Notice of General Meeting 25 June 2024 and Explanatory Statement

The General Meeting of Cambium Bio Limited (formerly Regeneus Ltd) will be held in person.

If you are unable to attend the General Meeting, please complete and return the enclosed proxy form in accordance with the specified directions.

The business of the General Meeting affects your shareholding and your vote is important.

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their professional advisers.

By order of the Board

23 May 2024

Hang Ling (Helen) Leung

Company Secretary

NOTICE is given that a General Meeting of Shareholders of Cambium Bio Limited (formerly Regeneus Ltd) (**the Company**) will be held in person at the Company's Registered Office located at 16 Goodhope Street, Paddington NSW 2021 on 24 June 2024 at 1.00pm (Sydney time).

BUSINESS

RESOLUTIONS

RESOLUTION 1: Ratification of Issue of Shares - Tranche 1 Placement (Listing Rule 7.1)

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4, and all other purposes, Shareholders ratify the issue of 91,931,074 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of:

- any person who participated in the issue; and/or
- any associate of any such person.

However, the Company need not disregard a vote cast in favour of Resolution 1 by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 2: Ratification of Issue of Shares - Tranche 1 Placement (Listing Rule 7.1A)

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4, and all other purposes, Shareholders ratify the issue of 61,287,382 Shares on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 2 by or on behalf of:

- any person who participated in the issue; and/or

- any associate of any such person.

However, the Company need not disregard a vote cast in favour of Resolution 2 by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 3: Approval to issue Shares – Tranche 2 Placement – Sebastian Tseng and ZYBT

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of section 611 (item 7) of the Corporations Act, and all other purposes, Shareholder approval is given for:

(a) the Company to issue a total of 193,016,310 Shares to Sebastian Tseng and ZYBT (or their nominees; and)
(b) the increase in the relevant interests and voting power of each of Sebastian Tseng and ZYBT from 13.0% to up to 30.5%, as a result of the issue of Shares in the Company under paragraph (a) of this Resolution,

on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- the person who is to receive the securities in question and any other person who will obtain material benefit as a result of the issue of the Shares (except a benefit solely by reason of being a holder of Shares) (namely Sebastian Tseng and ZYBT); and/or
- any associate of any such person.

However, the Company need not disregard a vote cast in favour of Resolution 1 by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the resolution; and
  - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Independent Expert's Report

Shareholders should carefully consider the Independent Expert's Report prepared by RSM Corporate Australia Pty Ltd for the purposes of the Shareholder approval. The Independent Expert's Report comments on the fairness and reasonableness of the transaction the subject of Resolution 3 to the non-associated shareholders of the Company.

The Independent Expert considers the transaction the subject of Resolution 3 to be **not fair but reasonable** to the non-associated shareholders of the Company.

RESOLUTION 4: Approval to issue Shares – Tranche 2 Placement – Other Investors – (Listing Rule 7.1)

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.1, and all other purposes, Shareholder approval is given for the Company to issue a total of 233,959,162 Shares to the Other Investors on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion Statement

The Company will disregard any votes cast in favour of Resolution 4 by or on behalf of:

- a person who is expected to participate in, or who will obtain material benefit as a result of the issue of the Shares (except a benefit solely by reason of being a holder of Shares) (namely the Other Investors); and/or
- any associate of any such person.

However, the Company need not disregard a vote cast in favour of Resolution 4 by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the Chair to vote as the Chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided the following conditions are met:
    - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the resolution; and
    - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

RESOLUTION 5: Share consolidation

To consider and, if thought fit, to pass, with or without amendment the following resolution as an **ordinary resolution:**

"That, for the purpose of section 254H of the Corporations Act, Listing Rule 7.20, the Company's Constitution and for all other purposes, approval is given for the Company to consolidate its issued Share capital on a 100 for 1 basis (such that every hundred (100) Shares be consolidated into one(1) Share), with any resulting fractions of a Share rounded up to the nearest whole number of Shares, with the consolidation to take effect in accordance with the timetable and otherwise on the terms and conditions set out in the Explanatory Statement that forms part of this Notice of General Meeting."

Determination of Entitlement to Attend and Vote

The Company has determined that the holders of the Company's ordinary shares for the purpose of the General Meeting will be the registered holders of ordinary shares at **7.00pm (Sydney time) on the date that is 48 hours before the date of the General Meeting.**

Attendance at the General Meeting

The General Meeting will be held in person.

In person: You may attend the General Meeting in person at the date, time and place specified in the Notice of General Meeting. Prior registration is not required.

By proxy: A member of the Company entitled to attend and vote at the General Meeting is entitled to appoint a proxy. A proxy need not be a member of the Company. A member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half the votes.

If you would like to appoint a proxy to attend the meeting on your behalf, this can be done by completing and signing the attached proxy form and sending it by post to Cambium Bio Limited, c/o Link Market Services Limited at Locked Bag A14, Sydney South NSW 1235 or by facsimile to Link on +61 2 9287 0309 by no later than **1.00 pm (Sydney time) on 23 June 2024,** being not less than 48 hours before the time for holding the meeting.

Alternatively, proxy forms may also be lodged online at Link Market Services' website www.linkmarketservices.com.au in accordance with the instructions given there. You will be taken to have signed the proxy form if you lodge it in accordance with the instructions provided on the website.

The proposed Chair of the meeting intends to vote undirected proxies in favour of each of the five resolutions.

By power of attorney: If an ordinary shareholder has appointed an attorney to attend and vote at the meeting, or if a proxy form is signed by an attorney, the power of attorney must likewise be received by Link Market Services Limited by post to Locked Bag A14 Sydney South NSW 1235, or by facsimile to Link on +61 2 9287 0309 by no later than **1.00 pm (Sydney time) on 23 June 2024**, being not less than 48 hours before the time for holding the meeting.

By corporate representative: A member who is a body corporate may appoint an individual as a representative to exercise the member's voting rights at the General Meeting pursuant to section 250D of the *Corporations Act 2001* (Cth). Representatives will be required to present documentary evidence of their appointment to the Company before the meeting.

Questions from Members

Members who are unable to attend the General Meeting and would like to ask questions of the Board concerning matters to be considered at the General Meeting, are invited to do so by completing the form included with this Notice of General Meeting.

Your questions are important to us and although we may not be able to reply to each question individually, we will respond to as many of the frequently asked questions as possible at the General Meeting, or otherwise after the meeting.

Enquiries

For further information relating to the General Meeting, please contact the Company Secretary at Helen.leung@cambium.bio or call 1300 995 098.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to assist shareholders with their consideration of the resolutions detailed in the Notice of General Meeting dated 20 May 2024. This Explanatory Statement should be read with, and forms part of, the accompanying Notice of General Meeting.

1. BACKGROUND TO RESOLUTIONS 1, 2, 3 and 4

1.1 Background to the Placement

As announced on 5 April 2024, the Company secured firm commitments from sophisticated institutional and private investors to raise approximately A$3.48 million through the issue of a total of 580,193,928 Shares at an issue price of A$0.006 per Share (**Placement**).

The Placement is being carried out in two tranches, comprising:

(a) the issue of 153,218,456 Shares (**Tranche 1 Placement Shares**) under the first tranche of the Placement to raise A$919,311 (**Tranche 1 Placement**); and

(b) subject to Shareholder approval being obtained, the issue of 426,975,472 Shares (**Tranche 2 Placement Shares**) under the second tranche of the Placement (**Tranche 2 Placement**) to raise A$2,561,853.

Details of the Tranche 1 Placement and Tranche 2 Placement are as follows:

Tranche	Price per Share	Number of Shares	Total Amount
Tranche 1 Placement	A$0.006	153,218,456	A$919,311
Tranche 2 Placement	A$0.006	426,975,472	A$2,561,853
Total		**580,193,928**	**A$3,481,164**

The Tranche 1 Placement Shares were issued on 10 April 2024 pursuant to the Company's available placement capacity under ASX Listing Rule 7.1 and ASX Listing Rule 7.1A.

Issue of the Tranche 2 Placement Shares is conditional on the Shareholder approvals being sought, as set out in Resolutions 3 and 4.

The Placement was undertaken with sophisticated institutional and private investors in the healthcare and pharmaceutical biotechnology sector as follows:

Investor	Price per Share	Total number of Placement Shares	Total Amount
Cyntec Co., Ltd. / Orient EuroPharma Co., Ltd.	A$0.006	238,435,861	A$1,430,615
Zheng Yang Biomedical Technology Co., Ltd.	A$0.006	238,435,861	A$1,430,615
Yu-Hung (Sebastian) Tseng	A$0.006	23,843,586	A$143,062
Li-Chien Chiu	A$0.006	47,687,172	A$286,123
Mu-Ni Chiu	A$0.006	31,791,448	A$190,749
Total		**580,193,928**	**A$3,481,164**

- Cyntec Co., Ltd. is a special purpose investment vehicle of Orient EuroPharma Co., Ltd. (TWO:4120 or **OEP**), headquartered in Taiwan, is a leading pharmaceutical and healthcare products company in the Asia Pacific region. With a presence in the United States, Taiwan, China, Hong Kong, Singapore, New Zealand and multiple other markets, OEP manufactures a range of therapeutics across various categories.
- Zheng Yang Biomedical Technology Co., Ltd. (**ZYBT**) is a diversified healthcare holding company based in Taiwan. ZYBT's businesses include Aventacell and Dr Wells.

- Tseng Yu-Hung (Sebastian) is the Chairman and principal shareholder of ZYBT.
- Chiu Li-Chien is the Chairman of the Taiwan-listed Hocheng Corporation (TWO:1810), a Director and a shareholder in ZYBT.

1.2 Use of funds

The funds raised from the Placement are planned to be used to advance the development of Company's lead product candidate, *Elate Ocular*, and to support the Company's broader operations. Specifically, the funds will be used to:

- fund nonclinical studies for *Elate Ocular*, including the development of a potency assay and the completion of a comparability study. These activities are crucial in preparing *Elate Ocular* for the initiation of a pivotal Phase 3 clinical trial program;
- prepare for the commencement of the Phase 3 registration-enabling trials for *Elate Ocular* in the treatment of dry eye disease, a significant unmet medical need; and
- provide additional working capital to support Cambium Bio's ongoing operations and pipeline development efforts.

By directing the proceeds towards these key priorities, the Company aims to expedite the clinical advancement of *Elate Ocular* and strengthen its financial position to execute on its strategic objectives.

1.3 Indicative Capital Structure

As at the date of this Notice of General Meeting the Company's issued capital is as follows:

Current Shares outstanding*	766,092,285
Current options over Shares**	30,162,833

* This includes 153,218,456 Tranche 1 Placement Shares issued on 10 April 2024.

** All options are exercisable to ordinary Shares.

The capital structure of the Company, assuming that all the Tranche 2 Shares are issued, is as follows:

Current Shares outstanding	766,092,285
Tranche 2 Placement Shares to be issued*	426,975,472
Total Shares outstanding after issue of Tranche 2 Placement Shares**	**1,193,067,757**
Options over Shares***	30,162,833

* The issue of the Tranche 2 Placement Shares are the subject of Resolution3 and 4.

** The number of total Shares does not take into account the proposed Consolidation the subject of Resolution 5.

*** All options are exercisable to ordinary Shares.

2. RESOLUTIONS 1 AND 2 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULES 7.1 AND 7.1A

2.1 General

As set out in Section 1, the Company issued 153,218,456 Shares on 10 April 2024 at an issue price of A$0.006 per Share to raise A$919,311 (**Tranche 1 Placement Shares**).

91,931,074 Tranche 1 Placement Shares were issued pursuant to the Company's capacity under Listing Rule 7.1 (being the subject of Resolution 1) and 61,287,382 Tranche 1 Placement Shares (being the subject of Resolution 2) were issued pursuant to the Company's 7.1A mandate which was approved by Shareholders at the annual general meeting held on 30 November 2023.

At the time of issue of the Tranche 1 Placement Shares, Sebastian Tseng was likely to become a director of the Company, however the Company relied on Exemption 12 in Listing Rule 10.12 in

making the issue of Tranche 1 Placement Shares to Sebastian Teng and ZYBT – meaning that shareholder approval under Listing Rule 10.11, for the issue of Tranche 1 Placement Shares to Sebastian Teng and ZYBT, was not required at the time, and the applicable Shares were issued to Sebastian Teng and ZYBT out of the Company's Listing Rule 7.1 and 7.1A capacity.

Sebastian Tseng was appointed as a Director of the Company after the issue of the Tranche 1 Placement Shares and is therefore now a related party of the Company by virtue of being a Director. ZYBT is a related party of the Company, because it is controlled by Sebastian Tseng (see further at section 3.1 below).

2.2 Listing Rules 7.1 and 7.1A

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue, or agree to issue, without the approval of its shareholders over any 12 month period to 15% of the fully paid shares it had on issue at the start of that period.

Under Listing Rule 7.1A however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 30 November 2023.

The issue of the Tranche 1 Placement Shares does not fit within any of the exceptions that are set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up all of the 25% limit in Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 and 7.1A for the 12 month period following the date of issue of the Tranche 1 Placement Shares.

2.3 Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Tranche 1 Placement Shares.

Resolutions 1 and 2 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of all of the Tranche 1 Placement Shares.

2.4 Technical information required by ASX Listing Rule 7.5

The following information is provided to Shareholders for the purposes of Listing Rule 7.5 in relation to Resolutions 1 and 2:

(a) the Tranche 1 Placement Shares were issued to sophisticated institutional and private investors in the healthcare and pharmaceutical biotechnology sector as follows:

Investor	Price per New Share	Number of Tranche 1 Placement Shares *	Total Amount
Cyntec Co., Ltd. / Orient EuroPharma Co., Ltd.	A$0.006	62,966,489	A$377,799
Zheng Yang Biomedical Technology Co., Ltd	A$0.006	62,966,489	A$377,799
Yu-Hung (Sebastian) Tseng	A$0.006	6,296,648	A$37,780
Li-Chien Chiu	A$0.006	12,593,298	A$75,560

Mu-Ni Chiu	A$0.006	8,395,532	A$50,373
Total		**153,218,456**	**A$919,311**

* The number of Tranche 1 Placement Shares does not take into account the proposed Consolidation the subject of Resolution 5.

(b) other than Sebastian Tseng and ZYBT, none of the recipients of Tranche 1 Placement Shares is:
- a related party of the Company;
- a member of the Company's Key Management Personnel;
- a substantial holder in the entity;
- an adviser to the entity;
- an associate of any of the above;

(c) at the time of issue of the Tranche 1 Placement Shares, Sebastian Tseng was likely to become a director of the Company, however the Company relied on Exemption 12 in Listing Rule 10.12 in making the issue of Tranche 1 Placement Shares to Sebastian Teng and ZYBT – meaning that shareholder approval under Listing Rule 10.11 for the issue of Tranche 1 Placement Shares to Sebastian Teng and ZYBT was not required at the time. Subsequent to issue of the Tranche 1 Placement Shares, Sebastian Tseng was appointed as a Director of the Company and is therefore now a related party of the Company by virtue of being a Director. ZYBT is a related party of the Company, because it is controlled by Sebastian Tseng (see further at section 3.1 below). As at the date of this Notice of General Meeting ZYBT is a holder of 93,381,212 Shares and Sebastian Tseng is the holder of 6,296,648 Shares representing (in aggregate 13.0% of the issued capital of the Company;

(d) the number of Tranche 1 Placement Shares issued was 153,218,456 and all Tranche 1 Placement Shares are fully paid ordinary shares, that rank equally in all respects with the Company's existing Shares;

(e) the Tranche 1 Placement Shares were issued on the following basis:

(i) 91,931,074 Shares were issued pursuant to the Company's capacity under Listing Rule 7.1 (ratification of which is the subject of Resolution 1); and

(ii) 61,287,382 Shares were issued pursuant to the Company's capacity under Listing Rule 7.1A (ratification of which is the subject of Resolution 2).

(f) the Tranche 1 Placement Shares were all issued on 10 April 2024;

(g) the Tranche 1 Placement Shares were issued for cash consideration of A$0.006 per Tranche 1 Placement Share;

(h) the purpose of the issue of the Tranche 1 Placement Shares was to raise $919,311 which will be applied in the manner set out in section 1.2 above;

(i) the Tranche 1 Placement Shares were issued under placement commitment letters, the material commercial terms of which are set out in section 1.1 above; and

(j) a voting exclusion statement is included in each of Resolutions 1 and 2 in the Notice of General Meeting.

2.5 Technical information required by Listing Rule 14.1A

If Resolutions 1 and 2 are passed, the Tranche 1 Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Shares.

If Resolutions 1 and 2 are not passed, the Tranche 1 Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of

equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 1 Shares.

2.6 Directors' recommendations

The Directors, other than Sebastian Tseng, do not have any material interest in the issue of the Tranche 1 Placement Shares, other than as a result of any interests arising solely in the capacity as Shareholder.

The Directors of the Company (with Sebastian Tseng abstaining) believe that Resolutions 1 and 2 are in the best interests of the Company and unanimously recommend that shareholders vote in favour of this resolutions.

Where the Chair is appointed as a proxy, the Chair will vote all undirected proxies in favour of Resolutions 1 and 2.

If you appoint the Chair as your proxy, and you check the box consenting to the Chair voting undirected proxies, then unless you include an express voting direction on your proxy form, you will be directing, and expressly consenting to the Chair voting in favour of Resolutions 1 and 2.

3 RESOLUTION 3 - APPROVAL TO ISSUE SHARES – TRANCHE 2 PLACEMENT – SEBASTIAN TSENG AND ZYBT

3.1 Background

Resolution 3 seeks Shareholder approval for the issue of Shares as part of the Tranche 2 Placement to each of Sebastian Tseng and ZYBT. Subject to Shareholder approval, Tranche 2 Placement Shares will be issued to Sebastian Tseng and ZYBT as follows:

Investor	Price per Share	Number of Tranche 2 Placement Shares*	Total Amount
Zheng Yang Biomedical Technology Co., Ltd	A$0.006	175,469,372	A$1,052,816
Yu-Hung (Sebastian) Tseng	A$0.006	17,546,938	A$105,282
Total		**193,016,310**	**A$1,158,098**

* The number of Trance 2 Placement Shares does not take into account the proposed Consolidation the subject of Resolution 5.

As at the date of this Notice of General Meeting Sebastian Tseng and ZYBT hold the following Shares:

Investor	Total number of Shares held as at the date of this Notice of General Meeting	% voting power
Zheng Yang Biomedical Technology Co., Ltd	93,381,212	12.2%
Yu-Hung (Sebastian) Tseng	6,296,648	0.8%
Total	**99,677,860**	**13.0%**

The Company has been informed that ZYBT is ultimately controlled by Sebastian Tseng as a controlling director and shareholder.

The Company further understands that due to this controlling relationship, Sebastian Tseng and ZYBT will therefore exercise their rights as shareholders of the Company collectively and are therefore "associates" of each other for the purposes of the Corporations Act.

Sebastian Tseng and ZYBT do not have any other associates which hold or will hold Shares.

3.2 Chapter 2E of the Corporations Act

Sebastian Tseng is a director of the Company and is therefore a 'related party' of the Company. Because ZYBT is ultimately controlled by Sebastian Tseng, it is also a 'related party' of the Company.

Pursuant to Chapter 2E of the Corporations Act, for a public company to give a financial benefit to a 'related party' of the public company, the public company must:

(a) obtain the approval of the public company's shareholders in the manner set out in sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Relevantly, section 210 provides that:

(i) where any benefit would be reasonable in the circumstances if the public company and the director/related party were dealing at 'arm's length' and/or on commercial terms; or

(ii) the terms are less favourable to the director/related party than the terms referred to in paragraph (i),

then shareholder approval is not required.

The issue of Tranche 2 Placement Shares to each of Sebastian Tseng and ZYBT constitutes giving a financial benefit to a 'related party' of the Company.

The Directors (other than Sebastian Tseng who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the proposed issue of Tranche 2 Placement Shares to Sebastian Tseng and ZYBT, because the Placement was negotiated on an 'arm's length' basis, and the terms of the issue of the Tranche 2 Placement Shares to each of Sebastian Tseng and ZYBT are on the same terms as the issue of Tranche 2 Placement Shares to the Other Investors.

The issue of Tranche 2 Placement Shares to Sebastian Tseng and ZYBT and therefore falls within the exception contained in section 210 of the Corporations Act.

3.3 ASX Listing Rule 10.11 approval is not required

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained, unless an exception in ASX Listing Rule 10.12 applies.

As set out above, each of Sebastian Tseng and ZYBT is a related party of the Company. As such, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies.

Exception 6 set out in ASX Listing Rule 10.12 provides an exception to Listing Rule 10.11 for an issue of securities that is approved for the purposes of section 611 (item 7) of the Corporations Act. The purpose of Resolution 3 is to seek approval for the purposes of section 611 (item 7) of the Corporations Act and therefore a separate approval is not required under Listing Rule 10.11.

3.4 ASX Listing Rule 7.1 approval is not required

As set out above, broadly speaking, and subject to a number of exceptions set out in ASX Listing Rule 7.2, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue, or agree to issue, without the approval of its shareholders over any 12 month period to 15% of the fully paid shares it had on issue at the start of that period.

Exception 8, set out in ASX Listing Rule 7.2 provides an exception to Listing Rule 7.1 where an issue of securities is approved for the purposes of section 611 (item 7) of the Corporations Act. The purpose of Resolution 3 is to seek approval for the purposes of section 611 (item 7) of the Corporations Act and therefore a separate approval is not required under Listing Rule 7.1.

If approval is given by shareholders to Resolution 3, the issue of Shares will not come out of the Company's capacity under Listing Rule 7.1.

3.5 Section 611 (item 7) of the Corporations Act

Section 606 of the Corporations Act prohibits a person acquiring a relevant interest in issued voting shares in a company if, as a result of the acquisition, that person or someone else's voting power in the company increases from less than 20% to more than 20%, or from a starting point that is above 20% and below 90% (**Section 606 Prohibition**).

The voting power of a person in a body corporate is determined under section 610 of the Corporations Act. The calculation of a person's voting power in a company involves determining the voting shares in the company in which the person and the person's associates have a relevant interest.

Section 608 of the Corporations Act states that a person has a relevant interest in securities if they:

(a) are the holder of the securities; or
(b) have power to exercise, or control the exercise of, a right to vote attached to securities; or
(c) have power to dispose of, or control the exercise of power to dispose of, the securities.

