

ASX RELEASE

4 April 2024

Notice under Section 708A(5)(e) of the Corporations Act 2001

Arovella Therapeutics Limited ACN 090 987 250 (**Arovella** or the **Company**) has today issued 125,000,000 new fully paid ordinary shares in the Company (**Shares**) to sophisticated, professional and institutional investors under the Placement announced on 26 March 2024.

The Company gives notice pursuant to section 708A(5)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**), as follows:

1. The Company issued the Shares under the Placement without disclosure under Part 6D.2 of the Corporations Act.
2. As at the date of this notice, the Company has complied with:
 - (a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - (b) sections 674 and 674A of the Corporations Act.
3. As at the date of this notice, other than as set out below, there is no other information to be disclosed which is 'excluded information' (as defined in sections 708A(7) and 708A(8) of the Corporations Act) which is required to be disclosed by the Company.
4. The Company previously announced that:
 - (a) ALA has shifted its operational focus away from its OroMist activities in order to concentrate entirely on the development of its iNKT cell therapy platform, and has been in the process of reviewing its contractual arrangements relating to its ZolpiMist product;
 - (b) the Company and a ZolpiMist license and supply agreement (**Agreement**) counterparty have been in discussions regarding termination of the Agreement and, as part of these discussions, allegations of breach under the Agreement have been made by both parties;
 - (c) the parties were continuing commercial negotiations, and no proceedings had been commenced by either party to the Agreement; and
 - (d) the outcome of the parties' negotiations was, by its nature, uncertain, and it was not possible for the Company to provide a reliable estimate of any liability that could arise.

The Company confirms that, as at the date of this notice:

- (e) there has been no substantive update to the status of the commercial negotiations between Arovella and the Agreement counterparty, Teva Pharmaceuticals International GMBH; these discussions are expected to continue;

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- (f) no arbitration or other proceedings have been commenced by either party to the Agreement, (which requires that any dispute between the parties be referred to arbitration); and
- (g) the outcome of the parties' discussions remains uncertain, and it is still not possible for the Company to predict if the negotiations will culminate in an agreed outcome, or to provide a reliable estimate or timing of any financial impact of any such agreed outcome on Arovella.

-Ends

This announcement has been authorised for release by the Company's Board of Directors.

For further information, please contact:

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NOTES TO EDITORS:**About Arovella Therapeutics Ltd**

Arovella Therapeutics Ltd (ASX: ALA) is a biotechnology company focused on developing its invariant natural killer T (iNKT) cell therapy platform from Imperial College London to treat blood cancers and solid tumours. Arovella's lead product is ALA-101. ALA-101 consists of CAR19-iNKT cells that have been modified to produce a Chimeric Antigen Receptor (CAR) that targets CD19. CD19 is an antigen found on the surface of numerous cancer types. Arovella is also expanding into solid tumour treatment through its CLDN18.2-targeting technology licensed from Sparx Group. iNKT cells also contain an invariant T cell receptor (iTCR) that targets α -GalCer bound CD1d, another antigen found on the surface of several cancer types. ALA-101 is being developed as an allogeneic cell therapy, which means it can be given from a healthy donor to a patient.

Glossary: **iNKT cell** – invariant Natural Killer T cells; **CAR** – Chimeric Antigen Receptor that can be introduced into immune cells to target cancer cells; **TCR** – T cell receptors are a group of proteins found on immune cells that recognise fragments of antigens as peptides bound to MHC complexes; **B-cell lymphoma** – A type of cancer that forms in B cells (a type of immune system cell); **CD1d** – Cluster of differentiation 1, which is expressed on some immune cells and cancer cells; **α GalCer** – alpha-galactosylceramide is a specific ligand for human and mouse natural killer T cells. It is a synthetic glycolipid.

For more information, visit www.arovella.com

This announcement contains certain statements which may constitute forward-looking statements or information ("forward-looking statements"), including statements regarding negotiations with third parties and regulatory approvals. These forward-looking statements are based on certain key expectations and assumptions, including assumptions regarding the actions of third parties and financial terms. These factors and assumptions are based upon currently available information, and the forward-looking statements herein speak only of the date hereof. Although the expectations and assumptions reflected in the forward-looking statements are reasonable in the view of the Company's directors and management, reliance should not be placed on such statements as there is no assurance that they will prove correct. This is because forward-looking statements are subject to known and unknown risks, uncertainties and other factors that could influence actual results or events and cause actual results or events to differ materially from those stated, anticipated or implied in the forward-looking statements. These risks include but are not limited to: uncertainties and other factors that are beyond the control of the Company; global economic conditions; the risk associated with foreign currencies; and risk associated with securities market volatility. The Company assumes no obligation to update any forward-looking statements or to update the reasons why actual results could differ from those reflected in the forward-looking statements, except as required by Australian securities laws and ASX Listing Rules.