracting with hereunder and the assets of such entity for any amounts due or for the performance of any obligations in connection with this Agreement.
- e. Indemnification.** You will indemnify the WeWork Parties from and against any and all claims, including third party claims, liabilities, and expenses including reasonable attorneys’ fees, resulting from any breach or alleged breach of this Agreement by you or your Members or your or their guests, invitees or pets or any of your or their actions or omissions, except to the extent a claim results from the gross negligence, willful misconduct or fraud of the WeWork Parties.
- You are responsible for the actions of and all damages caused by all persons and pets that you, your Members or your or their guests invite to enter any of the Premises, including but not limited to any vendors hired by you that enter the Premises. You shall not make any settlement that requires a materially adverse act or admission by us or imposes any obligation upon any of the WeWork Parties unless you have first obtained our or the relevant WeWork Party’s written consent. None of the WeWork Parties shall be liable for any obligations arising out of a settlement made without its prior written consent.
- f. Insurance.** You are responsible for maintaining, at your own expense and at all times during the Term, personal property insurance and commercial general liability insurance covering you and your Members for property loss and damage, injury to your Members and your Members’ guests or pets and prevention of or denial of use of or access to, all or part of the Premises, in form and amount appropriate to your business. In addition you are responsible for maintaining, at your own expense and at all times during the Term, workers’ compensation insurance providing statutory benefits in accordance with the law and employer’s liability in an amount appropriate to your business. You will ensure that WeWork and the landlord of the applicable Premises shall each be named as additional insureds on your commercial general liability policy and that all insurance policies shall include a clause stating that the insurer waives all rights of recovery, under subrogation or otherwise, you may have against WeWork and the landlord of the applicable premises. You shall provide proof of insurance upon our request.
- g. Pets.** If the Office Space is in Premises designated by us to be one in which pets are permitted, and if any Member plans on regularly bringing a pet into the Office Space or otherwise into the Premises, we may require this Member to produce proof of vaccination for such pet and evidence of compliance with applicable local regulations. If any of your Members brings a pet into the Premises, you will be responsible for any injury or damage caused by this pet to other members or guests or other occupants of the Premises or to the property of (i) WeWork or any employees, members or guests or (ii) the owner(s) or other occupants of the Premises. None of the WeWork Parties will be responsible for any injury to such pets. We reserve the right to restrict any Member’s right to bring a pet into the Premises in our sole discretion.
- h. Other Members.** We do not control and are not responsible for the actions of other Member Companies, Members, or any other third parties. If a dispute arises between Member Companies, members or their invitees or guests, we shall have no responsibility or obligation to participate, mediate or indemnify any party.

- i. **Third Party Services.** Services do not include, and we are not involved in or liable for, the provision of products or services by third parties (“Third Party Services”) that you may elect to purchase in connection with your Membership, including via the WeWork Services Store, even if they appear on your WeWork invoice. Third Party Services are provided solely by the applicable third party (“Third Party Service Providers”) and pursuant to separate arrangements between you and the applicable Third Party Service Providers. These Third Party Service Providers’ terms and conditions will control with respect to the relevant Third Party Services. By adding a Member to the Member List, you are thereby authorizing that Member to access and use the WeWork Services Store in accordance with the terms of service available on our website.
 - j. **Privacy.** We collect, process, transfer and secure personal data about you and your Members pursuant to the terms of our Privacy Policy, which can be found on our website (www.wework.com/legal/privacy), and in accordance with all applicable data protection laws. Note that you are not obligated to provide us with personal information and any information collected by us will be provided by you at your own will and with your explicit consent granted herein by execution of this Agreement. You hereby (i) undertake, where necessary, to obtain consent from such Member to the collection, processing, transferring and securing of data described herein and (ii) confirm that you in fact collect and process such Member’s personal data in accordance with applicable law.
8. **ARBITRATION AND CLASS ACTION WAIVER**
- a. **Governing Law.** This Agreement and the transactions contemplated hereby shall be governed by and construed under the law of the State of New York, U.S.A. and the United States without regard to conflicts of laws provisions thereof and without regard to the United Nations Convention on Contracts for the International Sale of Goods.
 - b. **Venue.** Except that either party may seek equitable or similar relief from any court of competent jurisdiction, any dispute, controversy or claim arising out of or in relation to this Agreement, or at law, or the breach, termination or invalidity of this Agreement, that cannot be settled amicably by agreement of the parties to this Agreement shall be finally settled in accordance with the arbitration rules of JAMS then in force, by one or more arbitrators appointed in accordance with said rules. The place of arbitration shall be New York, New York, U.S.A.
- c. **Proceedings; Judgment.** The proceedings shall be confidential and in English. The award rendered shall be final and binding on both parties. Judgment on the award may be entered in any court of competent jurisdiction. In any action, suit or proceeding to enforce rights under this Agreement, the prevailing party shall be entitled to recover, in addition to any other relief awarded, the prevailing party’s reasonable attorneys’ fees and other fees, costs and expenses of every kind in connection with the action, suit or proceeding, any appeal or petition for review, the collection of any award or the enforcement of any order, as determined by the arbitrator(s) or court, as applicable. This Agreement shall be interpreted and construed in the English language, which is the language of the official text of this Agreement.
 - d. **Class Action Waiver.** Any proceeding to resolve or litigate any dispute in any forum will be conducted solely on an individual basis. Neither you nor we will seek to have any dispute heard as a class action or in any other proceeding in which either party acts or proposes to act in a representative capacity. No proceeding will be combined with another without the prior written consent of all parties to all affected proceedings. You also agree not to participate in claims brought in a private attorney general or representative capacity, or any consolidated claims involving another person’s account, if we are a party to the proceeding. **YOU ARE GIVING UP YOUR RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR CLASS MEMBER ON ANY CLASS CLAIM YOU MAY HAVE AGAINST US INCLUDING ANY RIGHT TO CLASS ARBITRATION OR ANY CONSOLIDATION OF INDIVIDUAL ARBITRATIONS.**
9. **MISCELLANEOUS**
- a. **Nature of the Agreement; Relationship of the Parties.** Your agreement with us is the commercial equivalent of an agreement for accommodation in a hotel. The whole of the Office Space remains our property and in our possession and control. We are giving you the right to share with us the use of the Office Space so that we can provide the Services to you. Notwithstanding anything in this Agreement to the contrary, you and we agree that our relationship is not that of landlord-tenant or lessor-lessee and this Agreement in no way shall be construed as to grant you or any Member any title, easement, lien, possession or related rights in our business, the Premises, the Office Space or anything contained in or on the Premises or Office Space. This Agreement creates no tenancy interest, leasehold estate, or other real property interest. The parties hereto shall each be independent contractors in the performance of their obligations under this Agreement, and this Agreement shall not be deemed to create a fiduciary or agency relationship, or partnership or joint venture, for any purpose. You acknowledge and agree that you are entering into this Agreement for the purposes of and in the course of your trade, business and/or profession, and not as a consumer. Neither party will in any way misrepresent our relationship.