It does not matter how remote the relevant interest is or how it arises. If two or more people can jointly exercise one of these powers, each of them is taken to have that power.

There are various exceptions to the Section 606 Prohibition, including under section 611 (item 7) of the Corporations Act.

Section 611 (item 7) of the Corporations Act provides an exception to the Section 606 Prohibition, in circumstances where the shareholders of the company approve an acquisition of a relevant interest in the company at a meeting at which no votes are cast by the acquirer of the relevant interest and the person from whom the acquisition is to be made, including their respective associates.

3.6 Reason section 611 (item 7) approval is Required

As a result of the proposed issue of Tranche 2 Placement Shares to each of Sebastian Tseng and ZYBT, they will each hold Shares in the Company as set out below:

Investor	**Total number of Shares held as at the date of this Notice of General Meeting***	**Proposed number of Tranche 2 Placement Shares to be issued***	**Total number of Shares held if proposed number of Tranche 2 Placement Shares are issued***	**% voting power if all of the Tranche 2 Placement Shares are issued***	**% voting power if the Tranche 2 Placement Shares contemplated by Resolution 4 are not issued***
Zheng Yang Biomedical Technology Co., Ltd	93,381,212	175,469,372	268,850,584	22.5% %	28.0%
Yu-Hung (Sebastian) Tseng	6,296,648	17,546,938	23,843,586	2.0%%	2.5%
Total	**99,677,860**	**193,016,310**	**292,694,170**	**24.5%**	**30.5%**

** The numbers of Shares do not take into account the proposed Consolidation the subject of Resolution 5.

Because Sebastian Tseng and ZYBT are associates they will each have a relevant interest in the Shares held by the other.

As at the date of this Notice of General Meeting, Sebastian Tseng and ZYBT both have a relevant interest in 99,677,860 Shares in the Company, representing voting power in the Company of 12.2%.

If Shareholder approval is given to the issue of the Tranche 2 Placement Shares to Sebastian Tseng and ZYBT , then, upon the issue of the Tranche 2 Placement Shares (assuming that Resolution 4 is also passed), there will be 1,193,067,757 Shares on issue. Sebastian Tseng's and ZYBT's will collectively hold and will each have a relevant interest in 292,694,170 Shares in aggregate, which will therefore represent 24.5% of the voting power in the Company.

If Resolution 4 is not passed, there will be 959,108,595 Shares on issue. Sebastian Tseng's and ZYBT's will collectively hold and will still each have a relevant interest in 292,694,170 Shares in aggregate, which will therefore represent 30.5% of the voting power in the Company.

This increase in voting power from a point that is less than 20% to more than 20% would breach the Section 606 Prohibition. However, the increase is permitted if prior Shareholder approval is granted for the issue of the Tranche 2 Placement Shares to Sebastian Tseng and ZYBT in accordance with Resolution 3.

For this reason, the Company is seeking Shareholder approval for the purposes of section 611 (item 7) of the Corporations Act to permit the Company to issue the Tranche 2 Placement Shares to each of Sebastian Tseng and ZYBT.

3.7 Section 611 (item 7)

The following information is provided in accordance with section 611 (item 7) of the Corporations Act and *ASIC Regulatory Guide 74: Acquisitions approved by members* (**RG 74**).

(a) Explanation of the reasons for the proposed acquisition

Please refer to section 1.1 of this Explanatory Statement.

(b) When the proposed acquisition is to occur

The proposed acquisition will occur on the issue of the Tranche 2 Placement Shares to Sebastian Tseng and ZYBT, which is expected to occur shortly following the General Meeting if the Resolution is approved by Shareholders.

(c) The material terms of the proposed acquisition

Please refer to section 1.1 of this Explanatory Statement.

(d) Identity of the person proposing to make the acquisition and their associates

The acquisitions of Shares will be made by:

(i) Zheng Yang Biomedical Technology Co., Ltd. (**ZYBT**), a diversified healthcare holding company based in Taiwan. ZYBT's businesses include Aventacell and Dr Wells; and

(ii) Yu-Hung (Sebastian) Tseng, who is a director of the Company and is also the Chairman and principal shareholder of ZYBT.

(e) Details of the terms of any other relevant agreement between the acquirer and the Company (or any of their associates) that is conditional on (or directly or indirectly depends on) Shareholder approval of the proposed acquisition

There is no other agreement or proposed agreement between Sebastian Tseng or ZYBT (or any of their associates) and the Company which is conditional on, or directly or indirectly dependant on Shareholder approval to, the issue of the Tranche 2 Placement Shares to Sebastian Tseng and ZYBT.

(f) The identity, associations and qualifications of any person who it is intended will become a director if Shareholders approve this Resolution

Sebastian Tseng is already a Director of the Company. Sebastian Tseng and ZYBT will not seek to appoint any additional director(s) to the Board if the issue of Shares is approved.

(g) A statement of Sebastian Tseng's and ZYBT's intentions regarding the future of the Company if members approve the acquisition

Each of Sebastian Tseng and ZYBT does not currently have:

(iii) any present intention to change the business of the entity;
(iv) any present intention to inject further capital into the entity;
(v) any present intention regarding the future employment of present employees of the entity;
(vi) any proposal where assets will be transferred between the entity and either he or any of his associates; or
(vii) any intention to otherwise redeploy the fixed assets of the entity.

(h) Any intention of Sebastian Tseng or ZYBT to significantly change the financial or dividend distribution policies of the Company

Sebastian Tseng and ZYBT have no intention in this respect and the Board advises that a dividend is not presently paid by the Company and there is no foreseeable change to this policy.

(i) The interest that any Director has in the acquisition or any relevant agreement

The Directors (other than Sebastian Tseng) do not have an interest in this Resolution or the agreement to issue Tranche 2 Placement Shares to Sebastian Tseng and ZYBT.

Sebastian Tseng has an interest in the agreements to issue the Tranche 2 Placement Shares to him and to ZYBT. The terms of the agreement to issue the Tranche 2 Placement Shares are summarised in section 1.1 above.

(j) Recommendation of each Director as to whether Shareholders should approve the Resolution

The Directors (other than Sebastian Tseng who has a material personal interest in the Resolution) recommend each Shareholder approve the Resolution.

3.8 Advantages of the issue of Tranche 2 Placement Shares to Sebastian Tseng and ZYBT

The Directors (other than Sebastian Tseng) are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision as to how to vote on Resolution 3:

a. the issue of Tranche 2 Placement Shares to Sebastian Tseng and ZYBT would provide the Company with additional funds of A$1,158,098;
b. the issue of Shares to Sebastian Tseng and ZYBT via the Placement has introduced to the register of the Company sophisticated investors in the healthcare and pharmaceutical biotechnology sector whose funding support via the Tranche 1 Placement and Tranche 2 Placement demonstrate a commitment to the Company with a core objective to increase Shareholder value; and
c. the Independent Expert has concluded that the issue of Shares to Sebastian Tseng and ZYBT is reasonable to Shareholders not associated with Sebastian Tseng and ZYBT.

3.9 Disadvantages of the issue of Tranche 2 Placement Shares to Sebastian Tseng and ZYBT

The Directors (other than Sebastian Tseng) are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision as to how to vote on Resolution 3:

a. the Independent Expert has concluded that the issue of Shares to Sebastian Tseng and ZYBT is not fair to Shareholders not associated with Sebastian Tseng and ZYBT, and that the issue price of the Shares is below the fair market value prior to the issue of Tranche 2 Placement Shares;
b. the proposed issue of Tranche 2 Placement Shares to Sebastian Tseng and ZYBT will increase their aggregate voting power from 13.0% to up to a maximum 30.5%, reducing the voting

power of Shareholders not associated with them to potentially 69.5% (if Resolution 4 is not passed by Shareholders); and

c. following completion of the issue of Tranche 2 Placement Shares to Sebastian Tseng and ZYBT, Sebastian Tseng and ZYBT will hold a relevant interest in 24.5% of the Shares in the Company (if Resolution 4 is passed) or 30.5% of the Shares in the Company (if Resolution 4 is not passed) – this will give Sebastian Tseng and ZYBT significant influence in relation to the Company, including the ability to block proposed special resolutions of the Company and significant influent on the election of directors.

3.10 Independent Expert's Report

In accordance with the requirements of *ASIC Regulatory Guide 74*, the Directors engaged the Independent Expert to prepare and provide the Independent Expert's Report.

The Independent Expert's Report (a copy of which is attached as Annexure A to this Explanatory Statement) includes an independent examination of the proposed issue of Tranche 2 Placement Shares to Sebastian Tseng and ZYBT, to assist non-associated shareholders to assess the merits of, and decide whether to approve, the proposed issue of Shares.

The Independent Expert's Report comments on the fairness and reasonableness of the proposed issue of Tranche 2 Placement Shares to Sebastian Tseng and ZYBT to the non-associated shareholders of the Company. The opinion of the Independent Expert is that the Proposed Transaction is **not fair but reasonable to the non-associated shareholders of the Company**.

The Independent Expert notes certain key advantages and disadvantages of the proposal raised in Resolution 3 to the Company and to Shareholders not associated with Sebastian Tseng and ZYBT. Those advantages and disadvantages are set out at page 43 of the Independent Expert's Report.

Shareholders should carefully consider the full Independent Expert's Report prepared by the Independent Expert for the purposes of the Shareholder approval pursuant to Resolution 3 to understand the scope of the report, the methodology of the valuation and the sources of information and assumptions made.

Shareholders should read the Independent Expert's Report in its entirety before deciding how to vote on Resolution 3.

3.11 Recommendation of the Directors

The Directors, other than Sebastian Tseng, do not have any material interest in the issue of the Tranche 2 Placement Shares to Sebastian Tseng and ZYBT, other than as a result of any interests arising solely in the capacity as Shareholder.

The Directors of the Company (with Sebastian Tseng abstaining) believe that Resolution 3 is in the best interests of the Company and unanimously recommend that shareholders vote in favour of this resolutions.

Sebastian Tseng has a material personal interest in Resolution 3, and so he makes no recommendation in relation to this Resolution 3.

The Directors are not aware of any other information, other than as set out in this Explanatory Statement and the accompanying Independent Expert's Report that would reasonably be required by shareholders to allow them to make a decision as to whether it is in the best interests of the Company to pass this Resolution 4.

Where the Chair is appointed as a proxy, the Chair will vote all undirected proxies in favour of Resolution 3.

If you appoint the Chair as your proxy, and you check the box consenting to the Chair voting undirected proxies, then unless you include an express voting direction on your proxy form, you will be directing, and expressly consenting to the Chair voting in favour of Resolution 3.

4. RESOLUTION 4 - APPROVAL TO ISSUE SHARES – TRANCHE 2 PLACEMENT – OTHER INVESTORS – LISTING RULE 7.1

4.1 Background

Resolution 4 seeks Shareholder approval pursuant to Listing Rule 7.1 to issue a total of 233,959,162 Tranche 2 Placements Shares to the Other Investors pursuant to Tranche 2 of the Placement.

4.2 ASX Listing Rule 7.1

As summarised in section 2.2 above, ASX Listing Rule 7.1 limits the amount of equity securities that a listed company can issue, or agree to issue, without the approval of its shareholders over any 12 month period to 15% of the fully paid shares it had on issue at the start of that period.

The proposed issue of Tranche 2 Placement Shares to the Other pursuant to Tranche 2 of the Placement exceeds 15% of the fully paid shares and does not fall within any of the exceptions.

The effect of Resolution 4, will be to allow the Company to issue the Shares during the period of 3 months after the General Meeting, in excess of and without using the Company's 15% annual placement capacity.

4.3 Technical information required by ASX Listing Rule 7.3

The following information is provided to Shareholders for the purposes of Listing Rule 7.3 in relation to Resolution 4:

(a) the relevant Tranche 2 Placement Shares will be issued to the Other Investors, who are sophisticated institutional and private investors in the pharmaceutical biotechnology sector as follows:

Other Investor	Price per Share	Number of Tranche 2 Placement Shares*	Total Amount
Cyntec Co., Ltd. / Orient EuroPharma Co., Ltd. (**OEP**)	A$0.006	175,469,372	A$1,052,816
Li-Chien Chiu	A$0.006	35,093,874	A$210,563
Mu-Ni Chiu	A$0.006	23,395,916	A$140,375
Total		**233,959,162**	**A$1,403,755**

* The number of Tranche 2 Placement Shares does not take into account the proposed Consolidation the subject of Resolution 5.

(b) OEP is a substantial holder in the Company, other than OEP, none of the Other Investors are:
- a related party of the Company;
- a member of the Company's Key Management Personnel;
- a substantial holder in the entity;
- an adviser to the entity;
- an associate of any of the above;

(c) at the time of issue of this Notice of General Meeting, OEP is a holder of 62,966,489 Shares (which were issued to OEP pursuant to the Tranche 1 Placement) representing 8.22% of the issued capital of the Company;

(d) the maximum number of Tranche 2 Placement Shares to be issued to the Other Investors is 233,959,162 Shares which will all be fully paid ordinary shares, that rank equally in all respects with the Company's existing Shares;

(e) the issue price for the Tranche 2 Placement Shares to be issued to the Other Investors is cash consideration of A$0.006 per Share;

(f) the purpose of the issue of the Tranche 2 Placement Shares to the Other Investors is to raise A$1,403,755 which will be applied in the manner set out in section 1.2 above;

(g) the Tranche 2 Placement Shares to be issued to the Other Investors will be issued no later than 3 months after the date of the General Meeting (or such later date permitted by any ASX waiver or modification of the Listing Rules);

(h) the Tranche 2 Placement Shares to be issued to the Other Investors are being issued under placement commitment letters, the material terms of which are set out in section 1.1 above;

(i) the Tranche 2 Placement Shares to be issued to the Other Investors are not being issued under, or to fund, a reverse takeover; and

(j) a voting exclusion statement is included in the Notice of General Meeting.

4.4 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Tranche 2 Placement Shares to the Other Investors. In addition, the issue of the Tranche 2 Placement Shares to the Other Investors will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Tranche 2 Placement Shares to the Other Investors.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Tranche 2 Placement Shares to the Other Investors, as the issue of the Shares is subject to Shareholder approval, and the Company will not be able to complete Tranche 2 of the Placement with the Other Investors.

4.5 Directors' recommendations

The Directors do not have any material interest in the proposed issue of Tranche 2 Placement Shares to the Other Investors, other than as a result of any interests arising solely in the capacity as Shareholder.

The Directors of the Company believe that Resolution 4 is in the best interests of the Company and unanimously recommend that shareholders vote in favour of this resolution.

Where the Chair is appointed as a proxy, the Chair will vote all undirected proxies in favour of Resolution 4.

If you appoint the Chair as your proxy, and you check the box consenting to the Chair voting undirected proxies, then unless you include an express voting direction on your proxy form, you will be directing, and expressly consenting to the Chair voting in favour of Resolution 4.

5. RESOLUTION 5:

5.1 Background

Pursuant to section 254H of the Corporations Act and rule 32.3 of the Company's Constitution, the Company may convert all or any of its Shares into a larger or smaller number of Shares by ordinary resolution passed at a general meeting and subject always to compliance with the Listing Rules.

The Company is seeking the approval of Shareholders to consolidate its issued capital on the basis that every hundred (100) Shares be consolidated into one (1) Share, subject to rounding in accordance with section 2.4.3(b) below (**Consolidation**).

If the Resolution is passed, the result of the Consolidation is that the number of Shares on issue will be reduced to 1% of their current number. Further, as a result of proceeding with the Consolidation, the Performance Rights and Share Appreciation Rights will be consolidated in accordance with their terms (that is on a 100 for 1 basis) to reflect the effect of the Consolidation.

The Directors expect that the Consolidation will result in a more appropriate and effective capital structure for the Company (creating a share count below one billion).

Resolution 4 seeks the approval of Shareholders to proceed with the Consolidation.

5.2 Purpose of the Consolidation

As at the date of this Notice of General Meeting, the Company has **766,092,285** Shares on issue with a market capitalisation of approximately $5.36 million. If the issue of Shares contemplated under the full Tranche 2 Placement proceeds, the Company will have on issue 1,193,067,757 Shares.

The Directors believe that the Consolidation will result in a more appropriate and effective capital structure for the Company and a Share price that is more appealing to a wider range of investors.

The Directors believe that the proposed Consolidation has a number of advantages, including:

(a) the Company's current issued capital represents a large number when compared to its listed peer group;
(b) it may assist in reducing volatility in the Company's Share price, and enable a more consistent valuation of the Company;
(c) it will remove the potential for investors to equate the low share price with the perception of a troubled or poorly performing company; and
(d) it is expected to assist in positioning the Company for long term growth, by making an investment in the Company's securities more attractive to institutional, international and other investors.

If the Resolution is not passed, the Company will retain its current (pre-Consolidation) capital structure and the potential benefits associated with the Consolidation identified above will not be realised.

5.3 Regulatory requirements

Pursuant to, and in accordance with ASX Listing Rule 7.20, the information below is provided in relation to the Resolution:

(a) Effect of the Consolidation

If the Resolution is passed, every hundred (100) Shares on issue will be consolidated into one (1) Share (subject to rounding).

Overall, this will result in the number of Shares on issue (as at the date of this Notice of Meeting) reducing from **766,092,285** to approximately **7,660,923** (subject to rounding).

The Consolidation applies equally to each holder of Shares. Accordingly, individual shareholdings will be reduced in the same ratio as the total number of Shares (subject to rounding). Assuming no other market movements or impacts occur, the Consolidation will have no effect on the percentage interest in the Company of each Shareholder (other than minor variations resulting from rounding). By way of example, if a Shareholder currently holds 10,000,000 Shares representing approximately 1.3% of the Company's issued capital (before the issue of any of the Tranche 2 Placement Shares contemplated by Resolutions 3 and 4), then if the Consolidation is approved and implemented, the Shareholder will have 100,000 Shares following the Consolidation, still representing the same 1.3% of the Company's issued capital.

Similarly, the aggregate value of each Shareholder's holding (and the Company's market capitalisation) should not materially change (other than minor changes as a result of rounding) as a result of the Consolidation alone (and assuming no other market movements occur). However, the price per Share can be expected to increase to reflect the reduced number of Shares on issue. Theoretically, in the absence of market or other events, the post-Consolidation Share price should be approximately 100 times its pre-consolidation price. The actual effect of the Consolidation on the Share price will depend on a number of factors outside the control of the Company, and the market price following the Consolidation may be higher or lower than the theoretical post-Consolidation price.

The Consolidation will not result in any change to the substantive rights and obligations of existing Shareholders.

(b) Fractional entitlements

Where the Consolidation (and associated consolidation of options over Shares on issue) result in an entitlement to a fraction of a Share or option over a Share (as applicable) that fraction will be rounded up to the next whole number of Shares or options (as applicable).

However, if the Company is of the opinion that a security holder has, before the record date for the Consolidation, been party to share splitting or division in an attempt to obtain an unfair advantage by reference to such rounding, the Company may aggregate the holdings of that security holder before applying any rounding of entitlements. Each security holder's proportional interest in the Company's issued capital will, however, remain unchanged as a result of the Consolidation (other than minor variations resulting from rounding).

(c) Proposed treatment of options

As at the date of this Notice of General Meeting, the Company has on issue the following convertible securities:

• 30,162,833 options over Shares.

In accordance with Listing Rule 7.21 and the terms of the options, if the Resolution is passed, the Consolidation will result in the number of options being consolidated in a manner determined by the Board so that the relevant holder of any options does not receive a benefit that holders of Shares do not receive.

This means that the number of options will be consolidated in the same ratio as the Shares, as shown in the table under section 5.3(d) below (subject to rounding). In addition, the relevant exercise price of each option will also be adjusted accordingly.

The Consolidation will not result in any change to the substantive rights and obligations of existing holders of options.

(d) Effect on capital structure

If the Resolution is approved, the effect which the Consolidation will have on the Company's capital structure is set out as follows (subject to rounding):

Security	Pre-Consolidation	Post-Consolidation
Shares*	**766,092,285**	**7,660,923**
Options over Shares	**30,162,833**	**301,629**

***** Before the issue of any of the Tranche 2 Placement Shares contemplated by Resolutions 3 and 4.

5.4 Other matters

(a) Holding statements

With effect from the date of the Consolidation, all existing holding statements will cease to have any effect, except as evidence of entitlement to a certain number of securities on a post-Consolidation basis. After the Consolidation becomes effective, new holding statements will be issued to security holders, who are encouraged to check their post-Consolidation holdings before seeking to sell or otherwise dispose of any Company securities.

(b) Taxation

The Consolidation is not expected to have any taxation implications for Shareholders. However, Shareholders are encouraged to consider their own circumstances and to seek their own tax

advice on the effect of the Consolidation. The Company, the Directors and their advisers do not accept any responsibility for the individual taxation implications arising from the Consolidation.

(c) Indicative timetable

If approved by Shareholders, the proposed Consolidation will take effect in accordance with the following timetable (as set out in Appendix 7A (paragraph 7) of the Listing Rules:

Event	**Indicative Date***
Announcement of Consolidation, lodgment of Appendix 3A.3 and notice of General Meeting despatched to Shareholders	23 May 2024
Date of General Meeting. Shareholders pass Resolution 5 to approve the Consolidation.	25 June 2024
Effective date of Consolidation	2 July 2024
Last day of trading in pre-Consolidation Shares.	3 July 2024
If agreed by ASX, trading in post-Consolidation Shares commences on a deferred settlement basis.	4 July 2024
Record date for Share Consolidation (being the last day for the Company to register transfers of Shares on a pre-Consolidation basis.	5 July 2024
First day for the Company to update its register and send holding statements to Shareholders reflecting the change in number of Shares they hold following completion of the Share Consolidation.)	8 July 2024
Last day for the Company to update its register and send holding statements to Shareholders reflecting the change in number of Shares they hold following completion of the Share Consolidation, and to notify ASX that this has occurred.	12 July 2024

* The above dates are indicative only and subject to change.

5.5 Directors' recommendation

The Directors of the Company believe that Resolution 5 is in the best interests of the Company and unanimously recommend that shareholders vote in favour of the resolution.

Where the Chair is appointed as a proxy, the Chair will vote all undirected proxies in favour of Resolution 5.

If you appoint the Chair as your proxy, and you check the box consenting to the Chair voting undirected proxies, then unless you include an express voting direction on your proxy form, you will be directing, and expressly consenting to the Chair voting in favour of Resolution 5.

