Form **8937**

(December 2011)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

► See separate instructions.

OMB No. 1545-2224

Part I Reporting I	ssuer			<u>'</u>			
1 Issuer's name		2 Issuer's employer identification number (EIN)					
Leap Therapeutics, Inc.		27-4412575					
3 Name of contact for additional information 4		4 Telephone	e No. of contact	5 Email address of contact			
Investor Relations			617-714-0360	info@leaptx.com			
6 Number and street (or P	.O. box if mail is not	7 City, town, or post office, state, and Zip code of contact					
47 Thorndike St. Suite B1-	1	Cambridge, MA 02141					
8 Date of action		9 Class	ification and description				
January 23, 2017		Commor	Common Stock				
10 CUSIP number 11 Serial number(s)		s)	12 Ticker symbol	13 Account number(s)			
52187K101			LPTX				
Part II Organization	onal Action Attac	h additional	statements if needed. See ba	ck of form for additional questions.			
Ü		• •	-	inst which shareholders' ownership is measured for			
the action ► On Aug	gust 29, 2016, M-CC	Merger Sub	Ltd, a company formed under th	ne laws of the State of Israel ("Merger Sub") and a			
whoily owned subsidiary	of Leap Therapeutic	s, Inc., a Del	aware corporation ("Leap"), mer	rged with and into Macrocure Ltd, a company			
formed under the laws of	the State of Israel, v	with Macrocu	re surviving the merger and bec	oming a wholly owned subsidiary of Leap.			
Under the terms of the me	rger agreement, Ma	acrocure sha	reholders exchanged their Macro	ocure shares for newly issued shares of Leap			
common stock. Each Mac	rocure share issue	d and outstar	nding immediately prior to the M	erger converted into the right to receive that			
number of fully paid and r	nonassessable shai	res of Leap C	ommon Stock equal to the exch	ange ratio.			
On January 23, 2017, Leap	announced the co	mpletion of t	he Merger. Pursuant to the Merg	er, each holder of ordinary shares, par value			
NIS 0.01 per share, of Mac	rocure, or ordinary	shares, rece	ived approximately 0.1815 share	es of common stock of Leap, par value \$0.001 per			
				f Leap common stock based on a value of \$9.90 per			
				on, as of the closing, of \$21.875 million.			
This Form 8937 is intende							
Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis Please see attached statements							
		- -					
				<u> </u>			
valuation dates ► Leastock consideration recei	ap believes that US ved in order to valu	holders of s	tock of Macrocure may use the v t of gain realized on the exchang	such as the market values of securities and the value of \$9.90, noted above, as a fair market value of ge for purposes of any gain recognition and/or			
basis calculations. However, fair market value is generally a facts and circumstances determination, and, it is possible a different fair							
market value for Leap shares could be utilized which would yield a differing result. Shareholders should consult their own tax advisors as to							
the tax consequences to them as a result of the transaction.							

Form 893	7 (Rev.	12-2011)		Page 2				
Part II	C	Organizational Action (continued)						
17 Lis		applicable Internal Revenue Code section(s) and subsection(s) upon which the tax	reatment is based	•				
Generally, IRC §§ 1001, 1011, and 1012 are applicable.								
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18 Ca	ın anv	resulting loss be recognized? As a taxable acquisition, in general, US share	holders may recog	mize losses on their shares as				
		a acquisition. However, shareholders should consult their own tax advisors a						
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				district and the formation of the same				
19 Pr	ovide a	any other information necessary to implement the adjustment, such as the reporta	ble tax year ► For a	additional information please				
		all text of the Merger Agreement, which is included as Annex A in Leap's Regi						
		d Exchange Commission("SEC") on September 26, 2016. In addition, please	refer to the Prospe	ctus filed with the SEC on				
		3, 2016, which details the tax treatment for US and non-US shareholders.						
		ion contained herein is being provided pursuant to the requirements of Section						
		eneral summary regarding the application of certain US federal income tax lav						
		information contained herein is merely illustrative, does not constitute tax ad		···				
		consequences that may apply to particular categories of shareholders. Neith						
		s. All former Macrocure shareholders are urged to consult their own tax advis		consequences of the merger to				
them, i	ncludi	ng the applicability and effect of all US federal, state, and local and foreign ta	x laws.					
-	Under	r penalties of perjury, I declare that I have examined this return, including accompanying sch	edules and statements	, and to the best of my knowledge and				
	belief,	, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all inf	ormation of which prep	arer has any knowledge.				
Sign		A O C A.	. /	1				
Here	Signa	ture > Touglas C Onsi	Date > 123	3/2017				
	Print v	your name ▶ Douglas Onsi	Title ► CFO					
Paid		Print/Type preparer's name Preparer's signature	Date	Check if PTIN				
				self-employed				
Prepa		Firm's name		Firm's EIN ▶				
Use C	וחי	Firm's address ►	***	Phone no.				
Send Fo	orm 89	137 (including accompanying statements) to: Department of the Treasury, Internal F	Revenue Service, Og	·				
		the state of the s						