- b. Updates to the Agreement.** Changes to membership and overage fees, will be governed by Section 4(b) and 4(d) of this Agreement, respectively. We may from time to time update this Agreement and will provide notice to you of these updates. You will be deemed to have accepted the new terms of the Agreement following the completion of two (2) full calendar months after the date of notice of the update(s). Continued use of the Office Space or Services beyond this time will constitute acceptance of the new terms.
- c. Waiver.** Neither party shall be deemed by any act or omission to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by the waiving party.
- d. Subordination.** This Agreement is subject and subordinate to our lease with our landlord of the Premises and to any supplemental documentation and to any other agreements to which our lease with such landlord is subject to or subordinate. However, the foregoing does not imply any sublease or other similar relationship involving an interest in real property.
- e. Extraordinary Events.** WeWork will not be liable for, and will not be considered in default or breach of this Agreement on account of, any delay or failure to perform as required by this Agreement as a result of any causes or conditions that are beyond WeWork's reasonable control, including without limitation (i) any delays or changes in construction of, or WeWork's ability to procure any space in, any Premises, and (ii) any delays or failure to perform caused by conditions under the control of our landlord at the applicable Premises.
- f. Severable Provisions.** Each provision of this Agreement shall be considered severable. To the extent that any provision of this Agreement is prohibited or otherwise limited, this Agreement shall be considered amended to the smallest degree possible in order to make the Agreement effective under applicable law.
- g. Survival.** Sections 1, 2(b), 4 (to the extent any payments remain outstanding), 5(d), 5(f), 5(g), 6(b), 7(a) through 7(f), 7(h), 8, and 9 and all other provisions of this Agreement reasonably expected to survive the termination or expiration of this Agreement will do so.
- h. Notices.** Any and all notices under this Agreement will be given via email, and will be effective on the first business day after being sent. All notices will be sent via email to the email addresses specified on the Membership Details Form, except as otherwise provided in this Agreement. WeWork may send notices to either (or both) the Primary Member or the Authorized Signatory, as WeWork determines in its reasonable discretion. Notices related to the physical Office Space, Premises, Members, other Member Companies or other issues in the Premises should be sent by the Primary Member. Notices related to this Agreement or the business relationship between you and WeWork should be sent by your Authorized Signatory. In the event that we receive multiple notices from different individuals within your company containing inconsistent instructions, the Authorized Signatory's notice will control unless we decide otherwise in our reasonable discretion.
- i. Headings; Interpretation.** The headings in this Agreement are for convenience only and are not to be used to interpret or construe any provision of this Agreement. Any use of "including," "for example" or "such as" in this Agreement shall be read as being followed by "without limitation" where appropriate. References to any times of day in this Agreement refer to the time of day in the Office Space's time zone.
- j. No Assignment.** Except in connection with a merger, acquisition, corporate reorganization, or sale of all or substantially all of the shares or assets of you or your parent corporation, you may not transfer or otherwise assign any of your rights or obligations under this Agreement (including by operation of law) without our prior consent. We may assign this Agreement without your consent.