6. GLOSSARY

The following terms used in the Notice of General Meeting and the Explanatory Statement are defined as follows:

A$ means Australian dollars.

ASX means ASX Limited ACN 008 624 691.

Board means the current board of directors of the Company.

Company or **Cambium Bio** means Cambium Bio Limited ACN 127 035 358.

Consolidation means the consolidation of the issued capital of the Company on the basis that every hundred (100) Shares be consolidated into one (1) Share, as proposed under Resolution 5 and detailed in section 5 above.

Corporations Act means the *Corporations Act 2001 (Cth)* as amended from time to time.

Directors means the directors of the Company.

Explanatory Statement means the Explanatory Statement accompanying the Notice of General Meeting.

General Meeting means the general meeting of Shareholders convened by this Notice of General Meeting.

Independent Expert means RSM Corporate Australia Pty Ltd ACN 050 508 024.

Independent Expert's Report means the independent expert's report prepared by the Independent Expert which is attached to this Notice as Annexure A and is available on the Company's website (cambium.bio).

Key Management Personnel means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of the ASX.

Notice of General Meeting means this notice of general meeting.

OEP means Orient EuroPharma Co., Ltd.

Other Investors means each of OEP, Li-Chien Chiu and Mu-Ni Chiu.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of Shares.

Tranche 1 Placement Shares means the 153,218,456 Shares (on a pre-Consolidation basis) issued under the first tranche of the Placement to raise A$919,311.

Tranche 2 Placement Shares means the 426,975,472 Shares (on a pre-Consolidation basis) to be issued, subject to Shareholder approval being obtained, under the second tranche of the Placement to raise A$2,561,853.

ZYBT means Zheng Yang Biomedical Technology Co., Ltd.

Cambium Bio Limited

Financial Services Guide and Independent Expert's Report

10 May 2024

Contents

Financial Services Guide

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 ("**RSM**" or "**we**" or "**us**" or "**ours**" as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide ("**FSG**"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- who we are and how we can be contacted;
- the financial services that we will be providing you under our Australian Financial Services Licence ("**AFSL**"), Licence No 255847;
- remuneration that we and/or our staff and any associates receive in connection with the financial services that we will be providing to you;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

Financial services we will provide

For the purposes of our report and this FSG, the financial service we will be providing to you is the provision of general financial product advice in relation to securities.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we produce is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

General financial product advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

Benefits that we may receive

We charge various fees for providing different financial services. However, in respect of the financial service being provided to you by us, fees will be agreed, and paid by, the person who engages us to provide the report and such fees will be agreed on either a fixed fee or time cost basis. You will not pay to us any fees for our services; Cambium Bio Limited ("**Cambium**" or "**the Company**") will pay our fees. These fees are disclosed in the Report.

Except for the fees referred to above, neither RSM Corporate Australia Pty Ltd, nor any of its directors, employees, or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

Remuneration or other benefits received by our employees

All our employees receive a salary.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia, a large national firm of chartered accountants and business advisors. Our directors are partners of RSM Australia Partners.

From time to time, RSM Corporate Australia Pty Ltd, RSM Australia Partners, RSM Australia and/or RSM Australia related entities may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

Complaints resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints should be directed to The Complaints Officer, RSM Corporate Australia Pty Ltd, PO Box R1253, Perth, WA, 6844.

If we receive a written complaint, we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination. If a complaint is received in advance of a shareholder meeting or other key date where shareholders or investors may be making decisions which are influenced by our report, we will make all reasonable efforts to respond to complaints prior to that date.

Referral to external dispute resolution scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ("**AFCA**"). AFCA is an independent dispute resolution scheme that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about AFCA are available at the AFCA website www.afca.org.au. You may contact AFCA directly by email, telephone or in writing at the address set out below.

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
Toll Free: 1800 931 678
Email: info@afca.org.au

Time limits may apply to make a complaint to AFCA, so you should act promptly or consult the AFCA website to determine if or when the time limit relevant to your circumstances expires.

Contact details

You may contact us using the details set out at the top of our letterhead on page 5 of this report.

RSM Corporate Australia Pty Ltd

Level 13, 60 Castlereagh Street
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www.rsm.com.au

10 May 2024

The Directors
Cambium Bio Limited
16 Goodhope Street
Paddington NSW 2021

Dear Directors,

Independent Expert's Report

Introduction

This Independent Expert's Report (the "**Report**" or "**IER**") has been prepared to accompany the Notice of General Meeting and Explanatory Statement ("**Notice**") to be provided to shareholders for a General Meeting of Cambium Bio Limited, formerly known as Regeneus Limited ("**Cambium**" or "**the Company**") to be held on or around 20 June 2024, at which shareholder approval will be sought for a number of resolutions ("**the Resolutions**") including the Proposed Transaction (as defined below).

On 5 April 2024, the Company announced to the Australian Securities Exchange ("**ASX**") the completion of its merger with Cambium Medical Technologies LLC ("**CMT**") by way of the issue of new ordinary shares in Cambium ("**Shares**") to CMT shareholders ("**the Merger**").

In a separate announcement to the ASX, Cambium announced it had secured firm commitments from new and existing investors for a two-tranche placement to raise capital of A$3.48m through the issue of a total of 580,193,928 new ordinary shares in the Company at an offer price of A$0.0060 per share ("**the Placement**").

On 10 April 2024, Cambium completed the first tranche of the Placement through the issue of 153,218,456 ordinary shares ("**Tranche 1 Placement Shares**") at an issue price of A$0.0060 per Tranche 1 Placement Share, for a total consideration of A$919,311. The Tranche 1 Placement resulted in one of the Company's shareholders, Dr. Yu-Hung Tseng ("**Dr. Sebastian Tseng**"), effectively obtaining a 13.0% interest in Cambium. Dr. Sebastian Tseng's shareholding in Cambium is held both directly and indirectly through Zheng Yang Biomedical Technology Co Ltd ("**ZYBT**").

The Company is seeking shareholder approval for the issue of 426,975,472 ordinary shares at an issue price of A$0.0060 per share for the second tranche of the Placement ("**Tranche 2 Placement Shares**"), for a total consideration of A$2.6m. Shareholder approval is required under item 7 of section 611 of the Corporations Act ("**the Act**") for the issuance of an aggregate of 193,016,310 of the Tranche 2 Placement Shares to Dr. Sebastian Tseng and ZYBT as the relevant interest of Dr. Sebastian Tseng and ZYBT in Cambium will increase from 13.0% to 24.5%[1] ("**the Proposed Transaction**"). Shareholder approval is required under ASX Listing Rules 7.1 for the issuance of the remaining 233,959,162 Tranche 2 Placement Shares to other investors which will be sought under a separate, independent Resolution.

The Directors of the Company have requested that RSM, being independent and qualified for the purpose, to express an opinion as to whether the Proposed Transaction is fair and reasonable to shareholders not associated with the Proposed Transaction ("**Non-Associated Shareholders**").

[1] Shareholding percentage calculated assuming all other Resolutions in the Notice in relation to the Placement are passed.

The request for approval of the Proposed Transaction is included as Resolution 3 in the Notice. Resolution 3 as extracted from the Notice is included below for reference:

> Resolution 3 - Approval to issue Shares – Tranche 2 Placement – Sebastian Tseng and ZYBT
>
> To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:
>
> *"That, for the purposes of section 611 (item 7) of the Corporations Act, Listing Rule 11.1.2, and all other purposes, Shareholder approval is given for:*
>
> *(a) the Company to issue a total of 193,016,310 Shares to Sebastian Tseng and ZYBT (or their nominees); and*
> *(b) the increase in the relevant interests and voting power of each of Sebastian Tseng and ZYBT from 13.0% to up to 30.5%, as a result of the issue of Shares in the Company under paragraph (a) of this Resolution."*
>
> *on the terms and conditions set out in the Explanatory Statement."*

The Company is separately seeking shareholder approval for the following matters:

- Ratification of the issuance of the Tranche 1 Placement Shares pursuant to Listing Rule 7.4 (Resolutions 1 and 2);
- Approval under Resolution 4 to issue a total of 233,959,162 Shares to other investors as part of the Tranche 2 Placement Shares pursuant to Listing Rule 7.1; and
- Approval under Resolution 5 for the consolidation of the Company's issued capital on a hundred (100) for one (1) basis, such that every hundred (100) Shares be consolidated into one (1) Share ("**the Consolidation**").

When assessing the Proposed Transaction, we have included any impact that Resolution 3 will have on fairness and reasonableness noting it is not subject to the approval of any other resolution. In assessing the Proposed Transaction, we have assumed that Resolutions 1, 2 and 4 will be passed, and have therefore included the impacts of these Resolutions on the financial position and capital structure of the Company in performing our valuation. We have not considered the impact of Resolution 5, being the consolidation of the Company's issued Shares, in assessing the Proposed Transaction, as the outcome of the Resolution will not have any impact on our opinion.

The ultimate decision whether to approve the Proposed Transaction should be based on each Shareholder's assessment of their circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. If in doubt as to the action they should take with regard to the Proposed Transaction, or the matters dealt with in this Report, Shareholders should seek independent professional advice.

Summary and conclusion

In our opinion, and for the reasons set out in Sections 6 and 7 of this Report, the Proposed Transaction is **not fair but reasonable** to the Non-Associated Shareholders of Cambium.

Approach

In assessing whether the Proposed Transaction is fair and reasonable to the Non-Associated Shareholders, we have considered Australian Securities and Investment Commission ("**ASIC**") Regulatory Guide 111 – Content of Expert Reports ("**RG 111**"), which provides specific guidance as to how an expert is to appraise transactions.

Where an issue of shares by a company otherwise prohibited under section 606 of the Act is approved under item 7 of section 611, and the effect on the company shareholding is comparable to a takeover bid, such as the Proposed Transaction, RG 111 states that the transaction should be analysed as if it was a takeover bid.

Therefore, we have considered whether or not the Proposed Transaction is "fair" to the Non-Associated Shareholders by assessing and comparing:

- The Fair Market Value of a Share in Cambium on a controlling basis prior to the Proposed Transaction; with
- The Fair Market Value of a Share in Cambium on a non-controlling basis immediately post completion of the Proposed Transaction,

and considered whether the Proposed Transaction is "reasonable" to the Non-Associated Shareholders by undertaking an analysis of the other factors relating to the Proposed Transaction which are likely to be relevant to the Non-Associated Shareholders in their decision of whether or not to approve the Proposed Transaction.

Further information of the approach we have employed in assessing whether the Proposed Transaction is "fair" and "reasonable" is set out at Section 50 of this Report.

Fairness opinion

Our assessed Fair Market Values of a Cambium Share prior to and immediately after the Proposed Transaction are summarised in the table and figure below.

We have not considered the impact of Resolution 5 of the Notice in our assessment of the Proposed Transaction and have therefore utilised the pre-consolidation shareholding for the purpose of our valuation.

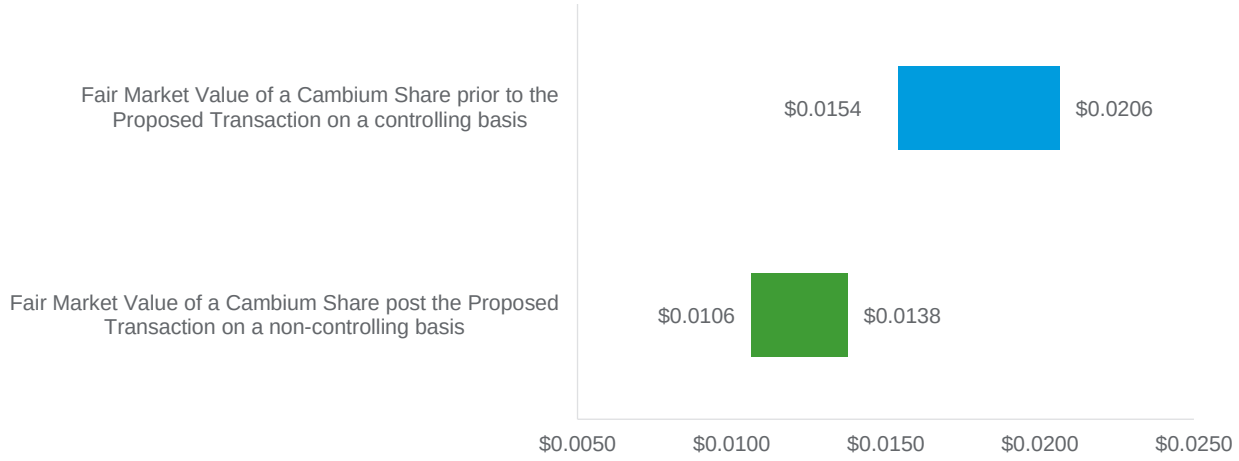
Table 1. Assessed Fair Market Values of a Cambium Share pre and post the Proposed Transaction

	Low	High	Preferred
Fair Market Value of a Cambium Share prior to the Proposed Transaction on a controlling basis	A$0.0154	A$0.0206	A$0.0171
Fair Market Value of a Cambium Share post the Proposed Transaction on a non-controlling basis	A$0.0106	A$0.0138	A$0.0116

Source: RSM analysis

We have summarised the Fair Market Values included in the table above in the chart below.

Figure 1. Cambium Share valuation graphical representation



Source: RSM analysis

The chart above indicates that the range of values post the Proposed Transaction on a non-controlling basis are less than the values prior to the Proposed Transaction on a controlling basis.

In accordance with the guidance set out in ASIC RG 111, and in the absence of any other relevant information, for the purposes of section 611, item 7 of the Act, we consider the Proposed Transaction to be **not fair** to the Non-Associated Shareholders of Cambium.

Reasonableness opinion

RG 111 establishes that an offer is reasonable if it is fair. It might also be reasonable if, despite not being fair, there are sufficient reasons for security holders to accept the offer in the absence of any higher bid before the offer closes. As such, we have also considered the following factors in relation to the reasonableness aspects of the Proposed Transaction:

- The future prospects of the Company if the Proposed Transaction does not proceed;
- Any other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Transaction proceeding;
- The existence of alternative proposals; and
- The price of Cambium's shares after the announcement of the Proposed Transaction

Future prospects of Cambium if the Proposed Transaction does not proceed

If the Proposed Transaction does not proceed, the Company's board will continue to seek alternative sources of funding with no guarantee of successful fund raising with superior terms.

The key advantage of the Proposed Transaction is:

Advantage	Details
Secure funding for the research & development and marketing of Elate Ocular ("**Elate Ocular or EO**")	The proceeds of the Proposed Transaction, along with the proceeds of the rest of the Placement, will provide the Company with additional funds for the non-clinical and comparability studies along with the working capital required for the phase 3 clinical trial program (as part of the proposed research & development, commercialisation and marketing strategy) for Elate Ocular, the primary clinical asset of Cambium.

The key disadvantages of the Proposed Transaction are:

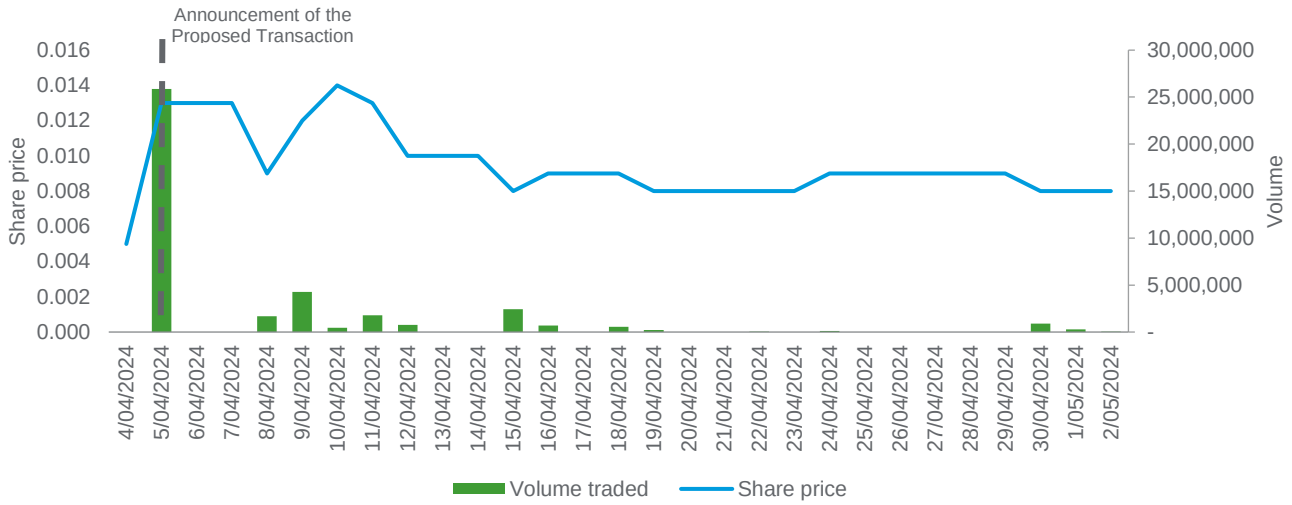
Disadvantage	Details
The Proposed Transaction is not fair	The Proposed Transaction is not fair to the Non-Associated Shareholders.
Dilutionary impact	The Non-Associated Shareholders' fully diluted interest in the Company will decrease from 87.0% prior to the Proposed Transaction to 75.5% following the completion of the Proposed Transaction.
Significant influence / ability to block special resolutions by Dr. Sebastian Tseng and ZYBT	Following the completion of the Proposed Transaction, Dr. Sebastian Tseng and ZYBT will have an effective 24.5% shareholding in Cambium, giving them significant influence and the power to elect directors. Given the balance of shareholding of the Non-Associated Shareholders is widely spread, Dr. Sebastian Tseng and ZYBT's 24.5% shareholding in Cambium effectively convey the ability to block a special resolution of the Company, which typically requires a shareholding of 25% or higher, as nearly 100% of the Non-Associated Shareholders will need to vote in opposition to Dr. Sebastian Tseng and ZYBT to ensure a 75% majority vote to pass a special resolution.

Alternative proposals to the Proposed Transaction

We have been advised that the Placement is the only transaction that is sufficiently developed to be put to Shareholders and no alternative or more compelling transactions are close to completion. We are not aware of any alternative proposal at the current time which might offer the Non-Associated Shareholders of Cambium a greater benefit than the Proposed Transaction.

The price of Cambium's shares after the announcement of the Proposed Transaction

Figure 1. Cambium daily closing share price and traded volumes



Source: Capital IQ/ASX

The Cambium share price decreased from $0.012 per share on 5 April 2023 (one year prior to the announcement of the Proposed Transaction) to $0.005 per share on 4 April 2024 (the day before the announcement of the Proposed Transaction) as Cambium continued to experience cash burn.

Trading in Cambium shares following the announcement of the Proposed Transaction saw a significant increase of volume. This is largely attributable to the announcement of the successful completion of the Merger on the same day (5 April 2024) as the announcement of the Placement and Proposed Transaction. Given the low liquidity of Cambium shares and the recent Merger it is difficult to draw any firm conclusions on the market reaction to the Proposed Transaction.

Conclusion on Reasonableness

Cambium needs a cash injection in the near term and the Proposed Transaction provides an opportunity for this to occur. In our opinion, the position of the Non-Associated Shareholders of Cambium if the Proposed Transaction is approved is more advantageous than if the Proposed Transaction is not approved. Therefore, in the absence of any other relevant information and/or a superior offer, we consider that the Proposed Transaction is **reasonable** to the Non-Associated Shareholders of Cambium.

Non-Associated Shareholders should have particular regard to the potential advantages and disadvantages set out above in the context of their own risk profile and investment strategy.

General

This Report represents general financial product advice only and has been prepared without taking into consideration the individual circumstances of the Non-Associated Shareholders.

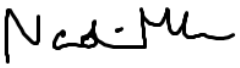
The ultimate decision whether to accept the Proposed Transaction should be based on the Non-Associated Shareholders' assessment of their circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions.

Shareholders should read and have regard to the contents of the Notice which has been prepared by the Directors and Management of Cambium. Non-Associated Shareholders who are in doubt as to the action they should take with regard to the Proposed Transaction and/or the matters dealt with in this Report, should seek independent professional advice.

This summary should be considered in conjunction with the detail contained in the following sections of this Report.

Yours faithfully

RSM CORPORATE AUSTRALIA PTY LTD



Andrew Clifford
Director – Corporate Finance

Nadine Marke
Director – Corporate Finance

1. Summary of Proposed Transaction

1.1 Overview

On 5 April 2024, Cambium announced to the ASX, it had secured firm commitments from new and existing investors for a two-tranche placement to raise capital of A$3.48m through the issue of a total of 580,193,928 new ordinary shares in the Company at an offer price of A$0.0060 per share.

On 10 April 2024, Cambium completed the first tranche of the Placement through the issue of 153,218,456 ordinary shares ("**Tranche 1 Placement Shares**") at an issue price of A$0.0060 per Tranche 1 Placement Share, for a total consideration of A$919,311. The Tranche 1 Placement resulted in Dr. Sebastian Tseng effectively obtaining a 13.0% interest in Cambium. Dr. Sebastian Tseng's shareholding in Cambium is held both directly and indirectly through ZYBT.

The Company is seeking shareholder approval for the issue of 426,975,472 ordinary shares at an issue price of A$0.0060 per share for the second tranche of the Placement ("**Tranche 2 Placement Shares**"), for a total consideration of A$2.6m. Shareholder approval is required under item 7 of section 611 of the Corporations Act ("**the Act**") for the issuance of 193,016,310 of the Tranche 2 Placement Shares to Dr. Sebastian Tseng and ZYBT as the relevant interests of Dr. Sebastian Tseng and ZYBT in Cambium will increase from below 13% to 24.5%[2] ("**the Proposed Transaction**"). Shareholder approval is required under ASX Listing Rules 7.1 for the issuance of the remaining 233,959,162 Tranche 2 Placement Shares to other investors, which will be sought under a separate, independent solution.

The Placement

The table below summarises the investors participating in the two tranches of Placement.

