



Shareholder update: Cessation of Transaction for Veterinary Medical Technology Pipeline

Brisbane (Australia) 18 January 2021: Factor Therapeutics Limited (ASX:FTT) (“Company”) provides an update on the proposed transaction with Bethesda-based Brain Biosciences Inc., doing business as LONGMILE Veterinary PET Imaging (“LONGMILE”), to acquire products and technologies for equine and companion animal veterinary imaging.

As previously disclosed, FTT and LONGMILE executed a detailed term sheet for a proposed transaction. The term sheet included an exclusivity period for the parties to use commercially reasonable efforts to complete due diligence and conclude the negotiations for a definitive transaction structure suitable to the parties and the ASX.

The Company has repeatedly sought in principle advice from ASX on relevant Listing Rule matters to ascertain to a reasonable degree of certainty any fundamental hurdles to its application for admission to the ASX official list under Listing Rule 1.1 Condition 1 and Listing Rule 1.19. By mutual agreement, FTT and LONGMILE agreed to two extensions of the exclusivity agreement while the Company awaited ASX feedback on the in principle advice application. To date, the Company has still not received any definitive in-principle ASX advice regarding the transaction.

Due to the considerable prolongation of the transaction and changes in business circumstances in the interim, the parties have not been able to finalise acceptable commercial terms. As a result the parties have elected by mutual agreement to cease negotiation, with no further penalty.

The Board is considering all options relating to the future of the Company. As previously disclosed, trading in the securities of FTT will continue to be suspended until such time an approved transaction is concluded and the Company has satisfied all ASX requirements necessary to resume trading.

A shareholder briefing call is scheduled for 8.00am (AEDT) on Wednesday 20 January 2021. A link to register to attend this call will be published as soon as it becomes available.

Important Information

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any other jurisdiction in which such an offer would be illegal. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933 (the “U.S. Securities Act”), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States, unless the securities have been registered under the U.S. Securities Act or an exemption from the registration requirements of the U.S. Securities Act is available. None of the technologies or assets described in this document have received a marketing authorisation in any jurisdiction. This announcement has been authorised for release by the Board of Factor Therapeutics Limited.