- k. **Sanctions.** You hereby represent and warrant that (i) during the term of this Agreement you and your Members will comply with all applicable U.S. and non-U.S. economic sanctions and export control laws and regulations, including but not limited to the economic sanctions regulations implemented under statutory authority and/or Executive Orders and administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") (31 C.F.R. Part 500 et seq.), the U.S. Commerce Department's Export Administration Regulations (15 C.F.R. Part 730 et seq.), the economic sanctions rules and regulations of the European Council, United Kingdom, and EU Member States, and EU's Dual-use Regulation 428/2009 (collectively, "Trade Control Laws"); (ii) neither you nor any of your Members, subsidiaries or affiliates, nor directors or officers is (a) a citizen or resident of, an entity organized under the laws of, or otherwise located in, a country subject to comprehensive territorial sanctions maintained by OFAC (hereinafter referred to as "Sanctioned Countries"), (b) identified on U.S. Government restricted party lists including the Specially Designated Nationals List and Foreign Sanctions Evaders List administered by OFAC; the Denied Parties List, Unverified List or Entity List maintained by the U.S. Commerce Department Bureau of Industry and Security; or the List of Statutorily Debarred Parties maintained by the U.S. State Department Directorate of Defense Trade Controls, (c) a listed person or entity on the Consolidated List of persons and entities subject to asset-freezing measures or other sanctions maintained by the European Union, and by the Member States of the European Union, or (d) a person or entity subject to asset-freezing measures or other sanctions maintained by the United Kingdom's HM Treasury (collectively referred to herein as "Restricted Parties"); (iii) neither you nor any of your Members, subsidiaries and/or affiliates are 50% or more owned, individually or in the aggregate, directly or indirectly by one or more Restricted Parties or otherwise controlled by Restricted Parties; (iv) less than 10% of your total annual revenues are, and will continue to be for the duration of the Agreement, generated from activities involving, directly or indirectly, one or more of the Sanctioned Countries; and (v) neither you nor any of your Members will, at any time during the Term, engage in any activity under this Agreement, including the use of Services provided by WeWork in connection with this Agreement, that violates applicable Trade Control Laws or causes WeWork to be in violation of Trade Control Laws.
- l. **Anti-Money Laundering.** You hereby represent and warrant that at all times you and your Members have conducted and will conduct your operations in accordance with all laws that prohibit commercial or public bribery and money laundering (the "Anti-Money Laundering Laws"), and that all funds which you will use to comply with your payments obligations under this Agreement will be derived from legal sources, pursuant to the provisions of Anti-Money Laundering Laws. You will provide us with all information and documents that we from time to time may request in order to comply with all Anti-Money Laundering Laws.
- m. **Anti-Corruption Laws.** Neither you nor any of your Members, your directors, officers, employees, agents, subcontractors, representatives or anyone acting on your behalf, (i) has, directly or indirectly, offered, paid, given, promised, or authorized the payment of any money, gift or anything of value to: (A) any Government Official or any commercial party, (B) any person while knowing or having reason to know that all or a portion of such money, gift or thing of value will be offered, paid or given, directly or indirectly, to any Government Official or any commercial party, or (C) any employee or representative of WeWork for the purpose of (1) influencing an act or decision of the Government Official or commercial party in his or her official capacity, (2) inducing the Government Official or commercial party to do or omit to do any act in violation of the lawful duty of such official, (3) securing an improper advantage or (4) securing the execution of this Agreement, (ii) will authorize or make any payments or gifts or any offers or promises of payments or gifts of any kind, directly or indirectly, in connection with this Agreement, the Services or the Office Space. For purposes this section, "Government Official" means any officer, employee or person acting in an official capacity for any government agency or instrumentality, including state-owned or controlled companies, and public international organizations, as well as a political party or official thereof or candidate for political office.
- n. **Compliance with Laws.** You hereby represent and warrant that at all times you and your Members have conducted and will conduct your operations ethically and in accordance with all applicable laws.
- o. **Brokers.** You hereby represent and warrant that you have not used a broker or realtor in connection with the membership transaction covered by this Agreement, except as may be provided for in the WeWork broker referral program. You hereby indemnify and hold us harmless against any claims arising from the breach of any warranty or representation of this paragraph.
- p. **Counterparts and Electronic Signature.** This Agreement may be executed in any number of counterparts by either handwritten or electronic signature, each of which when executed shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement, and each of which counterparts may be delivered by emailing the other party to this Agreement signed scanned document or electronically signed portable document format (pdf) version of the contract (as applicable). Each party agrees to the execution of this Agreement in this manner, and the parties acknowledge that execution in this manner creates a binding contract between the parties on the Effective Date.
- q. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties relating to the subject matter hereof and shall not be changed in any manner except by a writing executed by both parties or as otherwise permitted herein. All prior agreements and understandings between the parties regarding the matters described herein have merged into this Agreement.

SETTLEMENT AGREEMENT, MUTUAL RELEASE OF ALL CLAIMS, AND CONFIDENTIALITY AGREEMENT

This *Settlement Agreement, Mutual Release of all Claims, and Confidentiality Agreement* (hereinafter referred to as the “Agreement”) is made and entered into effect as of the latest date on which this Agreement is fully executed and receipt by the Designated Payee (term defined below) of the First Payment (term defined below) by and between Najib Babul and Cinergen, LLC, on the one hand (Najib Babul and Cinergen, LLC are collectively referred to as “Babul”) and Relmada Therapeutics, Inc., a Delaware Corporation (“Relmada I”), Relmada Therapeutics, Inc. a Nevada Corporation (“Relmada II”), on the other hand, (Relmada I and Relmada are collectively referred to as “Relmada”), Laidlaw & Company (UK) Ltd. (“Laidlaw”), Sandesh Seth (“Seth”), and Sergio Traversa (“Traversa”) (Relmada I, Relmada II, Laidlaw, Seth and Traversa are collectively referred to as “Defendants”). Each of Babul, Relmada I, Relmada II, Laidlaw, Seth, and Traversa is referred to individually as “Party” and collectively they are the “Parties.”

WHEREAS, on or about January 9, 2014, Relmada I filed a complaint styled *Relmada Therapeutics, Inc. v. Najib Babul* in the United States District Court for the Eastern District of Pennsylvania, Case No. 2:14-cv-00104-GAM (“*Relmada v. Babul*”), in which Relmada I asserted a claim for breach of fiduciary duty. *Relmada v. Babul* concluded on December 3, 2014;

WHEREAS, on or about May 26, 2015, Najib Babul filed a complaint styled *Babul v. Relmada Therapeutics, Inc., a Delaware Corporation, Relmada Therapeutics, Inc., a Nevada Corporation, Laidlaw & Company (UK) Ltd., Jamess Capital Group, LLC, Sandesh Seth, Sergio Traversa, Robinson Brog Leinwand Greene Genovese & Gluck P.C., David C. Burger, and David E. Danovitch* in the United States District Court for the Eastern District of Pennsylvania, Case No. 2:15-cv-02937-GAM (the “Lawsuit”), in which Najib Babul asserted claims for violation of Pennsylvania’s Dragonetti Act (wrongful use of civil proceedings), defamation, intentional infliction of emotional distress, civil conspiracy / aiding and abetting / substantial participation, and breach of contract;

WHEREAS, on or about January 20, 2016 the Honorable Gerald A. McHugh (the “Court”) dismissed from the Lawsuit Najib Babul’s claim for intentional infliction of emotional distress (Count III) and breach of contract (Count V);