Table 2. Summary of the issuance of Cambium shares

Investor	Price per Cambium Share	Tranche 1 Shares	Tranche 2 Shares	Total number of Placement Shares	Tranche 1 Placement (A$'000)	Tranche 2 Placement (A$'000)	Total Placement (A$'000)
Cyntec Co. Ltd / Orient EuroPharma	A$0.0060	62,966,489	175,469,372	238,435,861	377.8	1,052.8	1,430.6
ZYBT	A$0.0060	62,966,489	175,469,372	238,435,861	377.8	1,052.8	1,430.6
Dr. Tseng, Yu-Hung (Sebastian)	A$0.0060	6,296,648	17,546,938	23,843,586	37.8	105.3	143.1
Chiu, Li-Chien	A$0.0060	12,593,298	35,093,874	47,687,172	75.6	210.6	286.1
Chiu, Mu-Ni	A$0.0060	8,395,532	23,395,916	31,791,448	50.4	140.4	190.7
Total		**153,218,456**	**426,975,472**	**580,193,928**	**919.3**	**2,561.9**	**3,481.2**

Source: Draft Notice of Meeting

- Cyntec Co. Ltd is a special purpose investment vehicle of Orient EuroPharma Co., Ltd ("**OEP**"). Headquartered in Taiwan, OEP, is a leading pharmaceutical and healthcare products company in the Asia Pacific region. OEP manufactures and distributes a range of therapeutics across the United States, Taiwan, China, Hong Kong, Singapore, New Zealand and other markets.
- ZYBT is a diversified healthcare holding company based in Taiwan. Dr. Sebastian Tseng is the Chairman and principal shareholder of ZYBT.
- Chiu Li-Chen is the Chairman of the Taiwan-listed Hocheng Corporation as well as a director and shareholder in ZYBT.
- Chiu Mu-Ni is a family member of Chiu Li-Chen.

The proceeds from the Placement will be utilised to fund nonclinical studies for Elate Ocular, a novel biologic for dry eye disease, to prepare for the commencement of the Phase 3 registration-enabling trials for Elate Ocular and for general working capital purposes.

[2] Shareholding percentage calculated assuming all other Resolutions in the Notice in relation to the Placement are passed.

1.2 Key conditions of Proposed Transaction

The Proposed Transaction is subject to Cambium obtaining shareholder approval under section 611, item 7 of the Corporations Act.

1.3 Rationale for the Proposed Transaction

Before and following the Merger with CMT, the Directors of Cambium have been seeking opportunities to raise capital to fund the Company's growth plan. The Placement was announced to the ASX on 5 April 2024, which includes the Proposed Transaction.

The proceeds of the Proposed Transaction along with the proceeds of the remainder of the Placement, will be used to fund:

- The non-clinical studies for Elate Ocular, including the development of a potency assay and completion of a comparability study which are requirements to prepare Elate Ocular for the Phase 3 clinical trial program; and
- The additional working capital required to support Cambium Bio's ongoing operations and pipeline development efforts.

1.4 Impact of Proposed Transaction on Cambium's Capital Structure

The table below sets out a summary of the capital structure of Cambium prior to and post the Proposed Transaction. We have utilised the pre-consolidation shareholding for the purpose of our valuation.

Table 3. Share structure of Cambium pre and post the Proposed Transaction

	Post Tranche 1 Placement	% holding	Post Proposed Transaction	% holding	Post Proposed Transaction (if Resolution 4 is not passed)	% holding
Shares on issue						
ZYBT	93,381,212	12.2%	268,850,584	22.5%	268,850,584	28.0%
Dr Sebastian Tseng	6,296,648	0.8%	23,843,586	2.0%	23,843,586	2.5%
Non Associated Shareholders	666,414,424	87.0%	900,373,587	75.5%	666,414,424	69.5%
Total undiluted shares in Cambium	**766,092,285**	**100.0%**	**1,193,067,757**	**100.0%**	**959,108,595**	**100.0%**
Options on issue						
Non Associated Shareholders	30,162,833	100.0%	30,162,833	100.0%	30,162,833	100.0%
Total options in issue	**30,162,833**	**100.0%**	**30,162,833**	**100.0%**	**30,162,833**	**100.0%**
Fully diluted position:						
ZYBT	93,381,212	11.7%	268,850,584	22.0%	268,850,584	27.2%
Dr Sebastian Tseng	6,296,648	0.8%	23,843,586	1.9%	23,843,586	2.4%
Non Associated Shareholders	696,577,257	87.5%	930,536,420	76.1%	696,577,257	70.4%
Total undiluted shares in Cambium	**796,255,118**	**100.0%**	**1,223,230,590**	**100.0%**	**989,271,428**	**100.0%**

Source: Management

Note 1: Successful completion of the Proposed Transaction will result in Dr. Sebastian Tseng and ZYBT's interest in Cambium increasing from 13.0% to 24.5% (including Dr. Sebastian Tseng's indirect shareholding through his controlling entity ZYBT). As a result, shareholder approval is required under section 611, item 7 of the Corporations Act. This share structure assumes that Resolutions 1, 2 and 4 are passed and have been considered as part of our assessment for the purposes of this Report. The maximum aggregate shareholding which Dr. Sebastian Tseng and ZYBT could hold if all Resolutions are approved is 24.5% on an undiluted basis and 23.9% fully diluted.
Resolution 5 has not been considered in our assessment, noting that the consolidation of the Shares of Cambium will not impact the individual shareholder percentages or our opinion.

2. Scope of the Report

2.1 Purpose of this Report

The Directors of Cambium have requested RSM, being independent and qualified for the purpose, to express an opinion as to whether the Proposed Transaction is fair and reasonable to Non-Associated Shareholders.

2.2 Corporations Act

Section 606 of the Corporations Act prohibits a person from acquiring a relevant interest in the issued voting shares of a public company if the acquisition results in that person's voting interest in the company increasing from a starting point that is below 20% to an interest that is above 20%. Completion of the Proposed Transaction will increase each of Dr. Sebastian Tseng and ZYBT's interest in the Shares of the Company from 13.0% to approximately 24.5[3]%.

Under item 7 of section 611 of the Act, the prohibition contained in Section 606 does not apply if the acquisition has been approved by the Non-Associated Shareholders of the company. Accordingly, the Company is seeking approval from the Non-Associated Shareholders for Resolution 3 under item 7 of section 611 of the Act.

Section 611(7) of the Act states that shareholders must be given all information that is material to the decision on how to vote at the meeting. ASIC RG 111 advises the requirement to commission an Independent Expert's Report in such circumstances and provides guidance on the content.

2.3 Adopted basis of evaluation

In determining whether providing the Proposed Transaction is "fair" and "reasonable" we have given regard to the views expressed by the ASIC in RG 111.

RG 111 provides ASIC's views on how an expert can help security holders make informed decisions about transactions. Specifically, it gives guidance to experts on how to evaluate whether or not a proposed transaction is fair and reasonable.

RG 111 states that the expert's report should focus on:

- The issues facing the security holders for whom the report is being prepared; and
- The substance of the transaction rather than the legal mechanism used to achieve it.

Where an issue of shares by a company otherwise prohibited under section 606 is approved under item 7 of section 611 and the effect on the company's shareholding is comparable to a takeover bid, RG 111 states that the transaction should be analysed as if it was a takeover bid.

RG 111 applied the fair and reasonable test as two distinct criteria in the circumstance of a takeover offer, stating:

- A takeover offer is considered "fair" if the value of the offer price or consideration is equal to or greater than the value of the securities that are the subject of the offer; and
- A takeover is considered "reasonable" if it is fair, or where the offer is "not fair" it may still be reasonable if the expert believes that there are sufficient reasons for security holders to accept the offer.

Consistent with the guidelines in RG 111 as summarised above, we have considered whether the Proposed Transaction is "fair" to the Associated Shareholders by assessing and comparing:

- the Fair Market Value of an ordinary Share in Cambium (on a control basis) prior to the Proposed Transaction; with
- the Fair Market Value of an ordinary Share in Cambium (on a non-control basis) following the Proposed Transaction.

Our assessment of the Fair Market Value of a Share in Cambium has been prepared on the following basis:

"the value that should be agreed in a hypothetical transaction between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, acting at arm's length".

[3] *Shareholding percentage assuming all other resolutions in the Notice are passed.*

In accordance with RG 111, we have considered whether the Proposed Transaction is "reasonable" to the Associated Shareholders by undertaking an analysis of the other factors relating to the Proposed Transaction which are likely to be relevant to the Associated Shareholders, in their decision as to whether or not to accept the Proposed Transaction. These factors include:

- the future prospects of the Company if the Proposed Transaction does not proceed;
- any other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Transaction proceeding; and
- the existence of alternative proposals.

Our assessment of the Proposed Transaction is based on economic, market and other conditions prevailing at the date of this Report.

3. Profile of Cambium Bio Limited

3.1 Background

Cambium Bio Limited

Founded in 2007, Cambium is an Australian biotechnology company that specialised in the development of regenerative medicine. The Company developed two stem cell technologies, namely:

- Progenza™ ("**Progenza**") which is a Phase 2 clinical stage therapeutic; and
- Sygenus, which is a preclinical-stage therapeutic.

These technologies target the therapeutic areas of osteoarthritis, neuropathic pain, and skin wound healing.

To commercialise Progenza in Japan, the Company entered into a Collaboration and Licence Agreement ("**CLA**") for the treatment of knee osteoarthritis with AGC Inc. ("**AGC**") in December 2016. The CLA with AGC was terminated under a mutual agreement in December 2019.

Cambium entered into a CLA with Kyocera Corporation ("**Kyocera**") in August 2020 to exclusively develop and commercialise the treatment in Japan. In January 2023, Cambium received a Notice of Termination from Kyocera ("**Notice of Termination**") due to Kyocera's inability to meet a development target relating to the establishment of first standard operating procedures established for the manufacture of Progenza by 30 September 2022.

Following the termination of the CLA with Kyocera, Cambium continued to explore licencing opportunities for Progenza, however has not entered into any new collaborations thus far. Cambium also started exploring merger and funding opportunities to diversify its business and activities through complementary products, which culminated in the Merger of the Company and CMT.

Cambium Medical Technologies LLC

Based in the United States, CMT is a clinical-stage regenerative medicine company founded in 2013.

On 13 May 2014, CMT executed a License Agreement with Emory University, Atlanta, Georgia ("**Emory**") and Children's Healthcare of Atlanta ("**CHA**") to exclusively develop and commercialise certain inventions and technology ("**Aurarix**" or the "**Technology**") used in medical treatments. Aurarix is a novel enriched allogenic, fibrinogen-depleted human platelet lysate ("**FD-HPL**') which is a fluid from blood platelets sourced from healthy donors.

To date, Aurarix has not been approved for any therapeutic use however has been used extensively as a supplement in cell culture processes. CMT has sub-licensed Aurarix to AventaCell BioMedical Corp ("**AventaCell**" a related entity to ZYBT) to manufacture and commercialise stem cell growth supplements.

Elate Ocular

The Technology can be applied in various therapeutics markets including orthopaedics (wound healing) and multiple indications in ophthalmology and represents significant growth opportunities for CMT. CMT's lead indication for Aurarix is the treatment of chronic Dry Eye Disease ("**DED**") through the introduction of Elate Ocular which is a clinical-stage biologic therapeutic FD-HPL-based product.

CMT has raised seed capital and Series A funding of approximately US$9.3m to date and completed a 64 patient Phase 1 / 2 trial in 2020 to develop Elate Ocular to treat DED.

CMT has also obtained two Investigational New Drug Application ("**INDA**") approvals from the U.S. Food and Drug Administration ("**FDA**") to initiate Phase 3 trials in the chronic DED and ocular Graft versus Host Disease ("**GvHD**") after finalising the additional Chemistry, Manufacturing, and Controls ("**CMC**") studies. Phase 3 trial studies are expected to commence in 2025, with top line study results available within 24 months.

Following this, CMT is expected to submit a Biologics Licence Application ("**BLA**") for marketing approval in FY27-28, subject to the success of the Phase 3 clinical trial and ability to raise funding.

Cambium requires an estimated US$20.5m of total funding through 2028 to conduct the two registration-enabling studies. From this fund, US$8m to US$10m is required to manufacture a Good Manufacturing Product ("**GMP**") grade investigation product, cover overhead costs, set up clinical trial operations and administer treatment to the first patient. The remaining funds are required

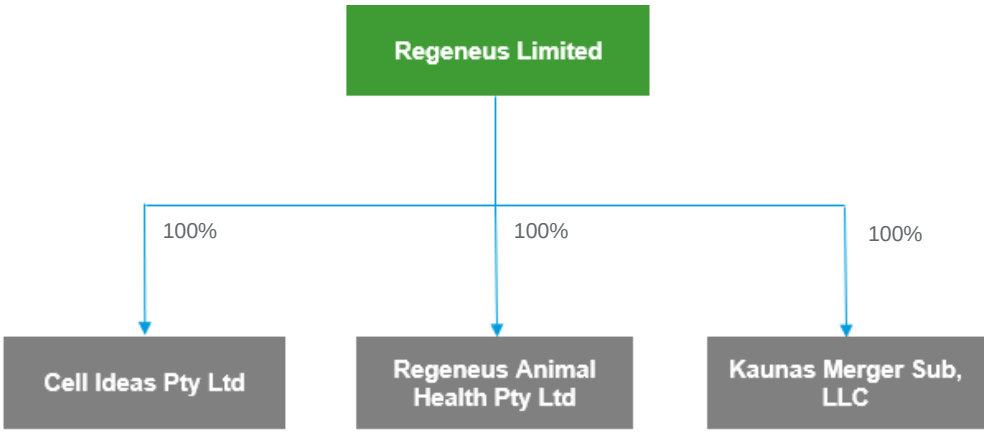
to finalise two Phase 3 trials and general working capital funding. Once the Placement is completed, Cambium expects to raise the remaining amount from institutional and high net worth individuals.

3.2 Legal structure

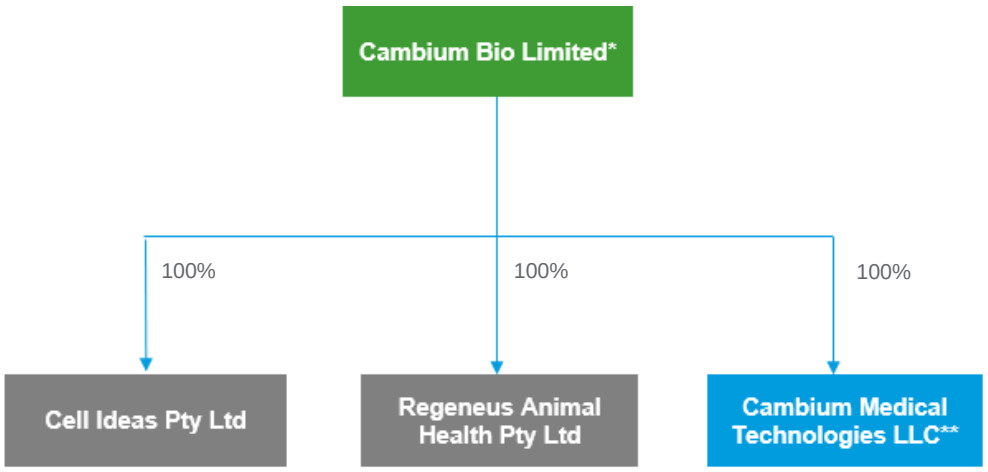
The legal structure of Cambium (pre and post Merger) is shown in the figure below.

Figure 3. Legal structure

Pre-Merger



Post-Merger



**Previously Regeneus Limited*
***Kaunas Merger Sub LLC merged with Cambium Medical Technologies LLC, which is the surviving entity post-merger*
Source: Cambium incorporation documents and Merger Agreement with CMT

3.3 Directors and management

The directors and key management of Cambium are summarised in the table below.

Table 4. Cambium Directors and Key Management Personnel

Name	Title	Experience
Karolis Rosickas	Chief Executive Officer	Mr Rosickas is the co-founder of cell therapy CDMO SingCell in Singapore, and of digital therapeutics company OME Health in London. He has held positions including Vice President of Healthcare Investment Banking at HSBC, London, Finance Director of Danone Early Life & Clinical Nutrition and Regional Treasurer for Asia at the International Society for Cell and Gene Therapy. Mr Rosickas holds a Master of Science degree in Biotechnology at Northeastern University and a Master of Business Administration degree at IESE Business School.
Dr. Neera Jagirdar, MD, MPH	Director of Clinical Development	Dr Jagirdar joined Cambium Medical Technologies in 2017 and is the Manager of Clinical and Regulatory Affairs. She has over 14 years of experience in the design and conduct of experimental research studies and clinical trials in the support of new product development and quality assurance. Dr Jagirdar holds a Doctor of Medicine degree at American University of Antigua, Osbourne, a Master of Public Health degree at American Public University, Charles Town, and a Bachelor of Arts degree at Boston University, Boston.
Dr. Edmund Waller, MD, PhD	Executive Director	Dr Waller is the co-founder of Cambium Medical Technologies and is a Professor of Medicine, Pathology & Hematology / Oncology at Emory University, Atalanta, for over 20 years. Dr Waller holds a PhD at The Rockefeller University, New York City, a Doctor of Medicine degree at Cornell University Medical College, Ithaca, and a Bachelor of Arts degree at Harvard University, Cambridge.
Dr Sebastian Tseng	Non-Executive Director	Dr Tseng is the founder and Chairman of Zheng Yang Biomedical Technology Co., Ltd. He is also the Assistant Professor at Taipei Medical University and the Chairman of the Asia Pacific Academy of Implant Surgery. Dr Tseng holds a Doctor of Dental Surgery at the College of Dentistry of New York University, and a Bachelor of Dental Surgery at the College of Chung Shan Medical University.
Terence Walts	Executive Director	Mr Walts is the co-founder of Cambium Medical Technologies and the current CEO of 3Ti. He has previously held the positions of CEO of Refocus Group and the Chief Marketing Officer of Autonomous Technologies, both of which are start-ups in the medical industry. He was also the Vice President, Sales, Marketing and Business Development at Novartis (CIBA Vision). Mr Walts holds a Master of Business Administration degree at The University of Notre Dame, Indiana, and a Bachelor of Science degree in Marketing at Indiana University, Indiana.
Barry Sechos	Non-Executive Chairman	Mr Sechos has over 20 years of experience as a director, business executive and corporate lawyer. He is the Executive Director of Sherman Group and Paddington St Finance, as well as a Director of Fulcrum Media Finance. Mr Sechos holds a Bachelor of Commerce and Bachelor of Laws degree at the University of New South Wales, Sydney.
Prof. Graham Vesey	Non-Executive Director	Dr. Vesey was a co-founder of Regeneus Ltd in 2007. He is an Adjunct Professor at Macquarie University.

Source: Management and Company website

3.4 Financial information

As Cambium and CMT were separate operating entities until the Merger, and no consolidated financial information has been prepared prior to the Merger, we have presented each entity's historical financial information separately.

3.5 Financial performance – Cambium

The table below sets out a summary of the financial performance of Cambium for the years' ended 30 June 2021 ("**FY21**"), 30 June 2022 ("**FY22**") and 30 June 2023 ("**FY23**"), the six months ended 31 December 2024 ("**YTD-Dec24**") and the nine-month period ended 31 March 2024 ("**YTD24**"), extracted from the historical audited and audit reviewed financial statements, and unaudited management accounts.

Table 5. Cambium historical financial performance

A$'000	Year ended 30-Jun-21 *Audited*	Year ended 30-Jun-22 *Audited*	Year ended 30-Jun-23 *Audited*	Six months ended 31-Dec-23 *Reviewed*	Nine months ended 31-Mar-24 *Unaudited*
Revenue	7,067	-	-	-	1
Other income	889	638	1,045	-	245
Total revenue	**7,956**	**638**	**1,045**	**-**	**246**
Operating expenses					
Research and development expenses	(1,444)	(1,716)	(473)	(30)	-
Occupancy expenses	(134)	(145)	-	-	-
Corporate expenses	(3,853)	(2,789)	(1,776)	(814)	(735)
Finance costs	(405)	(73)	(350)	(192)	(192)
Gain on disposal of Regeneus Japan Inc	-	8	15	-	-
Merger expenses	-	-	(76)	(325)	(355)
Fair value increase / (decrease) in institutional placement	137	(17)	-	-	-
Fair value increase / (decrease) on investments	525	-	-	-	(144)
Profit/(Loss) on extinguishment of financial liability	-	(62)	-	245	-
Loss/impairment on shareholders loan	-	(132)	(69)	-	-
Realised foreign exchange loss	(140)	(18)	(3)		
Foreign exchange gain / (loss)	117	(4)	-	-	-
Depreciation and asset write-off	-	-	-	-	(176)
Profit / (loss) before income tax	**2,759**	**(4,310)**	**(1,687)**	**(1,115)**	**(1,355)**
Income tax (expense)/ benefit	-	-	-	-	-
Profit / (loss) for the year	**2,759**	**(4,310)**	**(1,687)**	**(1,115)**	**(1,355)**
Other comprehensive income / (expense)	-	-	-	-	-
Total comprehensive profit / (loss) for the year	**2,759**	**(4,310)**	**(1,687)**	**(1,115)**	**(1,355)**

Source: Cambium audited financial statements, reviewed half-year financial statements and management accounts

We note the following in relation to Cambium's financial performance:

- Revenue relates to licence fee income generated from the CLA with Kyocera. Licensing revenue of A$7.1m was recognised in FY21. As a result of the Notice of Termination, no further milestone or other payments have been made under the CLA with Kyocera;
- Other income primarily relates to R&D incentives and Federal Government grants and initiatives income, interest income and COVID-19 cash flow boost. On average, Cambium claimed A$857k in R&D tax incentive refunds annually in FY21 to FY23;

- Research and development expenses relate to clinical trial costs, depreciation, good manufacturing process, product research, regulatory consultants, and staff costs. All R&D activities were paused by Cambium in YTD24 due to lack of liquidity, resulting in the absence of these expenses;
- Occupancy expenses reduced to nil in FY23 compared to A$145k in FY22 as a result of the pause in ongoing business activities;
- Corporate expenses relate to salaries and wages to corporate employees, business development costs, compliance, directors' remuneration, depreciation, intellectual property costs and withholding tax; and
- Merger expenses relate to costs associated with the merger with CMT.

3.6 Financial position – Cambium

The following table sets out a summary of the financial position of Cambium as at 30 June 2021, 30 June 2022, 30 June 2023, 31 December 2023, and 31 March 2024 extracted from the historical audited financial statements and the unaudited management accounts.