Form 8937

Leap Therapeutics, Inc. & Subsidiary (NASDAQ: LPTX)

EIN: 27-4412575

Part II

Question 15

The receipt of Leap common stock by U.S. holders in exchange for Macrocure ordinary shares pursuant to the Merger Agreement is expected to be a taxable transaction for U.S. federal income tax purposes, and is not expected to qualify as a "reorganization" or other non-recognition transaction under any provisions of the Code. If any U.S. holders receive cash in exchange for Macrocure ordinary shares in lieu of any fractional Leap common stock to which such holder may otherwise be entitled, such exchange also is expected to be a taxable transaction for U.S. federal income tax purposes.

Subject to the passive foreign investment company rules, U.S. holders of Macrocure ordinary shares generally will recognize gain or loss equal to the difference, if any, between (1) the sum of the fair market value of Leap common stock received by such U.S. holder in the merger and any cash received in lieu of any fractional Leap common stock to which such holder may otherwise be entitled, and (2) such U.S. holder's adjusted tax basis in the Macrocure ordinary shares surrendered in exchange therefor. For this purpose, U.S. holders of Macrocure ordinary shares must calculate gain or loss separately for each identified block of Macrocure ordinary shares exchanged (that is, Macrocure ordinary shares acquired at the same cost in a single transaction).

Subject to the passive foreign investment company rules, a U.S. holder's gain or loss in Macrocure ordinary shares generally will be capital gain or loss. Non-corporate U.S. holders, including individuals, who have held the Macrocure ordinary shares for more than one year will generally be eligible for reduced long-term capital gains tax rates. The deductibility of capital losses is subject to limitations. Any such gain or loss generally will be treated as U.S. source income or loss for foreign tax credit limitation purposes.

For U.S. federal income tax purposes, a U.S. holder's aggregate tax basis in the Leap common stock received pursuant to the merger will be equal to the fair market value of the Leap common stock received by such U.S. holder on the date Macrocure ordinary shares are exchanged pursuant to the Merger Agreement, and a U.S. holder's holding period with respect to such Leap common stock will begin on the day following the date such U.S. holder's Macrocure ordinary shares are exchanged pursuant to the Merger Agreement.

U.S. federal income tax law does not specify how U.S. holders should determine the fair market value of the Leap common stock on the date of exchange. Fair market value generally is the price at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the facts. U.S. holders should consult their tax advisors with respect to the determination of the fair market value of the Leap common stock as of the date of the exchange.

U.S. holders of Macrocure ordinary shares should consult their tax advisors as to the specific tax consequences in their particular circumstances of the receipt of Leap common stock in exchange for Macrocure ordinary shares pursuant to the Merger Agreement, in each case, including the applicability and effect of the alternative minimum tax and any state, local, foreign and other tax laws.

For additional information, please refer to the Company's prospectus issued on November 23, 2016, regarding the US tax treatment for both US and non-US holders.