WHEREAS, on or about February 21, 2018 Defendants Jamess Capital Group LLC, Robinson Brog Leinward Green Genovese & Gluck, P.C., David C. Berger, and David E. Danovitch, were dismissed from the Lawsuit;

WHEREAS, on January 26, 2019, the Parties attended a Pretrial Conference with the Court where an agreement in principle was reached among the Parties who thereafter agreed to execute a full and complete settlement agreement, the terms of which are contained in this present Agreement;

WHEREAS, each Party acknowledges and agrees that neither this Agreement, nor anything provided in this Agreement, shall be taken or construed as an admission or concession of any kind with respect to any fact, liability, or fault;

AND WHEREAS, the Parties desire to enter into this Agreement in order to effect a full, complete, and final settlement of all claims or disputes between them, which existed or could have existed as of the Effective Date hereof, including all claims which were asserted, or which could have been asserted between them.

NOW, therefore, in consideration of the mutual promises, agreements, and representations contained herein, and together with good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intended to be legally bound, the Parties hereby agree as follows:

1. **Monetary Payment.** Upon receipt of a completed W-9 form from each Designated Payee, Relmada II shall pay a sum total of One Million Five Hundred Thousand Dollars (\$1,500,000.00) (the "Payment") to the identified Designated Payee by wire transfer according to the banking and wire transfer instructions attached hereto as Exhibit "A" and as provided below. The Defendants shall not be responsible for the payment of any federal, state, or local taxes under this Agreement. Any and all taxes, federal, state and/or local, if any, shall be the responsibility of Babul and/or the Designated Payee. Relmada will issue two 1099s, one in the amount of \$676,126.00 to Steve Harvey Law, and another in the amount of \$823,874.00 to Cinerogen, LLC. No monies whatsoever are due and owing from any of the Defendants, except for such amounts from Relmada II as stated in this paragraph.

a. Relmada II shall pay Two Hundred and Fifty Thousand Dollars (\$250,000.00) (the "First Payment") by wire transfer immediately after both Babul and Relmada II have executed this Agreement.

b. Relmada II shall pay Two Hundred and Fifty Thousand Dollars (\$250,000.00) (the "Second Payment") no later than February 6, 2019.

c. Relmada II shall pay Two Hundred and Fifty Thousand Dollars (\$250,000.00) (the "Third Payment") no later than March 31, 2019.

d. Relmada II shall pay Two Hundred and Fifty Thousand Dollars (\$250,000.00) (the "Fourth Payment") no later than June 30, 2019.

e. Relmada II shall pay Two Hundred and Fifty Thousand Dollars (\$250,000.00) (the "Fifth Payment") no later than September 30, 2019.

f. Relmada II shall pay Two Hundred and Fifty Thousand Dollars (\$250,000.00) (the "Sixth Payment") no later than December 31, 2019.

2. **Late Payment Penalty.** If any payment due hereunder is not received on the date such payment is due, Relmada II shall pay interest on the late payment at the Wall Street Journal Prime Rate as of the date payment was due.

3. **Event of Default.** Following written Notice (as described in paragraph 23 below) and a thirty (30) day cure period, Relmada II shall be in default under this Agreement if it fails to timely make the Second Payment, Third Payment, Fourth Payment, Fifth Payment, or Sixth Payment as provided in Paragraph 1 above (“Event of Relmada Default”). Following written Notice and a thirty (30) day cure period, Babul shall be in default under this Agreement, if he breaches any obligations contained in this Agreement, including but not limited to those contained in Paragraphs 5, 6, 7, and 8 below (“Event of Babul Default”). In the Event of Relmada Default or in the Event of Babul Default, Relmada II and Babul have entered into a separate Event of Default Agreement, which shall be held in escrow and under seal by Judge McHugh.

4. **Share Exchange.** Babul specifically acknowledges that he waives any and all claims to any shares of Relmada stock that he was entitled to under the April 2012 Private Placement Memorandum and/or pursuant to the May 20, 2014 Share Exchange Agreement; and further warrants and represents that as of the Effective Date, Babul does not own, nor has any rights or claims to rights to any shares of stock in either Relmada I or Relmada II. Nothing contained in this Agreement prevents Babul from legally acquiring Relmada stock following the Effective Date.

5. **Confidentiality.** For the consideration listed above, the Parties and their counsel, together with their respective past, present, and future agents, affiliates, predecessors, successors, or other related persons or entities, hereby agree and promise that they shall keep the terms of this Agreement, any information obtained or work product generated in connection with the negotiations or execution of this Agreement, and all settlement negotiations confidential and shall not disclose or publish same to any person or entity at any time, for any reason whatsoever, unless ordered to do so by a court of law or other judicial authority, or except as reasonably necessary in order to prepare financial statements, tax returns, or other regulatory filings, including SEC disclosures or as otherwise required by law. No Party will publicize the existence or terms of this settlement on social media, through traditional media, or elsewhere, although nothing in that prohibition prevents Babul from making reference to resolution of *Relmada v. Babul* and the Lawsuit for purposes of seeking employment, consulting opportunities, or when specifically asked about *Relmada v. Babul*.

6. **Relmada Letter.** Relmada II will provide a letter to Babul on Relmada II letterhead, signed by its Chief Executive Officer, in the form attached hereto as Exhibit “B”. Relmada II will provide this letter to Babul no later than February 6, 2019. Babul shall not publicize this letter or its contents on social media, through traditional media, or elsewhere, but Babul may use this letter when he is seeking employment, consulting opportunities, or when specifically asked about *Relmada v. Babul*. Babul acknowledges that such letter may not be used as an admission of wrongdoing in any manner by the Defendants or their attorneys and may not be used with regard to any claim that Babul has or may assert against Robinson Brog Leinwand Greene Genovese & Gluck, P.C., or its attorneys.