Table 6. Cambium historical financial position

A$'000	30-Jun-21 *Audited*	30-Jun-22 *Audited*	30-Jun-23 *Audited*	31-Dec-23 *Reviewed*	31-Mar-24 *Unaudited*
Current Assets					
Cash and cash equivalents	3,793	95	303	27	17
Trade and other receivables	-	111	-	-	-
R&D incentive receivable	751	447	383	-	-
Other current assets	112	65	28	62	44
Assets held for sale	-	-	1,750	-	-
Other financial assets - current	2,070	69	-	-	-
Total current assets	**6,727**	**787**	**2,464**	**89**	**61**
Non-current assets					
Other financial assets - non-current	1,750	1,750	-	-	1
Property, plant and equipment	21	10	1	-	-
Right of use assets under lease	13	8	-	-	-
Total non-current assets	**1,784**	**1,767**	**1**	**-**	1
Total assets	**8,510**	**2,555**	**2,464**	**89**	**62**
Current liabilities					
Trade and other payables	1,108	310	347	1,000	1,214
Provisions - current	183	161	81	81	81
Borrowings	-	1,000	347	-	-
Liabilities directly associated with assets classified as held for sale	-	-	1,814	-	-
Lease liabilities - current	5	6	-	-	-
R&D incentive payable	-	-	-	104	104
Total current liabilities	**1,297**	**1,477**	**2,589**	**1,185**	**1,399**
Non-current liabilities					
Lease liabilities - non-current	9	3	-	-	-
Provisions - non-current	17	1	-	-	-
Derivative financial instrument	3,043	-	-	-	-
Total non-current liabilities	**3,068**	**3**	**-**	**-**	**-**
Total liabilities	**4,365**	**1,480**	**2,589**	**1,185**	**1,399**
Net assets	**4,145**	**1,075**	**(125)**	**(1,096)**	**(1,337)**
Equity					
Issued capital	38,259	38,619	38,619	38,619	39,775
Other contributed equity	-	-	-	-	(2,511)
Accumulated losses	(34,649)	(38,951)	(40,587)	(41,702)	(40,587)
Reserves	535	1,407	1,843	1,987	1,987
Total equity	**4,145**	**1,075**	**(125)**	**(1,096)**	**(1,337)**

Source: Cambium audited financial statements, reviewed half-year financial statements and management accounts

We note the following in relation to Cambium's statement of financial position:

- As at 31 March 2024, Cambium had A$17k in cash and cash equivalents, which is operational in nature, and as such has not been considered in our assessment of the net debt of the company. The proceeds of the Tranche 1 Placement are not reflected in the cash and cash equivalents balance as the funds were received in April 2024;
- R&D incentive receivable / payable relates to the outstanding rebate receivable / payable from / to the Australian Taxation Office ("**ATO**");
- Other current assets of A$44k as at 31 March 2024 represent prepaid expenses;
- Trade & other payables of A$1.2m as at 31 March 2024 relate to unpaid invoices due to third parties;
- Current provisions throughout the historical period relate to provision for annual leave and long service leave;
- The previous auditor of Cambium, Grant Thornton Audit Pty Ltd ("**Grant Thornton**"), issued unqualified audit opinion on the FY21 financial statements and a qualified audit opinion on the FY22 financial statements. In addition, the current auditor, Stantons International Audit and Consulting Pty Ltd ("**Stantons**") issued a qualified audit opinion on the FY23 financial statements;
- The basis for the qualified audit opinion on the FY22 financial statements relates to Cambium's equity interest in Sangui Bio. The investment's fair value as at 30 June 2021 was estimated at A$1.75m (i.e. A$2.50 per share for 700,000 shares issued) based on the issue price for Sangui Bio shares under the capital raise conducted in July 2021. This investment was included as a non-current financial asset. As this investment is related to shares in an unlisted company, Management was unable to reliably estimate the fair value of the investment at 30 June 2022. As a result, the previous auditor was unable to obtain sufficient and appropriate audit evidence to state that the investment was stated at fair value, which constituted a departure from the Australian Accounting Standards;
- In FY23, Management was able to obtain a fair value valuation of the investment based on the recent funding round obtained by Sangui Bio. The qualified audit opinion expressed on the FY23 financial statements is due to the presentation of the FY22 results in the FY23 financial statements; and
- For the H1FY24 accounts, Stantons did not identify any matters that did not comply with the Act, however Stantons expressed material uncertainty related to going concern given a net loss of A$1.1m and a net asset deficiency of A$1.1m.

3.7 Financial performance – CMT

The table below sets out a summary of the financial performance of CMT for the years ended 31 December 2021 ("**CY21**"), 31 December 2022 ("**CY22**") and 31 December 2023 ("**CY23**") extracted from the historical management accounts.

Table 7. CMT historical financial performance

US$'000	CY21 *Unaudited*	CY22 *Unaudited*	CY23 *Unaudited*
Revenue	179	233	285
Other income	91	12	-
Total revenue	**269**	**245**	**285**
Operating expenses			
R&D expenses	(367)	-	-
Professional fees	(664)	(468)	(875)
Licensing expenses	(112)	(77)	(90)
Other expenses	(69)	(38)	(41)
Profit / (loss) before income tax	**(943)**	**(338)**	**(721)**
Income tax (expense) / benefit	-	-	-
Profit / (loss) for the year	**(943)**	**(338)**	**(721)**
Other comprehensive income / (expense)	-	-	-
Total comprehensive profit / (loss) for the year	**(943)**	**(338)**	**(721)**

Source: CMT management Accounts

We note the following in relation to CMT's financial performance:

- Revenue (relating to the royalty income earned from the sub-licensing of Aurarix to AventaCell increased by a Compound Annual Growth Rate ("**CAGR**") of 26% from CY21 to CY23;
- Other income decreased from US$91k in CY21 to US$12k in CY22 as a result of CMT's loan to the Paycheck Protection Program ("**PPP**") loan by the US Government being forgiven, with the other income arising from interest and employer retention tax credits;
- The increase in professional fees from CY22 to CY23 was due to an uplift in the legal fees from US$68k to US$314k, attributable to the legal costs associated with the Cambium merger; and
- Other expenses include insurance expenses, licenses, meals, office supplies, parking, printing and shipping, rent, telephone, training/conferences, and travel.

3.8 Financial position – CMT

The following table sets out a summary of the financial position of CMT as at 31 December 2021, 31 December 2022, 30 November 2023 and 4 April 2024 extracted from the historical management accounts. Management had limited financial statements available and was only able to provide statement of financial position as at 30 November 2023.

Table 8. CMT historical financial position

US$'000	31-Dec-21	31-Dec-22	30-Nov-23	4-Apr-24
Current assets				
Cash and cash equivalents	66	246	151	77
Total current assets	**66**	**246**	**151**	**77**
Non current assets				
Property, plant and equipment	2	2	-	-
Investments	10	10	10	10
Total non current assets	**12**	**12**	**10**	**10**
Total assets	**77**	**258**	**161**	**87**
Current liabilities				
Accounts payable	-	-	-	23
Convertible note	25	125	-	-
Borrowings	259	263	263	300
Accrued expenses	390	780	1,200	414
Total current liabilities	**674**	**1,168**	**1,463**	**738**
Total liabilities	**674**	**1,168**	**1,463**	**738**
Net assets	**(596)**	**(911)**	**(1,302)**	**(651)**
Equity				
Issued capital	347	-	(892)	(436)
Retained earnings	-	(573)	-	-
Net income	(943)	(338)	(569)	(215)
Unreconciled variance*	-	-	159	-
Total equity	**(596)**	**(911)**	**(1,302)**	**(651)**

Source: CMT management accounts

* The unreconciled variance of $159k between the net assets and total equity as at 30 November 2023 relates to manual accruals of staff salaries in 2023. We understand all salary accruals were written off following the Merger.

We make the following comments in relation to CMT's financial position:

- As at 4 April 2024, CMT had US$77k in cash and cash equivalents, which is operational in nature, and as such has not been included in the assessment of the net debt of the Company;

- Investments relate to CMT's investment in Cambium Oncology at historical cost, which is an inactive business and don't have current development programs;
- Convertible note balance of US$125k was repaid in cash in CY23;
- Borrowings relate to a loan facility from Georgia Research Alliance ("**GRA**") of US$263k along with a warrant component (US$37.5k) attached to the GRA loan, which were agreed to be repaid in cash. The GRA loan is due to be repaid in 2026;
- Accrued expenses relate to legal fees accrued as a result of the Merger; and

Capital structure

As at 10 May 2024 Cambium has 766,092,286 ordinary shares on issue and if Resolution 4 is passed there will be 1,000,051,447 shares in issue. We have set out the top nine shareholders of Cambium in the table below.

Table 9. Cambium top 9 shareholders

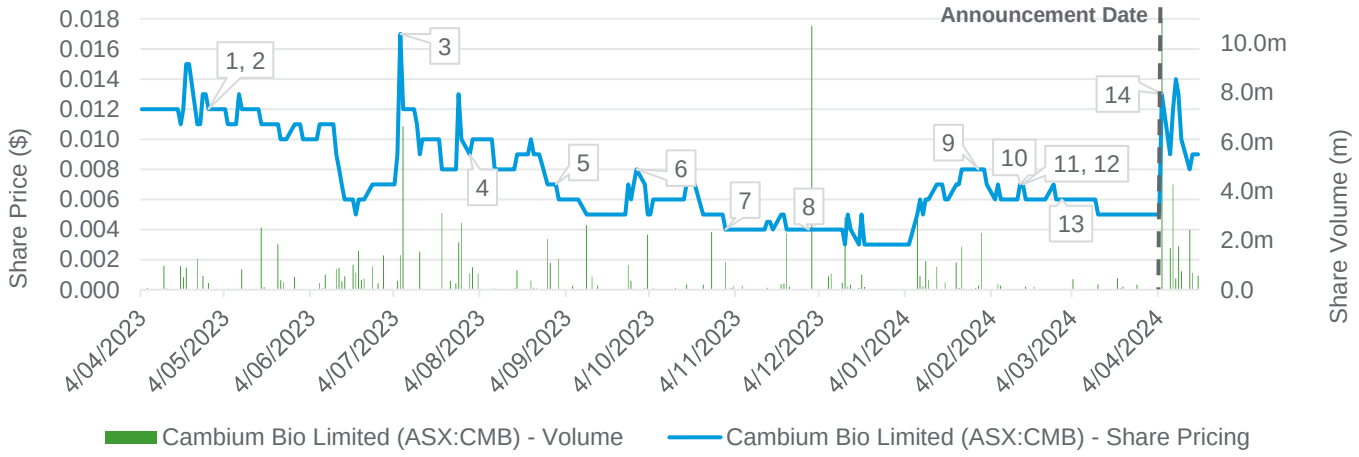
	Current		Including impact of Resolution 4	
Shareholder	**Number of ordinary shares[1]**	**% holding**	**Number of ordinary shares[2]**	**% holding**
Treasury Century	99,900,109	13.04%	99,900,109	9.99%
Zheng Yang Biomedical Technology Co., Ltd.	93,381,212	12.19%	93,381,212	9.34%
Apex Metro Investments Limited	69,157,904	9.03%	69,157,904	6.92%
Cyntec Co. Ltd / Orient EuroPharma Co., Ltd	62,966,489	8.22%	238,435,861	23.84%
Terence Walts	26,600,748	3.47%	26,600,748	2.66%
N. Waller	22,893,158	2.99%	22,893,158	2.29%
Chiu, Li-Chien (Ken)	12,593,298	1.64%	47,687,172	4.77%
Chiu, Mu-Ni	8,395,532	1.10%	31,791,448	3.18%
Tseng, Yu-Hung (Sebastian)	6,296,648	0.82%	6,296,648	0.63%
Top 9 shareholders	**402,185,098**	**52.50%**	**636,144,260**	**63.61%**
Other shareholders	363,907,187	47.50%	363,907,187	36.39%
Total	**766,092,285**	**100.00%**	**1,000,051,447**	**100.00%**

Source: Management placement transaction documents and RSM analysis.
Note 1: Includes the impact of the Tranche 1 Placement Shares per Resolutions 1 and 2.
Note 2: Share structure assuming that Resolution 4 is passed.

3.9 Share Price Performance

The figure below sets out a summary of Cambium share prices and traded volumes for the 12 months to 4 April 2024.

Figure 4. Daily closing share prices and traded volumes for the 12 months to 4 April 2024



Over the period between 4 April 2023 and 4 April 2024, Cambium shares traded at a low of A$0.003 to a high of A$0.017.

The table below sets out a summary of recent announcements of Cambium which impacted its share price performance, and the share price at the announcement dates in A$.

Table 10. Cambium's selected announcements

No.	Date	Share price A$ (closing)	Comment
1	28 April 2023	$0.0120	Signed a non-binding indicative offer letter to merge with CMT.
2	28 April 2023	$0.0120	Quarterly Cashflow Report & Business Update - Period ending 31 March 2023, reporting a net cash outflow of A$806k for the quarter.
3	6 July 2023	$0.0170	In response to ASX's query on the price change from $0.009 to $0.017, and the significant increase in the volume of securities traded from 5 July 2023 to 6 July 2023, Cambium stated that it is unaware of any explanations for this movement.
4	31 July 2023	$0.0090	Quarterly Cashflow Report & Business Update - Period ending 30 June 2023, reporting a net cash inflow of A$83k for the quarter.
5	31 August 2023	$0.0070	Preliminary final results for year ended 30 June 2023 announced, reporting a revenue of nil and a net loss of A$3.4m.
6	29 September 2023	$0.0080	Final Audited Results for the year ended 30 June 2023, reporting a revenue of nil and a net loss of A$1.7m.
7	31 October 2023	$0.0040	Quarterly Cashflow Report and Business Update - Period ending 30 September 2023, reporting a net cash outflow of A$165k for the quarter.
8	30 November 2023	$0.0040	Results of Annual General Meeting held on this date.
9	31 January 2024	$0.0080	Quarterly Cashflow Report and Business Update – Period ending 31 December 2023, reporting a net cash outflow of A$106k for the quarter.
10	14 February 2024	$0.0070	Entered into binding merger agreement with Cambium Medical Technologies, LLC.
11	15 February 2024	$0.0070	Proposed issue of 306,436,915 share securities.
12	15 February 2024	$0.0070	Notification of cessation of 1,250,000 option securities.
13	29 February 2024	$0.0060	ASX Half-Year Report for 6 months to 31 December 2023, reporting a revenue of A$1 and a net loss of A$1.1m.
14	5 April 2024	$0.0130	The Merger with CBT was completed, and Cambium subsequently changed its name from Regeneus Limited to "Cambium Bio Limited". In addition, Cambium announced the potential capital raise of A$3.48m in a strategic placement (in two tranches) at A$0.0060 per share, representing a 20% premium to closing price on 4 April 2024.

Source: S&P Capital IQ and Cambium ASX announcement

4. Valuation Approach

4.1 Basis of evaluation

The valuation of Cambium prior to and post the Proposed Transaction has been prepared on the basis of Fair Market Value being the value that should be agreed in a hypothetical transaction between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, acting at arm's length.

4.2 Valuation methodologies

RG 111 proposes that it is generally appropriate for an expert to consider using the following methodologies:

- the discounted cash flow ("**DCF**") method and the estimated realisable value of any surplus assets;
- the application of earnings multiples to the estimated future maintainable earnings or cash flows added to the estimated realisable value of any surplus assets;
- the amount which would be available for distribution on an orderly realisation of assets;
- the quoted market price for listed securities ("**QMP**"); and
- any recent genuine offers received.

We consider that the valuation methodologies proposed by RG 111 can be split into three valuation methodology categories, as follows.

Market based methods

Market based methods estimate the fair market value by considering the market value of a company's securities or the market value of comparable companies. Market based methods include;

- the quoted price for listed securities; and
- industry specific methods.

The recent quoted price for listed securities method provides evidence of the fair market value of a company's securities where they are publicly traded in an informed and liquid market.

Industry specific methods usually involve the use of industry rules of thumb to estimate the fair market value of a company and its securities. Generally, rules of thumb provide less persuasive evidence of the fair market value of a company than other market-based valuation methods because they may not account for company specific risks and factors.

Income based methods

Income based methods estimate value by calculating the present value of a company's estimated future stream of earnings or cash flows. Income based methods include:

- discounted cash flow; and
- capitalisation of future maintainable earnings.

The DCF technique has a strong theoretical basis, valuing a business on the net present value of its future cash flows. It requires an analysis of future cash flows, the capital structure and costs of capital and an assessment of the residual value or the terminal value of the company's cash flows at the end of the forecast period. This method of valuation is appropriate when valuing companies where future cash flow projections can be made with a reasonable degree of confidence.

The capitalisation of future maintainable earnings is generally considered a short form DCF, where an estimation of the Future Maintainable Earnings ("**FME**") of the business, rather than a stream of cash flows is capitalised based on an appropriate capitalisation multiple. Multiples are derived from the analysis of transactions involving comparable companies and the trading multiples of comparable companies.

Asset based methods

Asset based methodologies estimate the fair market value of a company's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- orderly realisation of assets method;
- liquidation of assets method; and
- net assets on a going concern basis.

The value achievable in an orderly realisation of assets is estimated by determining the net realisable value of the assets of a company which would be distributed to security holders after payment of all liabilities, including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner. This technique is particularly appropriate for businesses with relatively high asset values compared to earnings and cash flows.

The liquidation of assets method is similar to the orderly realisation of assets method except the liquidation method assumes that the assets are sold in a shorter time frame. The liquidation of assets method will result in a value that is lower than the orderly realisation of assets method and is appropriate for companies in financial distress or where a company is not valued on a going concern basis.

The net assets on a going concern method estimates the market values of the net assets of a company but unlike the orderly realisation of assets method it does not take into account realisation costs. Asset based methods are appropriate when companies are not profitable, a significant proportion of the company's assets are liquid, or for asset holding companies.

4.3 Selection of valuation methodologies

Valuation of a Cambium Share prior to the Proposed Transaction (control basis)

The valuation methodologies we have adopted for assessing the Fair Market Value of a Cambium Share prior to the Proposed Transaction have been selected having regard to the following:

- The CFME methodology allows the use of historical and forecast multiples based on various income streams, allowing for the use of historical and/or forecast maintainable earnings in performing the valuation. However, several of the observed comparable trading companies (refer to Appendix E for details) are at an early stage of development with substantial investment in R&D and customer acquisition costs resulting in no or limited history of profitability, rendering the implied EBITDA multiple not meaningful. Similarly, where comparable companies have reported historical profits, their implied EBITDA multiples tend to be high due to the significant operating leverage, expected growth and low margins due to the investment in R&D and customer acquisition, limiting the ability to select an appropriate EBITDA multiple. In addition, Cambium is yet to commercialise its primary clinical asset, and is currently loss-making, and we are therefore unable to assess a reasonable maintainable revenue or earnings of the Company for use in the CFME;
- Due to the nature of its operations Cambium is not an asset intensive business. Accordingly, an asset-based approach will not capture the future earnings potential of the business and will likely understate its value;
- RG 111 states that an expert should not include prospective financial information (including forecasts and projections) or any other statements or assumptions about future matters (together, "**forward-looking information**") in its report unless there are reasonable grounds for the forward-looking information. Given the Company is at a pre-revenue, pre-earnings stage with negative net assets value, we have utilised the DCF methodology as part of our overall sum-of-the parts approach ("**SOTP**") in valuing Cambium. We have been provided a long-term forecast prepared by Management and consider this to be reasonable given further analysis discussed in Section 5; and
- Cambium's securities are listed on the ASX, which provides an indication of the market value where an observable market for the securities exists.

Primary methodology – Sum of the parts (controlling basis)

In valuing an ordinary share of Cambium prior to the Proposed Transaction, we have adopted the SOTP approach, comprising the following:

- Value of 100% shareholding in Cambium (following the Merger) utilising the DCF methodology based on the long-term forecast for the period FY24 to FY42 prepared by the Company;

- Notional cash proceeds received from the notional capital raises required to fund the ongoing operations, research and development of the Company and relevant number of shares to be issued;
- The proceeds of the first tranche of the Placement, and the total number of Tranche 1 Placement shares; and
- The proceeds of the second tranche of the Placement, exclusive of the Proposed Transaction, and the relevant number of Tranche 2 Placement shares.

Under RG111, ASIC recognises that there may be reasonable grounds for use of the DCF methodology before a project generates cashflows, as long as the expert has reasonable grounds for forward looking information, as at the date of the report.

As Cambium has recently completed a market due diligence report in relation to the Elate Ocular, we consider that we have a reasonable basis under Regulatory Guide 170 Prospective Financial Information ("**RG 170**") to apply the DCF methodology. The requirement to obtain funding for the research & development and commercialisation of the Elate Ocular is reflected through a combination of notional debt and equity raising assumed to be undertaken by Cambium.

In our approach we have assumed that Cambium will need to raise the capital required for the phase 3 trial for Elate Ocular through a notional capital raising and have considered the likely price at which Cambium would have to issue these shares. We have included this as RG 111.15 notes that the funding requirements for a Company not in financial distress should be considered in the assessment of fairness.

As a result, we have assessed the Fair Market Value of a Cambium Share prior to the proposed Transaction using the SOTP methodology, including a premium for control.

Secondary methodology – QMP methodology

Cambium's securities are listed on the ASX. We have therefore also utilised the quoted market price methodology of the Company on the ASX as a secondary valuation methodology and to assess the market value as a cross check to our valuation of Cambium derived under the SOTP methodology.

Valuation of a Cambium Share following the Proposed Transaction (non-controlling basis)

In order to assess the Fair Market Value of the Cambium Share immediately following the Proposed Transaction on a non-controlling basis, we have considered the following:

- Value of 100% shareholding in Cambium (following the Merger) utilising the DCF methodology based on the long-term forecast for the period FY24 to FY42 prepared by the Company;
- Notional cash proceeds received from the notional capital raises required to fund the ongoing operations, research and development of the Company and relevant number of shares to be issued;
- The proceeds of the first tranche of the Placement, and the total number of Tranche 1 Placement shares;
- The proceeds of the second tranche of the Placement, excluding the Proposed Transaction, and the relevant number of Tranche 2 Placement Shares; and
- The proceeds of the Proposed Transaction, including the issue of 193,016,470 shares to Dr. Sebastian Tseng and ZYBT.

We have assessed the Fair Market Value of a Cambium Share following the proposed Transaction using the SOTP methodology on a non-controlling basis.

