

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re:	Chapter 11
Zosano Pharma Corporation, ¹	Case No. 22-10506 (JKS)
Debtor.	

NOTICE OF BID PROCEDURES, AUCTION DATE, AND SALE HEARING

PLEASE TAKE NOTICE THAT:

1. On June 9, 2022, the above-captioned debtor and debtor-in-possession (the “**Debtor**”) filed the *Motion of the Debtor for Entry of Orders (I)(A) Approving Bid Procedures Relating to the Sale of Assets of the Debtor, (B) Establishing Procedures for the Debtor to Enter into a Stalking Horse Agreement with Bid Protections, (C) Approving Alternate Liquidation Sales Conducted by a Sale Agent, (D) Establishing Procedures in Connection with the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, (E) Approving Notice Procedures, and (F) Granting Related Relief* (the “**Bid Procedures Motion**”); and *(II)(A) Authorizing the Sale of Assets of the Debtor Free and Clear of Liens, Claims, Encumbrances, and Other Interests; (B) Approving the Final Purchase Agreement; (C) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases Related Thereto; and (D) Granting Related Relief* [Docket No. 44] (the “**Sale Motion**” and, collectively with the Bid Procedures Motion, the “**Motion**”)² with the United States Bankruptcy Court for the District of Delaware (the “**Court**”).

2. After a hearing held on June 30, 2022, on July 1, 2022 the Court approved the Bid Procedures Motion [Docket No. 11] (the “**Bid Procedures Order**”).

3. The Debtor is seeking competitive bids in connection with a sale (the “**Sale**”) of any portion, or all, of the assets of the Debtor (the “**Assets**”).

4. As set forth in the Motion and the Bid Procedures, the Debtor reserves the right to designate a Stalking Horse Bidder for the sale of certain or all of the Assets, subject to higher and better offers.

5. All interested parties are invited to submit a Written Offer to purchase some or all of the Assets in accordance with the terms and conditions of the Bid Procedures Order and the Bid Procedures attached thereto. The deadline to submit a Written Offer (the “**Bid Deadline**”) is **July 18, 2022 at 4:00 p.m. (prevailing Eastern Time)**.

¹ The business address and the last four (4) digits of the Debtor’s federal tax identification number is Zosano Pharma Corporation, 34790 Ardentech Court, Fremont, California 94555 (8360).

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.



6. Prior to the Bid Deadline, a Potential Bidder that desires to purchase any or all of the Assets shall deliver its Written Offer in accordance with the Bid Procedures.

7. Pursuant to the Bid Procedures Order, in the event that the Debtor receives two or more Qualified Bids by the Bid Deadline, the Debtor shall conduct an Auction to determine the highest and otherwise best bid with respect to the Assets. Any creditor that submits a written request to attend the Auction to counsel for the Debtor no later than 24 hours prior to the Auction shall be entitled to attend the Auction; a request must include the creditor's email address. The Auction shall commence at **10:00 a.m. (prevailing Eastern Time) on July 20, 2022** at the offices of Greenberg Traurig, LLP, The Nemours Building, 1007 North Orange Street, Suite 1200, Wilmington, Delaware 19801, or such other place as determined by the Debtor, including by Zoom, and continue thereafter until completed. The Debtor reserves the right to not proceed with any Sale, to proceed with a Sale of only certain of the Assets or to proceed with only Liquidation Sales.

8. In the event an Auction is conducted for the Assets, following the conclusion of the Auction and **not later than July 21, 2022 at 12:00 p.m. (prevailing Eastern Time)**, subject to the filing of a notice by the Debtor indicating that the Auction has not concluded by such time, the Debtor will file a notice with the Court that provides the identities of the Successful Bidder and the Backup Bidder, as well as the Successful Bid and the Backup Bid. In addition to serving such notice on the United States Trustee, the Debtor will serve such notice by fax, electronic mail, or overnight delivery (with overnight delivery to be used solely in the event neither fax nor electronic mail information is available) on (i) the non-Debtor parties to the Assumed Contracts that have been identified in such Successful Bid and Backup Bid and (ii) those creditors who provide a written request for such notice along with their fax numbers, email addresses, or mailing addresses to counsel for the Debtor.

9. Objections, if any, to the Sale of the Assets to any Successful Bidder and/or the other relief requested in the Motion, other than the relief approved in the Bid Procedures Order, must be in filed with the Court and served, so as to be actually received on or before **July 22, 2022 at 4:00 p.m. (prevailing Eastern Time)** by (i) counsel to the Debtor, Greenberg Traurig, LLP, (a) 3333 Piedmont Road NE, Suite 2500, Atlanta, Georgia 30305, Attn: John D. Elrod, Esq. (Elrodj@gtlaw.com), and (b) 333 S.E. Second Ave, Suite 4400, Miami, Florida 33131, Attn: Ari Newman, Esq. (Newmanar@gtlaw.com); and (ii) the Office of the United States Trustee (Region 3), J. Caleb Boggs Federal Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: Joseph F. Cudia, Esq. (joseph.cudia@usdoj.gov).

10. The Sale Hearing shall be conducted by the Court **on July 28, 2022, at 1:00 pm (prevailing Eastern Time)**, or on such other date as the Court may direct. Requests for a copy of any information concerning the Motion or the Sale of the Assets should be directed, by written request, to the Debtor's financial advisor at the contact information listed in the attached Bid Procedures.

11. Copies of the Motion, the Bid Procedures, the Bid Procedures Order, and other case documents can be obtained free of charge (i) on the case website maintained by the Debtor's claims and noticing agent, Kurtzman Carson Consultants LLC, at <http://www.kccllc.net/ZosanoPharma>, or (ii) upon written request to counsel to the Debtor,

Greenberg Traurig, LLP, (a) 3333 Piedmont Road NE, Suite 2500, Atlanta, Georgia 30305, Attn: John D. Elrod, Esq. (Elrodj@gtlaw.com), and (b) 333 S.E. Second Ave, Suite 4400, Miami, Florida 33131, Attn: Ari Newman, Esq. (Newmanar@gtlaw.com).

Dated: July 5, 2022

GREENBERG TRAUIG, LLP

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*Proposed Counsel for the Debtor
and Debtor-in-Possession*