7. **Consulting Agreement.** Relmada II and Babul agree as part of this Agreement and as part of the payments identified in paragraph 1 to enter into a separate consulting agreement (“Consulting Agreement”), which is attached hereto as Exhibit “C”, which shall be referenced in Relmada’s next SEC filing. Babul shall not publicize such Consulting Agreement, its existence or its contents on social media, through traditional media, or elsewhere, but Babul may use such Consulting Agreement when he is seeking employment, consulting opportunities, or when specifically asked about *Relmada v. Babul*.

8. **Reference Letter and Response to Requests for Information.** Relmada II will provide a letter to Babul on Relmada II letterhead, signed by its Chief Executive Officer, in the form attached hereto as Exhibit D. The language of this letter may be used as a script if Relmada II is contacted about Babul. Babul shall not publicize such Reference Letter, its existence or its contents on social media, through traditional media, or elsewhere, but Babul may use such Reference Letter when he is seeking employment, consulting opportunities, or when specifically asked about *Relmada v. Babul*. Babul specifically waives any and all claims it could assert against Relmada II or its officers or employees with regard to such Reference Letter and/or any contact request made to Relmada related to Babul.

9. **Release of Defendants by Babul.** In consideration of the agreements by Defendants as set forth in this Agreement, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, Babul, on behalf of himself and his respective agents, representatives, heirs, affiliates, employees, consultants, independent contractors, alter egos and assigns (all of whom are hereinafter collectively referred to as the “Babul Releasers”) hereby remise, release, acquit, and forever discharge Defendants and James Capital Group LLC, and all of their respective members, representatives, agents, servants, employees, attorneys, officers, directors, board members, shareholders, investors, trustees, partners, parent and subsidiary organizations, administrators, predecessors, successors, insurers, sureties, assigns, and other related entities (all of whom are hereinafter collectively referred to as the “Defendant Releasees”) of and from any and all actions and causes of action, damages, suits, debts, dues, accounts, bonds, agreements, contracts, covenants, promises, judgments, costs, attorneys’ fees, expenses, compensation, and claims and demands of any kind whatsoever, which the Babul Releasers or anyone claiming by, through or under them now has or ever had or could claim against the Defendant Releasees from the beginning of the world to the Effective Date of this Agreement arising out of, in connection with or in any way related or incidental to, either directly or indirectly, the Lawsuit, the claims that were or could have been asserted in *Relmada v. Babul*, the Lawsuit, the events that gave rise to the Lawsuit, and any claims related to Relmada’s failure to exchange Babul’s shares of common stock in Relmada I for securities in Relmada II in connection with the May 2014 Share Exchange (*see* Camp Nine, Inc.’s Form 8-K dated May 20, 2014) or thereafter.

Notwithstanding the foregoing, the Babul Releasers expressly exclude from the effect of this Release and do not release the Defendant Releasees from the terms and conditions of this Agreement. The Babul Releasers also expressly exclude from the effect of this Release and do not release the Defendant Releasers from any and all rights Babul has under the Indemnification Agreement between Relmada I and Babul, dated July 10, 2012, and the Amended and Restated By-laws of Relmada I, dated July 2012. The Babul Releasers also expressly exclude from the effect of this Release and do not release the claims Babul asserted in the Lawsuit against Robinson Brog Leinwand Greene Genovese & Gluck P.C., David C. Burger, and David E. Danovitch, or any and all claims Babul may have against Robinson Brog Leinwand Greene Genovese & Gluck P.C., David C. Burger, and David E. Danovitch.

10. **Release of Babul by Defendants.** In consideration of the agreements by Babul as set forth in this Agreement, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, Defendants on behalf of themselves and all of their respective principals, directors, officers, shareholders, employees, agents, representatives, parent and subsidiary organizations and corporations, successors, insurers, assigns, and affiliates (all of whom are hereinafter collectively referred to as the "Defendant Releasers") hereby remise, release, acquit, and forever discharge Babul and all of his respective agents, representatives, attorneys, and assigns (all of whom are hereinafter collectively referred to as the "Babul Releasees") of and from any and all actions and causes of action, damages, suits, debts, dues, accounts, bonds, agreements, contracts, covenants, promises, judgments, costs, attorneys' fees, expenses, compensation, claims and demands whatsoever, of every nature, kind, and description, which the Defendant Releasers or anyone claiming by, through or under them now has or ever had or could claim against the Babul Releasees from the beginning of the world to the Effective Date of this Agreement arising out of, in connection with or in any way related or incidental to, either directly or indirectly, the Lawsuit, the claims that were or could have been asserted in the Lawsuit, and the events that gave rise to the Lawsuit. Notwithstanding the foregoing, the Defendant Releasers expressly exclude from the effect of this Release and do not release the Babul Releasees from the terms and conditions of this Agreement.

11. **Dismissal of Lawsuit with Prejudice.** Within five (5) business days following receipt of the Second Payment described in Paragraph 1 above, Babul shall file a stipulation of dismissal with prejudice of the Lawsuit as against the Defendants, with each Party to bear its own fees and costs, and with the Court to retain jurisdiction of the Lawsuit with respect to Event of Default as discussed in Paragraph 3 above.

12. **No Admission of Liability.** It is expressly understood and agreed that this Agreement is not, and shall not be construed as, an admission of guilt, fault, or liability on behalf of any Party. Rather, the Parties have entered into this Agreement solely for the purpose of reaching a compromise and avoiding the expense and uncertainty of litigation and have relied on their own judgment in entering into this settlement and not on any representations of the other Party.