5. Valuation of a Cambium Share prior to the Proposed Transaction

As stated in Section 4, we have assessed the Fair Market Value of a Cambium Share prior to the Proposed Transaction on a controlling basis using a SOTP approach and have also considered the quoted price of its listed securities adjusted for control.

5.1 Sum of the parts valuation

In our sum of parts approach to valuing a Cambium Share prior to the Proposed Transactions, we have considered the Fair Market Value of the following:

- Value of a 100% shareholding in Cambium (following the Merger);
- Notional cash proceeds from a notional capital raising and relevant number of shares to be issued;
- The proceeds of the first tranche of the Placement, and the total number of Tranche 1 Placement shares; and
- The proceeds of the second tranche of the Placement, excluding the Proposed Transaction, and the relevant number of Tranche 2 Placement Shares.

Value of 100% shareholding in Cambium (following the Merger)

We set out in table below our assessment of the estimated Enterprise Value and Fair Market Value of a 100% shareholding in Cambium (following the Merger) utilising the DCF methodology.

We have assessed the Enterprise Value of Cambium on a control basis following the Merger to be in the range of US$45.8m and US$65.5m, with a mid-point of $51.6m. After taking into account the net debt of US$747k (related to contingent liabilities of US$33k, GRA loan of US$300k and accrued legal fees of US$414k relating to the Merger), we have assessed the Equity Value of the 100% shareholding in Cambium following the Merger to be in the range of US$45.0m and US$65.8m, with a mid-point of US$50.9m.

Based on the exchange rate as at 29 April 2024, we have assessed the Equity Value of the 100% shareholding in Cambium following the Merger to be in the range of A$68.5m and A$98.6m, with a mid-point of A$77.4m.

Table 11. Value of 100% shareholding in Cambium (following the Merger)

	Low	High	Preferred
Enterprise Value of Cambium following the Merger (controlling basis) – US$'000	45,753	65,505	51,608
Net debt – US$'000	(747)	(747)	(747)
Surplus assets – US$'000	-	-	-
Equity Value of Cambium (following the Merger) – US$'000	**45,006**	**64,758**	**50,861**
Equity Value of Cambium (following the Merger) – A$'000*	**68,512**	**98,581**	**77,426**

Source: RSM analysis

*Converted to A$ using the US$:A$ exchange rate of 1.52 as of 29 April 2024.

Management has prepared detailed cash flow projections for Cambium ("**the Model**") based on the Bruder Consulting & Venture Group ("**BCVG**") Due Diligence Report dated 18 November 2022 ("**Market Due Diligence Report**"). We have performed an analysis of the Model, including:

- Assessing the mathematical accuracy of the Model (as we have not performed a detailed review nor an audit);
- Reviewing the basis of the underlying assumptions driving key inputs, including revenue, operating expenditure, capital expenditure and working capital;
- Conducting independent research on certain economic inputs such as exchange rates, inflation and population; and
- Holding discussions with Management concerning the preparation of the projections, and their view regarding the assumptions on which they are based.

The key assumptions adopted in the preparation of the Model and the adjustments we have made, are discussed below.

We note that any prospective financial information is dependent upon the outcome of many assumptions, some of which are outside the control of directors and management and may be affected by unforeseen events. Assumptions relating to the prospective financial information can be reasonable at the time of their preparation but can change materially over a relatively short period of time. Accordingly, actual results may vary materially from the forecasts included in our calculations.

Economic assumptions

Inflation

The Model has been prepared in real terms (i.e. no escalation for inflation was included). We have utilised forecast cash flows in real terms in our valuation of the Company.

Foreign exchange rate

All figures in the Model are dominated in US$. We have utilised the US$ cash flows in valuing the Company using the DCF methodology, and utilised the US$:A$ exchange rate of 1.52 as of 29 April 2024 to convert the Enterprise Value from US dollar to Australian dollar.

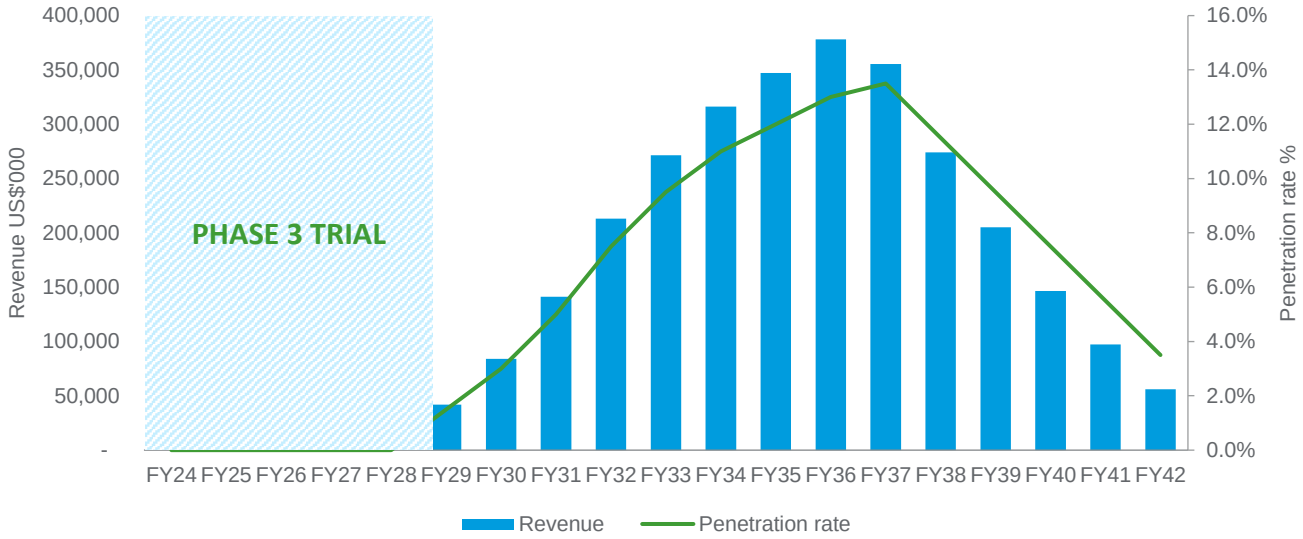
Revenue

Revenue is a function of the volume and price of Elate Ocular sales, which are discussed in the following pages. Total revenue over the life of Elate Ocular is projected to be US$2.93bn (in real terms). We have relied on the Market Due Diligence report in relation to the revenue assumptions in the Model.

The Market Due Diligence report estimated that Elate Ocular could generate an annual revenue of US$400 million in Year 10 after it is commercialised, assuming a robust phase 3 efficacy, commercialisation by a large ophthalmic strategic partner and favourable reimbursement. We note that revenue is expected to peak at US$378m in FY36 in line with the forecast penetration rate.

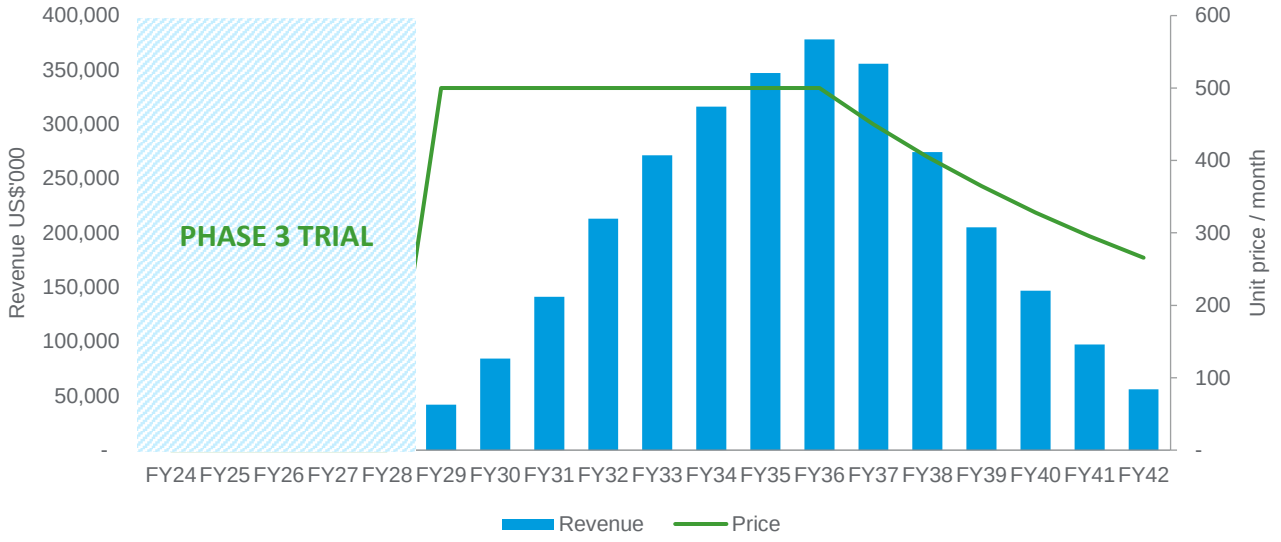
The figures below illustrate revenue forecast along with the penetration rate and pricing for the period FY29 to FY42 following the anticipated regulatory approval in FY28. The Model assumes that Elate Ocular will have market demand until the end of FY42.

Figure 5. Forecast revenue and penetration rate



Source: The Model and RSM analysis

Figure 6. Forecast revenue and pricing



Source: The Model and RSM analysis

We have summarised the key revenue assumptions in the table below and the source of the data used.

Table 12. Key revenue assumptions

Input	Key drivers of the assumption
US and Adult Population	The Market Due Diligence Report noted the US population is expected to increase from 349 million in 2027 to 367 million in 2036. The adult population is expected to increase from 274 million to 290 million from 2027 to 2036. The population is expected to increase by 0.6% annually from 2037 to 2042. The Congressional Budget Office ("**CBO**") estimates the overall US population to increase from 342 million in 2024 rising to 346 million in 2027 and subsequently to 360 million in 2036 at an average expansion of 0.4% annually.
DED Prevalence (Diagnosed)	The Market Due Diligence Report noted 17 million adults were diagnosed with DED in 2020 (noting 6.8% prevalence) which is expected to increase to 19.6m by 2035. The National Health and Wellness Survey and the American Academy of Ophthalmology estimates that 6.8 percent of the United States adult population (approximately 16.4 million people) have been diagnosed with DED.
% Aqueous DED	The Elate Ocular may be best suited to address aqueous deficient forms of the DED population. The Market Due Diligence Report noted the % of DED population considered aqueous deficient is estimated at 15%.
% Moderate DED	The Market Due Diligence Report noted 42% of DED diagnoses are assumed to be moderate per the American Journal of Ophthalmology.
% Severe DED	The Market Due Diligence Report noted 8% of DED diagnoses are assumed to be severe per the American Journal of Ophthalmology.
Addressable market	The Market Due Diligence Report noted the addressable market for the Elate Ocular who are currently underserved by current therapies has been assumed to be 20% of patients with moderate DED and 100% of severe DED patients.
Penetration Rate	Based on an expected launch in late FY28, the penetration rate is forecast to be 1.5% in FY29 and expected to peak at 13.5% in FY37 and subsequently reduce to 3.5% by FY42. This revenue peak in 8 years appears conservative when compared with time-to-peak for the leading product which enjoyed 15 years of near monopoly, the current competitive environment and lower price point for Elate Ocular. Management assumed a natural decline of a drug after peak sales in line with market standards of loss of exclusivity noting that that Elate Ocular patent exclusivity ends in mid-2032. However, as a complex biologic, Elate Ocular is also protected by manufacturing process "trade knowhow" which will limit biosimilar competition from 2033.

Input	Key drivers of the assumption
Number of patients	The number of patients is based on the penetration rate multiplied by the addressable market over the forecast period.
Elate Ocular Average Selling Price ("ASP" US$)	Assumed a price of US$500 / month at launch in FY29 based on the pricing benchmark of related drugs of US$650 to US$700 / month. Pricing is forecast to decline annually from FY37 due to gradual price erosion on the market level due to the entrance of generics, and the introduction of new modalities and new drugs. Differentiated products with superior safety and efficacy profiles will continue to demand price premiums.

Source: Management information and RSM analysis

We have kept the same revenue assumptions and revenue projections over FY24 to FY42.

Cost of sales

Cost of sales is projected based on the unit costs (including formulation, direct raw and packaging materials) per month of the Elate Ocular using a bottom-up approach and considering the cost of the related raw and packaging materials. Cost of sales does not include labour cost as the Company plans to outsource production of the Elate Ocular to a contract development and manufacturing organisation ("**CDMO**").

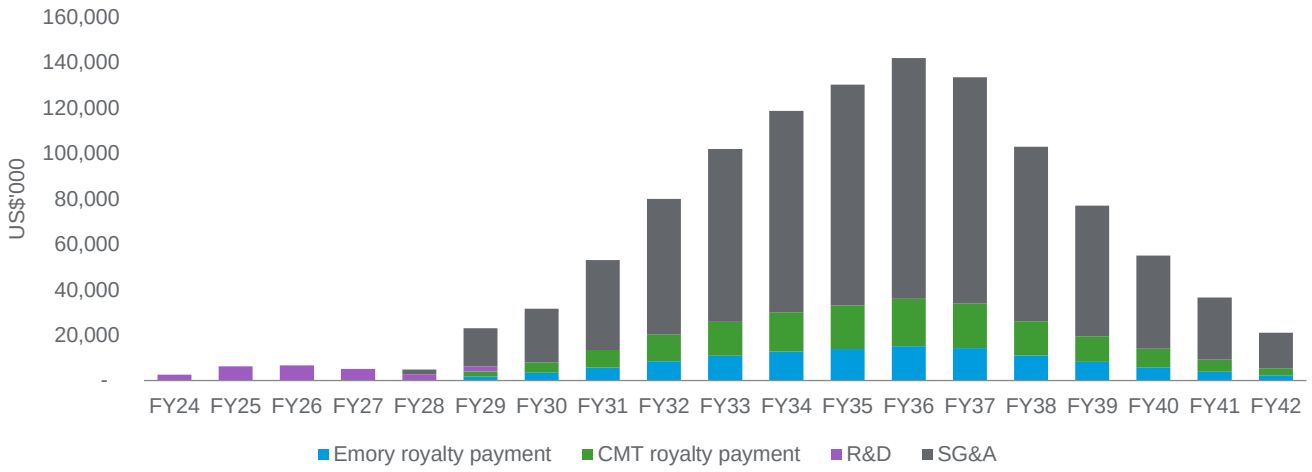
The unit cost per month of Elate Ocular is US$90 based on the total costs of the related raw and packaging materials which we understand is based on competitive pricing. Cambium has included an additional 10% buffer to cater for transport, storage and related indirect charges and assessed the total unit costs per month at approximately US$100, which is equivalent to 20% of the overall average selling price of US$500.

Operational expenditure

Operating expenditure consists of Emory royalty payments, CMT royalty payments, research and development costs and selling, general and administration expenses. The forecast operational expenditure includes corporate costs Cambium will need to incur on a stand alone basis.

The following figure sets out the projected operating expenditure in the Model (real terms).

Figure 7. Operating expenses



Source: The Model and RSM analysis

We note the following in relation to the figure above:

- Total operating expenditure over the life of Elate Ocular is projected to be US$1.13bn (in real terms);
- The Emory royalty payment is calculated as 4.0% of revenue based on the royalty percentage of the License Agreement between Emory, CHA and CMT. This is related to Emory and CHA licensing certain technology related to regenerative medicine to Cambium to develop and commercialise;
- The CMT royalty payment is calculated as 5.5% of revenue, per the terms of the Merger Agreement between Regeneus Ltd, Kaunas Merger Sub, LLC, CMT and CMT Holdings LLC. As part of the Merger agreement, CMT shareholders are entitled to 5.5% of the Elate Ocular revenue as a royalty if the future therapeutic development costs do not exceed US$20.5m;
- Research and development costs to be incurred prior to the regulatory approval totalling US$23.7m (including the BLA process associated costs of US$3m); and
- Pre-launch marketing costs of US$2m is projected for FY28 based on Management estimates; and
- Selling, general and administration expenses ("**SG&A**") has been projected as follows:
    - 40% of revenue in FY29, being the first year of commercialisation of Elate Ocular, due to higher expenses associated with the initial ramp up in that year; and
    - 28% from FY30 onwards based on the average SG&A as a % of revenue of commercial stage listed pharmaceutical companies. We have assessed 10 (6 based in the US, 2 each based in the UK and Australia) commercial stage comparable companies' SG&A as a % of revenue over FY21 to FY23 and noted the median of the average SG&A as a % of revenue over FY21 to FY23 for these companies is 22%.

Other income

- **Royalty income**: Management has included the royalty income forecast to be earned over the remaining term of the sublicense agreement with AventaCell; and
- **R&D tax incentive income**: R&D tax incentive income has been estimated based on Management's estimate.

Other assumptions

In addition to the assumptions discussed in the preceding sections, the following assumptions have also been applied in the Model:

- **Probability of cash flows:** assumed to be an initial 32.7% between FY24 to FY27 (based on the probability of achieving two successful Phase 3 trials) increasing to 88.4% (based on a probability of achieving BLA approval) in FY28 and subsequently to 100% in FY29 when Elate Ocular is expected to receive full approval by the FDA. This is in line with the probability of successful phase 3 trials for biologic drugs as per Clinical Development Success Rates 2006-2015 – BIO, Biomedtracker, Amplion 2016. Over these respective periods, Management has applied 100% probability to the forecast cash flows between FY24 to FY27, decreasing to 32.7% in FY28 and subsequently to 28.9% upon commercialisation in FY29 driven largely by the above probability of success of given stage;
- **Corporate tax rate:** assumed at 21% in line with the US federal tax rate;
- **Capital expenditure:** nil capital expenditure and associated depreciation and amortisation has been assumed primarily due to the Company expensing its R&D to the income statement and given production of Elate Ocular will be outsourced therefore requiring minimal plant & equipment; and
- **Working capital:** nil net working capital movement has been assumed in the Model. We have incorporated the forecast movement in net working capital in our DCF using the following assumptions:
    - 69-day payment terms for trade receivables based on the average Days Sales Outstanding ("**DSO**") of the listed companies utilised for our assessment of the reasonability of the SG&A as % of revenue;

- 234-day payment terms for inventories based on the average Days Inventory Outstanding ("**DIO**") of the listed companies utilised for our assessment of the reasonability of the SG&A as % of revenue;
- 30-day payment terms for trade payables based on Management's expectation of supplier's payment terms; and
- 69-day payment terms for the royalty income and R&D tax incentives in line with trade receivables.

Discount rate

The discount rate we have selected allows for both the time value of money and the risks attached to future cash flows. The applicable discount rate is the likely rate of return an acquirer of Cambium would require for the risks inherent in investing in the Company.

We have utilised the weighted average cost of capital ("**WACC**") as our discount rate. We have assessed the WACC to be in the range of 11.2% to 14.1%, with a preferred discount rate of 13.2%.

Details of our assessment of the preferred range for the WACC are included in Appendix D.

Sensitivity analysis

We have performed a sensitivity analysis by adjusting five key inputs/assumptions included in the DCF of Cambium. We have selected our sensitivities based on our assessment of the key value drivers of the DCF, and the likelihood of changes in these key assumptions which underpin the Model occurring. We consider the key sensitivities to be:

- Discount rate;
- Elate Ocular (ASP);
- Research & development;
- Cost of sales; and
- Selling, general and administrative expenses.

The tables below summarise the impact on the Equity value of Cambium assuming a range of discount rates and a range of adjustments to key assumptions of the Model.

Table 13. Equity value of Cambium post Merger

	Discount rate				
A$'000	**11.2%**	**12.2%**	**13.2%**	**14.2%**	**15.2%**
Equity value of Cambium (following Merger)	99,175	87,666	77,426	68,302	60,161

Source: Financial Model and RSM Analysis

Table 14. Sensitivity analysis on the equity value of Cambium post Merger

	Equity value of Cambium (following Merger)			
A$'000	**Elate Ocular (ASP)**	**R&D**	**COS**	**SGA**
-10%	67,267	80,032	106,552	103,870
-5%	72,346	78,729	91,989	90,648
0%	77,426	77,426	77,426	77,426
5%	82,505	76,123	62,863	64,204
10%	87,585	74,819	48,299	50,982

Source: Financial Model and RSM Analysis

As shown above, the equity value of Cambium (following the Merger) is most sensitive to changes in the cost of sales and selling & general administration expenses.

Shareholders should note that each of the variables noted above is unlikely to move in isolation and they may have offsetting or compounding effects. The sensitivities performed do not cover the full range of possible outcomes and there is significant uncertainty involved in forecasting the price of Elate Ocular due to the time period between Market Due Diligence Report and commercialisation.

Dilutionary impact of Cambium Options

As at the date of this Report, Cambium had 30,162,833 options on issue ("**Cambium Options**"). In the absence of the Proposed Transaction, the Cambium Options are subject to service vesting conditions. On the basis that the recipients of the Cambium Options are effectively "earning" the benefit of the Cambium Options over time, we have only included within our valuation of Cambium the dilutionary impact of the proportion of Cambium Options for which the service condition vesting condition has passed as at the most recent practical date for this report. We consider that the remaining balance of the potential dilutionary impact of the Cambium Options is representative of future services that Cambium will receive, being part of the future remuneration of the Options recipients which, therefore, should not be reflected within our valuation of Cambium prior the Proposed Transaction.

On 7 May 2021, Cambium entered into a Subscription Agreement with institutional investor, New Life Sciences LLC ("**NLS**") to secure up to A$4.5m in a three-stage placement of the Company's ordinary shares. 3,800,000 options were issued immediately before the first placement and can be exercised anytime over a period of 36 months ("**NLS Options**"). Management has confirmed that all options has passed vesting conditions and can be exercised at A$0.1651. Accordingly, we have included the dilutionary impact of the NLS Options in our assessment of the Fair Market Value of a Cambium Share prior to the Proposed Transaction.

The dilutionary impact of the Cambium Options and NLS Options are set out in the table below:

Table 15. Cambium Options summary

Cambium Options	Quantity	Vesting Date	Exercise Price	Value of one instrument	Total dilutionary impact
New Life Sciences, LLC	3,800,000	7/01/2023	A$0.1651	A$0.0000	$0
John Chiplin	333,333	30/06/2022	A$0.1075	A$0.0021	$705
Graham Vesey	1,029,500	30/06/2023	A$0.1400	A$0.0017	$1,782
Karolis Rosickas	25,000,000	30/06/2023	A$0.1000	A$0.0027	$67,601
Total Options subject to valuation	**30,162,833**				**A$70,087**

Source: Management information and RSM analysis

Details of the assumptions and inputs we have used to value the potential dilutionary impact of the Options are set out in Appendix F.

Notional capital raising

Guidance provided in RG 111.15 states that experts should consider the funding requirements of a company that is not under financial distress when considering its value using certain methodologies, such as the discounted cash flow methodology. We understand that Cambium will require funds for the research and development of Elate Ocular and would most likely fund this capital expenditure with a combination of equity and debt funding.

We have considered the equity portion of the required funding to be the notional capital raising in our assessment of the Fair Market Value of a Cambium share. We note that there will be a nil effect on the balance sheet from any debt raised, due to the increase in cash being offset by the borrowed amount.

We have formed an assessment of Cambium's forecast capital structure based on our analysis of the funding structures of comparable companies as set out in Appendix D. Based on this analysis, we have assessed a target debt to equity ratio for Cambium as between 2%:98% and 5%:95%.

Based on our analysis and discussions with management, we have assumed that Cambium could support a debt ratio in the range of 2% to 5% on development of the Elate Ocular.

The Model indicates that funding of US$21.5m (A$32.7m) will be required for the R&D (net of rebates and royalty income from AventaCell) and the pre-launch sales cost for Elate Ocular. Despite the planned two-tranche placement, will be required to fund 100% of expenditure until Elate Ocular has commenced production in FY29 following FDA approval in FY28. Therefore, Cambium will be required to raise 100% of the required funding for Elate Ocular.

The required funding for Elate Ocular is A$32.7m. Based on the range of between 2% and 5% debt funding assumption, we consider that Cambium would need to raise A$654k to A$1.6m of notional debt and A$32.0m to A$31.1m through a notional capital raising to fund the R&D and the first-year SG&A expenses of Elate Ocular.

We consider an appropriate cost of capital raising to be approximately 5% of funds raised between A$1.55m to A$1.60m, resulting in a required raising between A$32.6m and A$33.4m, averaging at A$33.1m (inclusive of placement fee) to meet Cambium's 100% funding requirements of the Elate Ocular prior to the Proposed Transaction.

Based on our assessment, a summary of the cash required to be raised via a notional placement is provided below:

Table 16. Notional capital raise

A$'000	Note	Low	High	Average
Equity required	1	31,064	32,045	31,555
Cost of capital raise/placement fee	2	1,553	1,602	1,578
Cash raised via notional capital raise		**32,617**	**33,647**	**33,132**

Source: RSM calculations and analysis
Note 1: We have considered the equity portion of required funding to be the notional capital raising in our assessment of the value of the Project. We note that there will be a nil effect on the balance sheet from any debt raised, due to the increased in cash being offset by the borrowed amount.
Note 2: We consider an appropriate cost of capital raising to be approximately 5% of funds to be raised.

In determining the price at which Cambium should issue its Shares to Shareholders under a notional capital raising, we have considered the VWAP of Cambium Shares and the price of the Tranche 1 Placement.

Under the Placement, Cambium has completed the Tranche 1 Placement at an issue price of A$0.0060 per Share, a 33.3% discount on Cambium's traded share price of A$0.0080 as of 2 May 2024. We have utilised the issue price of A$0.0060 for the Tranche 1 Placement (being the recent capital raise) for the notional capital raising of Cambium to fund the research and development phase and the first-year SG&A expenses of Elate Ocular.

Based on this assessment, the table below shows the number of Shares that Cambium would have to issue to complete notional capital raise in the range of a A$32.6m and a A$33.6m and provide the required funding for the research and development phase and the first-year SG&A expenses of Elate Ocular.

Table 17. Notional capital raise - shares to be issued

Number of shares - Notional capital raise	Low	High	Midpoint
Equity funding required (A$000's)	32,617	33,647	33,132
Quoted market price (A$)	0.0060	0.0060	0.0060
Number of shares issued under notional capital raise (000s)	**5,436,219**	**5,607,889**	**5,522,054**

Source: RSM Analysis

Number of Cambium Shares on issue

We have adjusted the number of Shares on issue to account for the notional capital raising detailed above.

Table 18. Notional capital on issue prior to Proposed Transaction

	Low	High	Preferred
Number of shares on issue at date of this Report[1]	766,092,285	766,092,285	766,092,285
Number of Tranche 2 Placement Shares to be issued to Non-associated Shareholders	233,959,162	233,959,162	233,959,162
Shares to be issued under notional capital raise	5,436,218,933	5,607,889,004	5,522,053,969
Notional number of Shares on issue prior to Proposed Transaction	**6,436,270,380**	**6,607,940,451**	**6,522,105,416**

Source: Management & RSM Analysis
Note 1: Includes the impact of the Tranche 1 Placement Shares per Resolutions 1 and 2

The lowest number of Shares on issue forms the basis for the high end of our valuation range, and the highest number of Shares on issue forms the low end of our valuation range.

Proceeds of Tranche 1 Placement Share

We have considered the value of other assets and liabilities of Cambium which have not been specifically considered elsewhere in the SOTP approach and which should also be reflected in the Fair Market Value of a Cambium Share. Subsequent to the completion of the Merger, Cambium completed the capital raising of its Tranche 1 Placement shares. Given we have reflected the number of Shares on issue as at the date of this Report (i.e. incorporating the capital raising) we have also reflected the proceeds of cash raised of $919k.

Proceeds of Tranche 2 Placement Share (excluding the Proposed Transaction)

We have considered the proceeds of the Tranche 2 Placement shares (excluding the Proposed Transaction) in our assessment, assuming the issuance will be approved under Resolution 4 of the Notice. Given we have reflected the relevant number of Shares (i.e. incorporating the capital raising) we have also reflected the proceeds of A$1.4m.

Valuation of Cambium prior to the Proposed Transaction

We have assessed the Fair Market Value of a Cambium Share on a control basis to be between A$0.0154 and A$0.0206 per Share, with a preferred value of A$0.0171 per Share prior to the Proposed Transactions, utilising the sum of parts valuation methodology, as summarised in the table below noting the sum of parts valuation methodology is inclusive of a premium for control.

Table 19. Fair Market Value of a Cambium share prior to the Proposed Transaction

	Low	High	Preferred
Enterprise Value of Cambium following the Merger (controlling basis) - US$'000	45,753	65,505	51,608
Net debt - US$'000	(747)	(747)	(747)
Surplus assets - US$'000	-	-	-
Equity Value of Cambium (following the Merger) - US$'000	**45,006**	**64,758**	**50,861**
Equity Value of Cambium (following the Merger) - A$'000*	**68,512**	**98,581**	**77,426**
Less: dilutionary impact of Options - A$'000	(70)	(70)	(70)
Add: Cash received from the notional capital raise (net of costs) - A$'000	31,064	32,045	31,555
Proceeds of Tranche 1 Placement Shares - A$'000	919	919	919
Proceeds of Tranche 2 Placement Shares issued to Non-associated Shareholders - A$'000	1,404	1,404	1,404
Equity Value of Cambium prior to the Proposed Transaction (controlling basis) - A$'000	**101,829**	**132,879**	**111,233**
Cambium shares on issue prior to Proposed Transaction, including notional capital raise (000's)	6,607,940	6,436,270	6,522,105
Assessed value of a Cambium Share (pre-consolidation, controlling basis)	**A$0.0154**	**A$0.0206**	**A$0.0171**

Source: RSM analysis

*Converted to A$ using the US$:A$ exchange rate of 1.52 as of 29 April 2024.

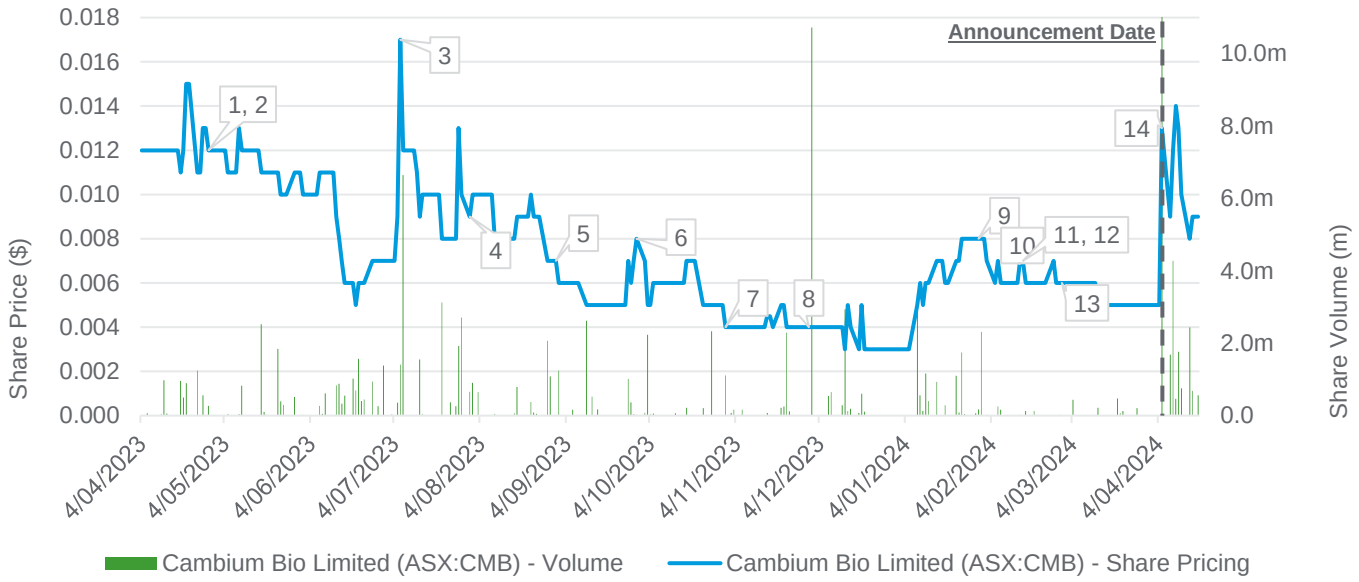
5.2 Quoted Price of Listed Securities Methodology

As a secondary methodology to assess the Fair Market Value of a Cambium Share, we have applied the quoted market price methodology.

The assessment only reflects trading prior to the announcement of the Proposed Transaction in order to avoid the influence of any movement in price that may occur as a result of the announcement.

The chart below sets out a summary of Cambium's closing share prices and traded volumes over the period 4 April 2023 to 4 April 2024, being the last day Cambium shares traded prior to the announcement of the Proposed Transaction.

Figure 8. Cambium's share price and volumes traded prior to the announcement of the Proposed Transaction



Source: S&P Capital IQ

RG 111.62 indicates that in order for the quoted market share price methodology to represent a reliable indicator of Fair Market Value, there needs to be an active and liquid market for the securities. The following characteristics may be considered to be representative of a liquid and active market:

- regular trading in the company's securities;
- approximately 1% of a company's securities traded on a weekly basis;
- the bid/ask spread of a company's shares must not be so great that a single majority trade can significantly affect the market capitalisation of the company; and
- there are no significant but unexplained movements in share price.

To provide further analysis of the quoted market prices for Cambium's shares, we have considered the Volume Weighted Average Price ("**VWAP**") for the 5, 10, 30, 60, 90, 120, and 180 calendar days prior to the announcement of the two-tranche strategic placement on 5 April 2024, as summarised in the following table.

Table 20. VWAP of Cambium shares

Calendar days	Share price Low	Share price High	No of days traded	Volume traded ('000)	Value traded (A$'000)	VWAP	Percentage of issued capital %
5 days	A$0.0050	A$0.0050	0	-	-	A$0.0000	0.0%
10 days	A$0.0050	A$0.0050	1	206	1	A$0.0050	0.1%
30 days	A$0.0050	A$0.0060	7	1,101	6	A$0.0050	0.4%
60 days	A$0.0050	A$0.0070	16	2,252	13	A$0.0056	0.7%
90 days	A$0.0030	A$0.0080	34	14,323	93	A$0.0065	4.7%
120 days	A$0.0030	A$0.0080	44	19,861	113	A$0.0057	6.5%
180 days	A$0.0030	A$0.0080	61	37,890	189	A$0.0050	12.4%

Source: S&P Capital IQ and RSM analysis

As set out in the table above, Cambium's shares traded at between A$0.0050 and A$0.0065 per share over the 180-day period before the announcement of the Placement.

We note the following:

- during the 180 days leading up to 4 April 2024, 12.4% of the issued capital of Cambium was traded, and in the 60 days leading up to 4 April 2024, 0.7% of the issued outstanding share capital of Cambium was traded;

- the bid/ask spread is often used to measure efficiency. For the 180-day period, the closing bid/ask spread of Cambium did not produce meaningful results given the illiquidity nature of this stock. Over a comparable period, all stocks trading on the ASX had an effective average bid-ask spread of 0.11%[3]; and
- notwithstanding the low levels of liquidity, Cambium complies with the full disclosure regime required by the ASX. As a result, the market is fully informed about the performance of Cambium.

Based on the above, we have assessed the Fair Market Value of a Cambium share using the QMP method to be in the range of A$0.0050 to A$0.0065 (on a non-controlling basis), having specific regard to the 30-day VWAP and 90-day VWAP prior to the announcement of the Placement.

Control Premium

In the absence of a takeover premium, multiples of listed companies generally reflect the buying and selling of small parcels of shares, which, therefore, do not attract a control premium. In order to assess the value of a 100% of the equity interest in Cambium, we are required to adjust the multiple to reflect a premium for control.

RSM conducted a study on Control Premium relating to takeovers and schemes of arrangement and involving companies listed on the ASX over the 10 years ended 30 June 2021. In determining the control premium, we compared the offer price to the closing trading price of the target company 20, 5 and 2 trading days pre the date of the announcement of the offer. Where the consideration included shares in the acquiring company, we used the closing share price of the acquiring company on the date prior to the date of the offer. Our study concluded that, on average, control premiums were paid in the range of 43% to 50% for companies in the healthcare industry.

Accordingly, we adjusted Cambium's non-controlling value with a control premium ranging between 45.0% and 50.0% based on our study on average control premiums involving companies in the Healthcare sector, to determine a controlling value per share.

The table below sets out our assessment of the Fair Market Value of a Cambium Share on a controlling basis, utilising the quoted price of listed securities methodology as being in the range of A$0.0073 to A$0.0097 with a preferred value of A$0.0085.

Table 21. Valuation of a Cambium Share using Quoted Market Prices

	Low	High	Preferred
Quoted market price (non-controlling basis)	A$0.0050	A$0.0065	A$0.0057
Control premium	45.0%	50.0%	47.5%
Assessed Value per share (controlling basis)	**A$0.0073**	**A$0.0097**	**A$0.0085**

Source: RSM analysis

[3] Equity market data for the quarter ended 31 December 2023 - ASIC

5.3 Valuation Summary of a Cambium Share prior to the Proposed Transaction

A summary of our assessed values of a Cambium share on a controlling interest basis prior to the Proposed Transaction, derived under the two methodologies, is set out in the table below.

Table 22. Cambium Valuation Summary (prior to the Proposed Transaction)

	Share price		
Cambium Valuation Summary – A$	**Low**	**High**	**Preferred**
Sum of the parts – primary methodology	A$0.0154	A$0.0206	A$0.0171
Quoted price of listed securities – secondary method	A$0.0073	A$0.0097	A$0.0085

Source: RSM analysis

In our opinion, the SOTP approach provides a better indicator of the Fair Market Value of a Cambium Share compared to the quoted price of listed securities methodology.

Based on our analysis of the recent volume of trading in Cambium Shares, we do not consider the market to be sufficiently liquid to provide a reliable assessment of its Fair Market Value on a standalone basis. In addition, the assessment under the quoted market price approach only reflects trading prior to the announcement of the Proposed Transaction and does not consider trading in the Shares post the Merger.

Therefore, in our opinion, the Fair Market Value of a Cambium share is between A$0.0154 and A$0.0206 on a controlling basis, with a preferred value of A$0.0171.

5.4 Valuation of a Cambium Share post the Proposed Transaction

In our sum of parts approach to valuing a Cambium Share post the Proposed Transactions, we have considered the following:

- Fair Market Value of a 100% shareholding in Cambium (following the Merger);
- Notional cash proceeds from a notional capital raising and relevant number of shares to be issued adjusted for the impacts of the Proposed Transaction;
- The proceeds of the first tranche of the Placement, and the total number of Tranche 1 Placement shares; and
- The proceeds of the second tranche of the Placement, excluding the Proposed Transaction, and the relevant number of Tranche 2 Placement Shares; and
- The proceeds of the Proposed Transaction, being the issue of 193,016,470 shares to Dr. Sebastian Tseng and ZYBT.

Value of 100% shareholding in Cambium (following the Merger)

We consider that the assumptions used to assess the DCF prior to the Proposed Transaction are consistent with those applicable post the Proposed Transaction, therefore there is no change to the assessed value.

Notional capital raising

In assessing the notional capital raising requirement post the Proposed Transaction, we have considered the impact of the proceeds of the Proposed Transaction by deducting the proceeds of approximately A$1.2m from the required funding pre the Proposed Transaction A$32.7m, resulting in a notional funding requirement of A$31.5m. Based on the range of between 2% and 5% debt funding assumption, we consider that Cambium would need to raise A$631k to A$1.6m of notional debt and A$30.0m to A$30.9m through a notional capital raising to fund the R&D and the first-year SG&A expenses of Elate Ocular.

We consider an appropriate cost of capital raising to be approximately 5% of funds raised between A$1.49m to A$1.55m, resulting in a required raising between A$31.5m and A$32.5m, averaging at A$32.0m (inclusive of placement fee) to meet Cambium's 100% funding requirements of the Elate Ocular post the Proposed Transaction.

Based on our assessment, a summary of the cash required to be raised via a notional placement is provided below:

Table 23. Notional capital raise

A$'000	Note	Low	High	Average
Equity required	1	29,964	30,910	30,437
Cost of capital raise/placement fee	2	1,498	1,546	1,522
Cash raised via notional capital raise		**31,462**	**32,456**	**31,959**

Source: RSM calculations and analysis
Note 1: We have considered the equity portion of required funding to be the notional capital raising in our assessment of the value of the Company. We note that there will be a nil effect on the balance sheet from any debt raised, due to the increased in cash being offset by the borrowed amount.
Note 2: We consider an appropriate cost of capital raising to be approximately 5% of funds to be raised.

Based on this assessment, the table below shows the number of Shares that Cambium would have to issue to complete notional capital raise in the range of A$31.5m and A$32.5m and provide the required funding for the research and development phase and the first-year SG&A expenses of Elate Ocular:

Table 24. Notional capital raise - shares to be issued

Number of shares - Notional capital raise	Low	High	Midpoint
Equity funding required (A$000's)	31,462	32,456	31,959
Quoted market price (A$)	0.0060	0.0060	0.0060
Number of shares issued under notional capital raise (000s)	**5,243,685**	**5,409,275**	**5,326,480**

Source: RSM Analysis

Number of Cambium Shares on issue

We have adjusted the number of Shares on issue to account for the notional capital raising detailed above.

Table 25. Notional capital on issue post the Proposed Transaction

	Low	High	Preferred
Number of shares on issue at date of this Report	766,092,286	766,092,286	766,092,286
Number of Tranche 2 Placement Shares to be issued to Non-associated Shareholders	233,959,162	233,959,162	233,959,162
Shares to be issued under notional capital raise (excluding shares related to the Proposed Transaction)	5,243,685,165	5,409,275,223	5,326,480,194
Shares to be issued under the Proposed Transaction	193,016,309	193,016,309	193,016,309
Notional number of Shares on issue post Proposed Transaction	**6,436,752,922**	**6,602,342,979**	**6,519,547,951**

Source: Management & RSM Analysis

The lowest number of Shares on issue forms the basis for the high end of our valuation range, and the highest number of Shares on issue forms the low end of our valuation range.

Proceeds of Tranche 1 Placement Share

We consider that the assumptions used to assess the proceeds of Tranche 1 Placement Share prior to the Proposed Transaction are consistent with those applicable post the Proposed Transaction, therefore there is no change to the assessed value.

Proceeds of Tranche 2 Placement Share (excluding the Proposed Transaction)

We consider that the assumptions used to assess the Proceeds of Tranche 2 Placement Share (excluding the Proposed Transaction) prior to the Proposed Transaction are consistent with those applicable post the Proposed Transaction, therefore there is no change to the assessed value.

Proceeds of the Proposed Transaction

We have recognised the proceeds (approximately A$1.2m) of the Proposed Transaction in our assessment of the Fair Market Value of Cambium Share (Post Transaction).

We summarise our valuation of a Cambium Share after the Proposed Transaction on non-controlling basis in the table below.

Table 26. Assessed Fair Market Value of a Cambium Share post the Proposed Transaction

A$'000	Low	High	Preferred
Equity Value of Cambium (following the Merger)	68,512	98,581	77,426
Less: dilutionary impact of Options	(70)	(70)	(70)
Add: Cash received from the notional capital raise	29,964	30,910	30,437
Proceeds of Tranche 1 Placement Shares	919	919	919
Proceeds of Tranche 2 Placement Shares issued to Non-associated Shareholders	1,404	1,404	1,404
Proceeds of the Proposed Transaction	1,158	1,158	1,158
Assessed value of Cambium post Proposed Transaction	**101,887**	**132,903**	**111,274**
Cambium shares on issue post Proposed Transaction, including notional capital raise (000's)	6,602,343	6,436,753	6,519,548
Assessed value of a Cambium share (controlling basis)	**0.0154**	**0.0206**	**0.0171**
Less: Minority discount	(31%)	(33%)	(32%)
Assessed value of a Cambium Share (post-consolidation, non-controlling basis)	**A$0.0106**	**A$0.0138**	**A$0.0116**

Source: RSM analysis

We consider that the minority Fair Market Value of a Cambium Share post the Proposed Transaction is between A$0.0106 and A$0.0138 on a post-consolidation, non-controlling basis.

Minority interest discount

In selecting a minority discount we have given consideration to our control premium applied in Section 5.2, where we established a range for a control premium of between 45% and 50%. The resulting corresponding minority discount range based on said control premiums is between 31% and 33%.