13. **Authority; No Prior Assignment.** Babul warrants and represents that he is fully entitled and duly authorizes the releases contained herein, and that he has not assigned any of the rights or causes of action released herein, and that he has not relied upon any representation, promise, or statement made by anyone which is not recited, contained or embodied in this Agreement. Similarly, Defendants warrant and represent that they are fully entitled and duly authorized to give the release contained herein, and that they have not assigned any of the rights or causes of action released herein, and that they have not relied upon any representation, promise, or statement made by anyone which is not recited, contained or embodied in this Agreement. Each of the signatories hereto represents and warrants that he or she is duly authorized to execute this Agreement on behalf of such Party.

14. **Representation of Comprehension of Document and Rule of Construction.** In entering into this Agreement, the Parties represent that they have had an opportunity to seek the advice of attorneys, and that the terms of this Agreement have been completely read and that these terms are fully understood and voluntarily accepted by such Party. Notwithstanding the identity of the drafters of this Agreement, the Parties agree that there will be no presumption against any Party arising out of or relating to the identity of such drafters. Babul specifically acknowledges that with regard to this Agreement, he is represented by Steve Harvey, Esquire and Steve Harvey Law LLC; and Defendants specifically acknowledge that they are being represented by Barry L. Cohen, Esquire and Royer Cooper Cohen Braunfeld, LLC.

15. **Applicable Law and Venue for Enforcement.** This Agreement shall be construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania. The Parties agree that any litigation concerning this Agreement or the performance by the Parties hereunder shall be brought exclusively in the United States District Court for the Eastern District of Pennsylvania, and the Parties agree to submit to the jurisdiction of such court.

16. **No Third-Party Beneficiaries.** This Agreement is made for the sole benefit of the Parties to it. No other person or entity not described herein shall have any rights or remedies under or by reason of this Agreement.

17. **No Oral Modifications.** This Agreement may not be amended, altered, modified or changed in any way except by a writing signed by the Parties.

18. **Severability.** If any term or provision of this Agreement shall be deemed or declared by a court of competent jurisdiction to be invalid or unenforceable, in whole or in part, it shall be severed herefrom, and the remaining provisions of this Agreement shall remain in effect and enforceable.

19. **Headings.** The headings of the various paragraphs of this Agreement have been included only in order to make it easier to locate the subject covered by each provision and are not to be used in construing this Agreement or in ascertaining its meaning.

20. **Execution in Counterparts.** This Agreement may be executed in multiple, separate counterpart originals, or with detachable signature pages, which together shall constitute the original thereof. Facsimile, photocopy, PDF, or other copied signatures shall be considered as original signatures for all purposes. This Agreement will become effective only upon the execution of the Agreement by all of the Parties and receipt of the First Payment and Second Payment.

21. **Completeness of Agreement.** This Agreement constitutes the complete and entire Agreement between the Parties regarding the claims Babul and Defendants asserted or could have asserted in the Lawsuit. All prior agreements, negotiations, correspondence, proposals, prior documents, and any verbal understandings regarding the claims Babul and Defendants asserted or could have asserted in the Lawsuit are merged into this Agreement, which shall supersede any provision of any agreement inconsistent with the terms of this Agreement.

22. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the Parties and their respective representatives, agents, officers, predecessors, successors, and assigns.

23. **Notices.** All notices and other communications required or permitted hereunder or necessary or convenient in connection herewith shall be in writing and shall be deemed to have been given when hand delivered or mailed by registered or certified United States mail, or by reputable courier service with delivery confirmation, as follows (provided that notice of change of address shall be deemed given only when received):

If to Babul:

Najib Babul
P.O. Box 2790
16767 Bernardo Ctr Dr L-1
San Diego, CA 92128-9996

With a copy to:

Najib Babul, Fax # 858-431-4708;

and

With a copy to:

Stephen G. Harvey, Esquire
Steve Harvey Law LLC
1880 John F. Kennedy Blvd., Suite 1715
Philadelphia, PA 19103
Fax # 215- 438-6666

If to Relmada or Relmada II:

Relmada Therapeutics, Inc.
Attn: Sergio Traversa, CEO
880 Third Avenue, 12th Floor
New York, NY 10022

With a copy to:

Royer Cooper Cohen Braunfeld LLC
Attn: Barry L. Cohen, Esquire
101 West Elm Street, Suite 400
Conshohocken, PA 19428
Email: bcohen@rcclaw.com
Fax: 484-362-2630

If to Sergio Traversa

Sergio Traversa
Relmada Therapeutics, Inc.
880 Third Avenue, 12th Floor
New York, NY 1002

With a copy to:

Royer Cooper Cohen Braunfeld LLC
Attn: Barry L. Cohen, Esquire
101 West Elm Street, Suite 400
Conshohocken, PA 19428
Email: bcohen@rcclaw.com
Fax: 484-362-2630

If to Sandesh Seth:

Sandesh Seth
244 Fifth Avenue, 2nd Floor, Suite S217
New York, NY 10001

With a copy to:

Royer Cooper Cohen Braunfeld LLC
Attn: Barry L. Cohen, Esquire
101 West Elm Street, Suite 400
Conshohocken, PA 19428
Email: bcohen@rcclaw.com
Fax: 484-362-2630

If to Laidlaw & Company (UK) Ltd.:

Laidlaw & Company (UK) Ltd.
546 5th Avenue, 5th Floor
New York, NY 10036

With a copy to:

Royer Cooper Cohen Braunfeld LLC
Attn: Barry L. Cohen, Esquire
101 West Elm Street, Suite 400
Conshohocken, PA 19428
Email: bcohen@rcclaw.com
Fax: 484-362-2630

24. **Incorporation of Recitals.** The recitals set forth above are hereby incorporated by reference as if fully set forth herein.

IN WITNESS WHEREOF, the Parties have duly authorized and caused this Agreement to be executed effective as of the Effective Date.

/s/ Najib Babul

NAJIB BABUL

Date: February 6m 2019

CINERGEN, LLC, A DELAWARE LIMITED LIABILITY COMPANY

By: /s/ Najib Babul

Name: Najib Babul

Title: CEO

Date: February 6, 2019

RELMADA THERAPEUTICS, INC., A DELAWARE CORPORATION

By: /s/ Sergio Traversa

Name: Sergio Traversa

Title: CEO

Date: February 6, 2019

RELMADA THERAPEUTICS, INC., A NEVADA CORPORATION

By: /s/ Sergio Traversa

Name: Sergio Traversa

Title: CEO

Date: February 6, 2019

LIDLAW & COMPANY (UK) LTD.

By: /s/ Matthew D. Eitner

Name: Matthew D. Eitner

Title: CEO

Date: February 6, 2019

/s/ Sandesh Seth

SANDESH SETH

Date: February 6, 2019

Exhibit A

Wire Transfer Instructions for Designated Payee & Schedule of Payments

Payment No	Amount (U.S. Dollars)	Not Later Than	Wire Transfer Information
1	\$250,000.00	February 6, 2019	Steve Harvey Law LLC Account: TD Bank, 1900 Market Street, Philadelphia, Pennsylvania 19103 (Tel.: 215-568-0900), Routing No. 036001808, Account No. 4288385375
2	\$250,000.00	February 6, 2019	Steve Harvey Law LLC Account: TD Bank, 1900 Market Street, Philadelphia, Pennsylvania 19103 (Tel.: 215-568-0900), Routing No. 036001808, Account No. 4288385375
3	\$250,000.00	March 31, 2019	Cinergen, LLC Account: Bank of America, 10511 Craftsman Way, San Diego CA 92127 (Tel: 858-673-0770), Routing No. 121000358, Account No. 325087223530
4	\$250,000.00	June 30, 2019	Cinergen, LLC Account: Bank of America, 10511 Craftsman Way, San Diego CA 92127 (Tel: 858-673-0770), Routing No. 121000358, Account No. 325087223530
5a*	\$176,126.00	September 30, 2019	Steve Harvey Law LLC Account: TD Bank, 1900 Market Street, Philadelphia, Pennsylvania 19103 (Tel.: 215-568-0900), Routing No. 036001808, Account No. 4288385375
5b*	\$73,874.00	September 30, 2019	Cinergen, LLC Account: Bank of America, 10511 Craftsman Way, San Diego CA 92127 (Tel: 858-673-0770), Routing No. 121000358, Account No. 325087223530
6	\$250,000.00	December 31, 2019	Cinergen, LLC Account: Bank of America, 10511 Craftsman Way, San Diego CA 92127 (Tel: 858-673-0770), Routing No. 121000358, Account No. 325087223530

Payment No. 5 (5a and 5 b) will be made to two payees.

EXHIBIT B

ON RELMADA II LETTERHEAD

Dated: February 5, 2019

Re: Najib Babul, PharmD, MBA ("Dr. Babul") and *Relmada v. Babul* (E.D. Pa.)

To whom it may concern:

On January 9, 2014, Relmada Therapeutics, Inc. ("Relmada") filed a lawsuit, *Relmada v. Babul*, in federal court in Philadelphia against Dr. Babul, who formerly served as President and Chief Scientific Officer of Relmada. Dr. Babul resigned these positions voluntarily in September 2012.

The lawsuit alleged that Dr. Babul breached his fiduciaries duties to the company. It ended in December 2014 with the entry of a Stipulated Judgment Order.

Relmada has now concluded that Dr. Babul did not engage in any wrongdoing or do anything improper.

Sincerely,

NAME
Chief Executive Officer

EXHIBIT C

CONSULTING AGREEMENT

EXHIBIT D

ON RELMADA II LETTERHEAD

Dated: February 5, 2019

Re: Najib Babul, PharmD, MBA

To whom it may concern:

From January 1, 2004, to September 12, 2012, Dr. Najib Babul was the President and Chief Scientific Officer of Relmada Therapeutics, Inc. ("Relmada"), formerly known as TheraQuest Biosciences, Inc.

In September 2012, Dr. Babul resigned voluntarily from his positions at Relmada.

On February 5, 2019 Dr. Babul entered into a three year agreement with Relmada in which Dr. Babul acts as a Drug Development and Scientific Consultant to Relmada.

Sincerely,

NAME
Chief Executive Officer

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (this "Agreement") is made by and between RELMADA THERAPEUTICS INC., a Nevada corporation (the "Company") and Najib Babul ("Consultant"). This Agreement is effective as of March 25, 2019.

WITNESSETH:

WHEREAS, Consultant has substantial experience in, among other matters, pharmaceutical and biopharmaceutical businesses; and

WHEREAS, the Company desires to engage the Consultant as a "Drug Development and Scientific Consultant" to perform consulting services as an independent contractor and has requested that Consultant provide consulting services to the Company, and Consultant is willing to provide such services to the Company on the terms and conditions set forth below.

NOW THEREFORE, for valuable consideration, and intending to be legally bound hereby, the parties agree as follows:

1. Term. The term of this Agreement (the "Term") shall be for a three year term commencing on March 25, 2019 and ending on March 24, 2022. The Term shall not be extended or renewed except by the mutual agreement of the parties in writing.

2. Consulting Services. Consultant shall be available to consult with the Company, on a part-time basis on such matters as may be reasonably requested by the Company from time to time and only to the extent such request is accepted by the Consultant (the "Consulting Services") during the Term of this Agreement. Such Consulting Services shall be rendered by Consultant at such time or times and at such place as the Company and the Consultant may mutually agree.

3. Compensation; Reimbursement of Expenses.

3.1 Compensation. In consideration of Consultant's agreement to provide the Consulting Services to the Company as herein provided, the Company hereby agrees to pay Consultant a consulting fee of \$333,333.33 per year for the three year period for a total consulting fee of \$1 million, all of which shall be paid during 2019 as identified in Paragraph 1 of the separate Settlement Agreement entered into by and between the Company and Consultant. No fees are due and owing from the Company to Consultant during years two and three of this Agreement.

3.2 No Other Compensation. The fees paid for the Consulting Services shall be full compensation for the Consulting Services to be performed by Consultant hereunder, and Consultant shall receive no other compensation for the Consulting Services except as set forth in Paragraph 3.1.

4. Representations and Warranties. The Company and Consultant hereby represent and warrant that he or it has the full right and authority to enter into this Agreement and perform his or its obligations hereunder. Consultant makes no warranties, guarantees, or representations that any Consulting Services provided by Consultant will result in any increase or improvement in the development, marketing, promotion, or sale of the Company's business, products, or services.

5. Independent Contractor Relationship. Consultant shall at all times be an independent contractor, and nothing in this Agreement is intended to, or should be construed to, create a partnership, agency, joint venture or employment relationship. Consultant will not be entitled to any of the benefits which Company may make available to its employees, including, but not limited to, group health or life insurance, profit-sharing or retirement benefits. The manner and means by which Consultant chooses to complete his services are in Consultant's sole discretion and control. Consultant is solely responsible for, and will timely file all tax returns and payments required to be filed with, or made to, any federal, state or local tax authority with respect to the performance of services and receipt of any fees under this Agreement.

6. Termination. The Company may terminate this Agreement, with or without cause, upon thirty (30) days prior written notice to Consultant; provided, however, that no such termination of this Agreement by the Company, nor the death or disability of Consultant during the Term of this Agreement, shall require Consultant or his legal representatives to return or to repay or refund to the Company any amount in respect thereof; it being agreed that the compensation was fully earned upon the execution of this Agreement and payable per Paragraph 3.1 above.

7. Notices. All notices or other communications hereunder shall be in writing and may be delivered personally, by registered or certified mail, return receipt requested, by nationally recognized air courier service, by telegram or by facsimile transmission, to the addresses indicated below:

If to the Company:

Relmada Therapeutics
Attn: Mr. Sergio Traversa, CEO
880 Third Avenue, 12th Floor
New York, NY 10022

With a Copy to:

Royer Cooper Cohen Braunfeld LLC
Attn: Barry L. Cohen, Esquire
101 West Elm Street, Suite 400
Conshohocken, PA 19428
Email: bcohen@rcdbl.com

If to Consultant:

Najib Babul
P.O. Box 2790
16767 Bernardo Ctr Dr L-1
San Diego, CA 92128-9996

With a copy to:

Stephen G. Harvey, Esquire
Steve Harvey Law LLC
1880 John F. Kennedy Blvd., Suite 1715
Philadelphia, PA 19103
Fax # 215-438-6666

8. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York without regard to the conflicts of laws principles thereof.

9. Agreement Non-Exclusive for Consultant. This Agreement shall in no way limit or restrict Consultant from entering into any other or similar agreements with any other businesses or individuals.

10. Severability. If any provision of this Agreement or any part of any provision of this Agreement is determined to be unenforceable for any reason whatsoever, it shall be severable from the rest of this Agreement and shall not invalidate or affect the other portions or parts of this Agreement, which shall remain in full force and effect and be enforceable according to their terms.

11. Succession; Assignment . This Agreement shall be binding upon the parties hereto and shall inure to the benefit of their respective successors, heirs and assigns. This Agreement shall not be assigned by either party without the written consent of the other.

12. Entire Agreement. This Agreement, along with the Settlement Agreement, constitutes the entire agreement between the parties relating to this subject matter and supersedes all prior or contemporaneous oral or written agreements concerning such subject matter. The recitals shall be a part of this Agreement. The terms of this Agreement will govern all services undertaken by Consultant for the Company. This Agreement may only be changed by mutual agreement of the parties in writing.

[signatures appear on next page]

In Witness Whereof, the parties have executed this Agreement as of the day and year first above written.

COMPANY:

CONSULTANT:

RELMADA THERAPEUTICS INC.

By: /s/ Sergio Traversa
Name: Sergio Traversa
Title: CEO

/s/ Najib Babul
Najib Babul

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Sergio Traversa, certify that:

1. I have reviewed this Form 10-Q of Relmada Therapeutics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods present in this report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13-a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financing reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involved management or other employees who have a significant role in the registrant's internal control over financial reporting.

Relmada Therapeutics, Inc.

By: /s/ Sergio Traversa
Sergio Traversa
Chief Executive Officer
(Principal Executive Officer)

February 13, 2019

CERTIFICATION OF PRINCIPAL FINANCIAL AND ACCOUNTING OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Sergio Traversa certify that:

1. I have reviewed this Form 10-Q of Relmada Therapeutics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods present in this report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13-a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principals;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financing reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involved management or other employees who have a significant role in the registrant's internal control over financial reporting.

Relmada Therapeutics, Inc.

By: /s/ Sergio Traversa
Sergio Traversa
Chief Executive Officer and
Interim Chief Financial Officer

February 13, 2019

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Relmada Therapeutics, Inc. (the "Company") on Form 10-Q for the three months ended December 31, 2018 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Sergio Traversa, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Quarterly Report fairly presents, in all material respects, the consolidated financial condition and results of consolidated operations of the Company.

Relmada Therapeutics, Inc.

By: /s/ Sergio Traversa
Sergio Traversa
Chief Executive Officer
(Principal Executive Officer)

February 13, 2019

CERTIFICATION OF PRINCIPAL FINANCIAL AND ACCOUNTING OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Relmada Therapeutics, Inc. (the "Company") on Form 10-Q for the three months ended December 31, 2018 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Sergio Traversa, Interim Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Quarterly Report fairly presents, in all material respects, the consolidated financial condition and results of operations of the Company.

Relmada Therapeutics, Inc.

By: /s/ Sergio Traversa

Sergio Traversa
Chief Executive Officer and
Interim Chief Financial Officer

February 13, 2019