6. Is the Proposed Transaction Fair to Cambium Shareholders?

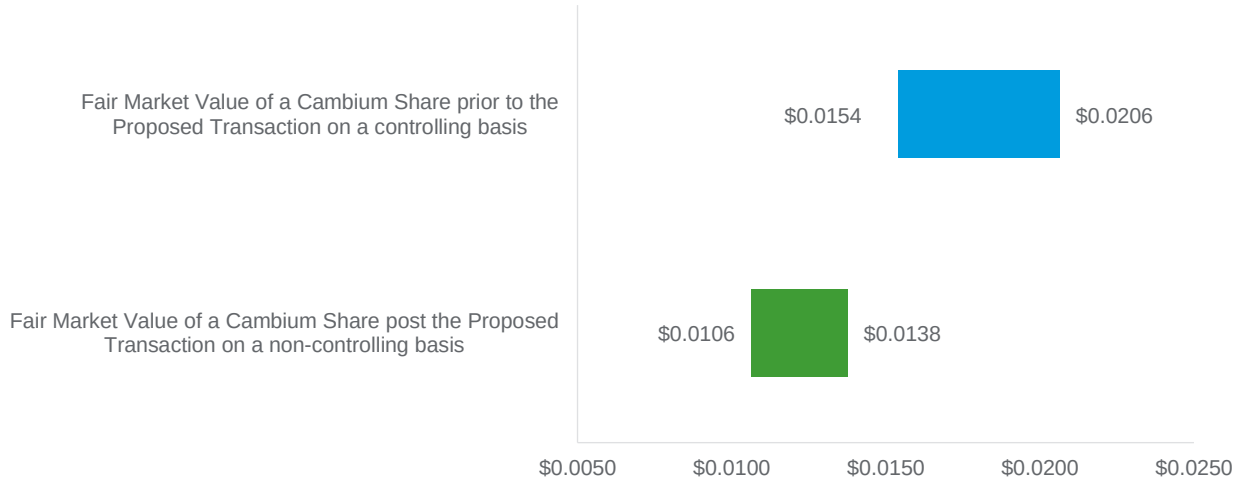
Our assessed values of a Cambium Share prior to and immediately after the Proposed Transaction, are summarised in the table and figure below.

Table 27. Assessed values of a Cambium Share pre and post the Proposed Transaction

	Low	High	Preferred
Fair Market Value of a Cambium Share prior to the Proposed Transaction on a controlling basis	A$0.0154	A$0.0206	A$0.0171
Fair Market Value of a Cambium Share post the Proposed Transaction on a non-controlling basis	A$0.0106	A$0.0138	A$0.0116

Source: RSM analysis

Figure 9. Cambium Share valuation graphical representation



Source: RSM analysis

In accordance with the guidance set out in ASIC RG 111, and in the absence of any other relevant information, for the purposes of complying with s611 of the Act, we consider the Proposed Transaction to be **not fair** to the Non-Associated Shareholders of Cambium as the Fair Market Value of a Cambium Share post the Proposed Transaction is less than the Fair Market Value of a Cambium Share pre the Proposed Transaction.

7. Is the Proposed Transaction reasonable to Shareholders?

RG 111 establishes that an offer is reasonable if it is fair. It might also be reasonable if, despite not being fair, there are sufficient reasons for security holders to accept the offer in the absence of any higher bid before the offer closes. As such, we have also considered the following factors in relation to the reasonableness aspects of the Proposed Transaction:

- The future prospects of the Company if the Proposed Transaction does not proceed;
- any other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Transaction proceeding; and
- the existence of alternative proposals.

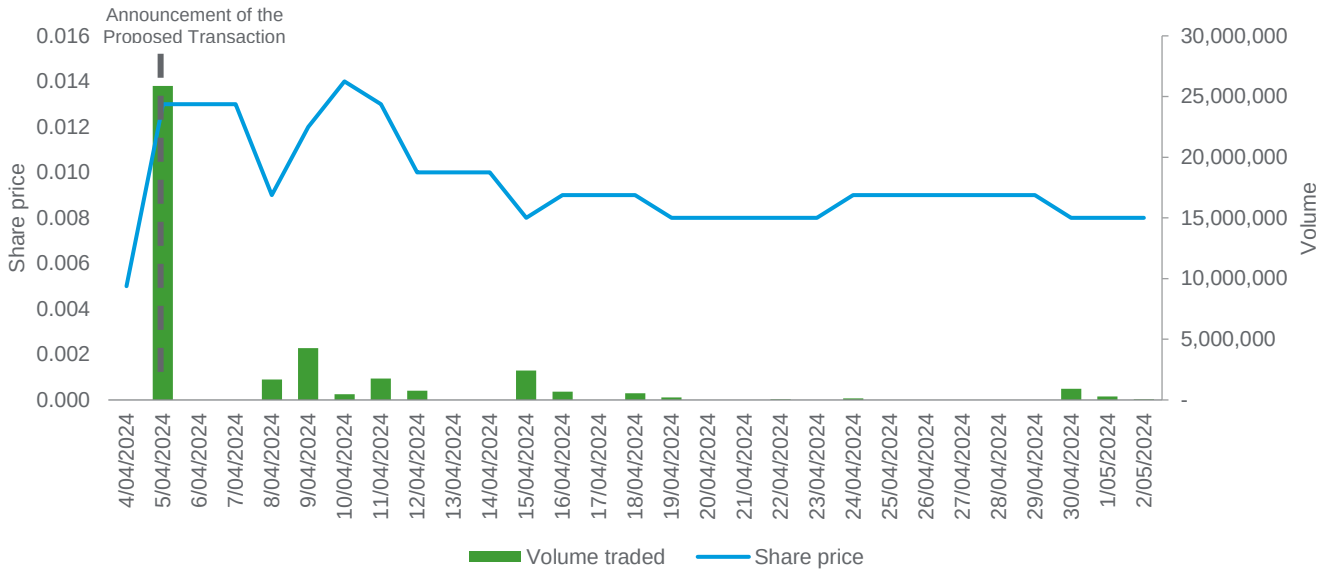
7.1 Future prospects of Cambium if the Proposed Transaction does not proceed

If the Proposed Transaction does not proceed, the Company's board will continue to seek alternative sources of funding with no guarantee of successful fund raising with superior terms.

7.2 Trading in Cambium shares following the announcement of the Proposed Transaction

Trading in Cambium shares following the announcement of the Proposed Transaction saw a significant increase of volume. This is largely attributable to the announcement of the successful completion of the Merger on the same day (5 April 2024) as the announcement of the Placement and Proposed Transaction, as set out in the figure below.

Figure 10. Share trading post announcement of the Proposed Transaction



Source: S&P Capital IQ

Given the low liquidity of Cambium shares and the recent Merger it is difficult to draw any firm conclusions on the market reaction to the Proposed Transaction.

7.3 Advantages and disadvantages

In assessing whether the Non-Associated Shareholders are likely to be better off if the Proposed Transaction proceeds, than if it does not, we have also considered various advantages and disadvantages that are likely to accrue to the Non-Associated Shareholders.

Advantage of approving the Proposed Transaction

Advantage	Details
Secure funding for the research & development and marketing of Elate Ocular	The Proposed Transaction will provide the Company with additional funds for the non clinical and comparability studies along with the working capital required for the phase 3 clinical trial program (as part of the proposed research & development, commercialisation and marketing strategy) for Elate Ocular, the primary clinical asset of Cambium.

Disadvantages of approving the Proposed Transaction

Disadvantage	Details
The Proposed Transaction is not fair	The Proposed Transaction is not fair to the Non-Associated Shareholders.
Dilutionary impact	The Non-Associated Shareholders' fully diluted interest in the Company will decrease from 87.0% prior to the Proposed Transaction to 75.5% following the completion of the Proposed Transaction.
Significant influence / ability to block special resolutions by Dr. Sebastian Tseng and ZYBT	Following the completion of the Proposed Transaction, Dr. Sebastian Tseng and ZYBT will have an effective 24.5% shareholding in Cambium, giving them significant influence and the power to elect directors. Given the balance of shareholding of the Non-Associated Shareholders is widely spread, Dr. Sebastian Tseng and ZYBT's 24.5% shareholding in Cambium effectively convey the ability to block a special resolution of the Company, which typically requires a shareholding of 25% or higher, as nearly 100% of the Non-Associated Shareholders will need to vote in opposition to Dr. Sebastian Tseng and ZYBT to ensure a 75% majority vote to pass a special resolution.

7.4 Alternative proposals

We have been advised that the Placement is the only transaction that is sufficiently developed to be put to Shareholders and no alternative or more compelling transactions are close to completion. We are not aware of any alternative proposal at the current time which might offer the Non-Associated Shareholders of Cambium a greater benefit than the Proposed Transaction.

7.5 Conclusion on Reasonableness

Cambium needs a cash injection in the near term and the Proposed Transaction provides an opportunity for this to occur. In our opinion, the position of the Non-Associated Shareholders of Cambium if the Proposed Transaction is approved is more advantageous than if the Proposed Transaction is not approved. Therefore, in the absence of any other relevant information and/or a superior offer, we consider that the Proposed Transaction is **reasonable** to the Non-Associated Shareholders of Cambium.

Non-Associated Shareholders should have particular regard to the potential advantages and disadvantages set out above in the context of their own risk profile and investment strategy.

APPENDICES

A. Declarations and Disclaimers

Declarations and Disclosures

RSM Corporate Australia Pty Ltd holds Australian Financial Services Licence 255847 issued by ASIC pursuant to which they are licensed to prepare reports for the purpose of advising clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate reconstructions or share issues.

Qualifications

Our report has been prepared in accordance with professional standard APES 225 "Valuation Services" issued by the Accounting Professional & Ethical Standards Board.

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia Pty Ltd (RSM) a large national firm of chartered accountants and business advisors.

Andrew Clifford and Nadine Marke are directors of RSM Corporate Australia Pty Ltd. Both Andrew Clifford and Nadine Marke are Chartered Accountants with extensive experience in the field of corporate valuations and the provision of independent expert's reports for transactions involving publicly listed and unlisted companies in Australia.

Reliance on this Report

This report has been prepared solely for the purpose of assisting Shareholders of the Company in considering the Proposed Transaction. We do not assume any responsibility or liability to any party as a result of reliance on this report for any other purpose.

Reliance on Information

Statements and opinions contained in this report are given in good faith. In the preparation of this report, we have relied upon information provided by the Directors and management of Cambium and we have no reason to believe that this information was inaccurate, misleading or incomplete. RSM Corporate Australia Pty Ltd does not imply, nor should it be construed that it has carried out any form of audit or verification on the information and records supplied to us.

The opinion of RSM Corporate Australia Pty Ltd is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

In addition, we have considered publicly available information which we believe to be reliable. We have not, however, sought to independently verify any of the publicly available information which we have utilised for the purposes of this report.

We assume no responsibility or liability for any loss suffered by any party as a result of our reliance on information supplied to us.

Disclosure of Interest

At the date of this report, none of RSM Corporate Australia Pty Ltd, RSM, Andrew Clifford, Nadine Marke, nor any other member, director, partner or employee of RSM Corporate Australia Pty Ltd and RSM has any interest in the outcome of the Proposed Transaction, except that RSM Corporate Australia Pty Ltd are expected to receive a fee of approximately $25,000 (excluding goods and services tax ("**GST**") based on time occupied at normal professional rates for the preparation of this report. The fees are payable regardless of Cambium receives Shareholder approval for the Proposed Transaction, or otherwise.

Consents

RSM Corporate Australia Pty Ltd consents to the inclusion of this report in the form and context in which it is included with the Notice of Extraordinary General Meeting and Explanatory Memorandum to be issued to Shareholders. Other than this report, none of RSM Corporate Australia Pty Ltd or RSM Australia Pty Ltd or has been involved in the preparation of the Notice of General Meeting and Explanatory Memorandum. Accordingly, we take no responsibility for the content of the Notice of General Meeting and Explanatory Statement.

B. Sources of Information

In preparing this Report we have relied upon the following principal sources of information:

- Drafts and final copies of the Notice of Meeting;
- Audited financial statements for Regeneus for the years ended 30 June 2021, 30 June 2022 and 30 June 2023
- Unaudited financial statements for Cambium for nine months ended 31 March 2024;
- Management accounts for CMT for the years ended 31 December 2021 and 31 December 2022, 11 months ended 30 November 2023 and the period ended 4 April 2024;
- ASX announcements of Cambium;
- Regeneus (Cambium Bio) Incorporation Documents;
- Regeneus (Cambium Bio) Corporate Presentation and Investment Memo;
- Regeneus (Cambium Bio) post-merger financial model and pro-forma cap table;
- Regeneus Annual Reports;
- Regeneus board minutes and BDO Safe Harbour Report;
- Regeneus financing transaction documentation;
- Cambium Bio – Top Holders document;
- Elate Ocular – Market Due Diligence Report by Bruder Consulting;
- Elate Ocular – Clinical and Regulatory reports and documents;
- Chemistry, Manufacturing and Controls documents;
- Emory License Agreement;
- American Optometric Association – Dry eye causes & risk factors;
- Market Diligence Report – Dry Eye Disease;
- Dry eye broker reports;
- Ferrand et al. (2017) from American Journal of Ophthalmology – Prevalence of Diagnosed Dry Eye Disease in the United States Among Adults Aged 18 Years and Older
- IMARC – Biopharmaceutical Market Report 2024-2032;
- Prescient & Strategic Intelligence – Biopharmaceuticals Market 2024-2030;
- Fortune Business Insights – Dry Eye Syndrome Market 2024-2032;
- Grand View Research – Dry Eye Syndrome Treatment Market 2023-2030;
- Global Market Insights – Dry Eye Disease Market 2023-2032;
- Statista – Daily time spent on social networking by internet users worldwide from 2012 to 2024;
- S&P Capital IQ database; and
- Discussions with Directors, Management and staff of Cambium.

C. Glossary of Terms and Abbreviations

Term or Abbreviation	Definition
A$	Australian dollar
US$	United States dollar
AGC	AGC Inc.
Act	Corporations Act 2001 (Cth)
AFCA	Australian Financial Complaints Authority
AFSL	Australian Financial Services Licence
APES	Accounting Professional & Ethical Standards Board
ASIC	Australian Securities & Investments Commission
ASX	Australian Securities Exchange
ASX Listing Rules	The listing rules of ASX as amended from time to time
Aurarix or Technology	Cambium's novel processed human platelet lysate technology
AventaCell	AventaCell BioMedical Corp
BCVG	Bruder Consulting & Venture Group
BLA	Biologics License Application
bn	Billion
CAGR	Compound annual growth rate
Cambium or the Company	Cambium Bio Limited (formerly Regeneus Ltd)
CAPM	Capital Asset Pricing Model
CBO	Congressional Budget Office
CDMO	Contract development and manufacturing organisation
CHA	Children's Healthcare of Atlanta
CLA	Collaboration and Licence Agreement
CMC	Chemistry, Manufacturing, and Controls
CMT	Cambium Medical Technologies, LLC.
Consolidation	The consolidation of Cambium's issued capital on a hundred for one basis, such that every hundred Shares be consolidated into one Share under Resolution 5
Control basis	As assessment of the Fair Market Value on an equity interest, which assumes the holder or holders have control of the entity in which the equity is held
CY21	Calendar year ended 31 December 2021
CY22	Calendar year ended 31 December 2022
CY23	Calendar year ended 31 December 2023
DCF	Discounted cash flow method
DED	Dry eye disease
DIO	Days Inventory Outstanding
Directors	Directors of the Company
DLOC	Discount for lack of control
Dr Sebastian Tseng	Dr Yu-Hung (Sebastian) Tseng
DSO	Days Sales Outstanding
Elate Ocular or EO	Elate Ocular / Elate Ocular® is a biologic topical eye drop pooled from donor (allogenic) versus patient (autologous) sourced platelets
Emory	Emory University, Atlanta, Georgia
Explanatory Statement	The explanatory statement accompanying the Notice
Fair Market Value	The amount at which an asset could be exchanged between a knowledgeable and willing but not anxious seller and a knowledgeable and willing but not anxious buyer, both acting at arm's length
FDA	The United States Food and Drug Administration
FD-HPL	Fibrinogen-depleted human platelet lysate
FIRB	Foreign Investment Review Board

FME	Future Maintainable Earnings
Forward looking information	Prospective financial information (including forecasts and projections) or any other statements or assumptions about future matters
FSG	Financial Services Guide
FY21	Financial year ended 30 June 2021
FY22	Financial year ended 30 June 2022
FY23	Financial year ended 30 June 2023
GMP	Good manufacturing practice
GRA	Georgia Research Alliance
Grant Thornton	Grant Thornton Audit Pty Ltd
GST	Goods and services tax
GvHD	Graft versus Host Disease
HPL	Human platelet lysate
H1FY24	Six-month period ended 31 December 2023
IER	This Independent Expert Report
INDA	Investigational New Drug Application
k	Thousand
Kyocera	Kyocera Corporation
Licence Agreement	Licence agreement between Emory University, Atlanta, Georgia ("Emory") and Children's Healthcare of Atlanta ("CHA") to exclusively develop and commercialise certain inventions and technology ("Aurarix" or the "Technology") used in medical treatments
m	Million
Market Due Diligence Report	The BCVG Due Diligence Report dated 18 November 2022
Management	Management of Cambium Bio Limited
Merger	The merger between Kaunas Merger Sub,LLC(a fully owned subsidiary of Cambium) andCMT by way of the issue of new ordinary shares in Cambium to CMT shareholders
ml	Millilitre
Model	The Cambium Bio Limited Valuation Model including EMT and Emory royalties prepared by Management as of 14 March 2024
NLS	New Life Sciences LLC
NLS Options	The 3,800,000 options issued by NLS before the first placement, and can be exercised anytime over a period of 36 months
Non-Associated Shareholders	Shareholders who are not a party, or associated to a party, to the Proposed Transaction
Notice	The notice of meeting to vote on, inter alia, the Proposed Transaction
Notice of Termination	The Notice of Termination received by Cambium from Kyocera in January 2023, in regards to the CLA that Cambium entered into with Kyocera in August 2020
OEP or TWO:4120	Orient EuroPharma Co., Ltd
Options / Cambium Options	The 29,829,500 Unlisted options to acquire Shares in Cambium with varying vesting conditions
Placement	The two-tranche placement to raise capital of A$3.48m through the issue of a total of 580,193,928 new ordinary shares in Cambium at an offer price of A$0.0060 per share
Potency assay	A test to measure product attributes associated with product quality and manufacturing controls during all phases of clinical study
PPP	Paycheck Protection Program
Progenza	Progenza™
Proposed Transaction	Cambium proposal to raise capital by way of issuing shares through Tranche 2 Placement Shares whereby Dr. Sebastian Tseng and ZYBT will increase their relevant interest in Cambium above 20%.
QMP	Quoted market price for listed securities
R&D	Research & Development
Regeneus	Regeneus Ltd (now Cambium Bio Limited
Report	This Independent Expert's Report prepared by RSM dated 10 May 2024
Resolutions	The resolutions set out in the Notice

RG 111	ASIC Regulatory Guide 111 Content of Expert Reports
RG 170	ASIC Regulatory Guide 170 Prospective Financial Information
RSM, we, us, or ours	RSM Corporate Australia Pty Ltd
S&P Capital IQ	An entity of Standard and Poors which is a third-party provider of company and other financial information
SG&A	Selling, general and administration expenses
Shares or Cambium Shares	Ordinary fully paid shares in the capital of the Company
Shareholder	A holder of Share
SOTP	Sum of the parts
Stantons	Stantons International Audit and Consulting Pty Ltd
The Act	Corporations Act 2001 (Cth)
Tranche 1 Placement Shares	The first tranche of the Placement through the issue of 153,218,456 ordinary shares on 10 April 2024
Tranche 2 Placement Shares	The second tranche of the Placement to be approved for the issue of 426,975,471 ordinary shares at an issue price of A$0.0060 for a total consideration of A$2.6m
TWO:1710	Hocheng Corporation
U.K.	United Kingdom
U.S.	United States of America
VWAP	Volume weighted average share price
WACC	Weighted average cost of capital
YTD-Dec24	Six-month period ended 31 December 2024
YTD24	Nine-month period ended 31 March 2024
ZYBT	Zheng Yang Biomedical Technology Co., Ltd.

D. Discount Rates

The WACC represents the weighted rate of return required by providers of both debt and equity to compensate for the time value of money and the perceived risk of the associated cash flows. The discount rates required by providers of both debt and equity are weighted in proportion to the optimal proportions of debt and equity.

The WACC is calculated as follows:

WACC = [Re x E/V] + [Rd x (1 – tc) x D/V]

Where:

WACC = post tax weighted average cost of capital

Re = required rate of return on equity capital

E = market value of equity capital

V = market value of debt and equity capital (D + E)

Rd = required rate of return on debt capital

D = market value of debt capital

tc = corporate tax rate

Required rate of return on equity capital (Re)

The Capital Asset Pricing Model ("**CAPM**") can be used to estimate the cost of equity, being the required rate of return or cost of equity of a business.

The CAPM determines the cost of equity by the following formula:

Re = Rf + β(Rm – Rf) + α

The components of the formula are as follows:

Re = Required return on equity;

Rf = Risk free rate of return;

Rm = the expected return from a market portfolio;

β = Beta, a measure of the systematic risk of a stock; and

α = specific company risk premium.

Risk Free Rate (Rf)

The risk free rate of return compensates investors for the time value of money. The US treasury rate is widely used and is an accepted benchmark for the risk free return. We have used the 10-year bond rate as this provides the best match against the timeframe of the cash flows being valued. The US treasury 10-year bond spot rate as at 29 April 2024 was 4.63% (Source: Federal Reserve).

The average 10 year treasury rates for the 1 to 5 years to 29 April 2024 as set out in the table below.

Table 28. 10 year treasury rates

	29-Apr-24
5 year average	2.38%
4 year average	2.56%
3 year average	3.09%
2 year average	3.80%
1 year average	4.17%
Spot rate	4.63%

Source: US Department of Treasury

We have applied 4.63% as the risk free rate, which is the spot rate of the US 10 treasury rate as at 29 April 2024.

Market rate (Rm)

This represents the additional risk in holding the market portfolio of investments. The term (Rm–Rf) represents the additional return required, above the risk free rate, to hold the market portfolio of investments. (Rm–Rf) is known as the Equity Market Risk Premium.

There are a number of studies around the Equity Market Risk Premium with, generally, most estimates falling within a range of 4% to 8%.

Using our professional judgement, RSM has assessed Equity Market Risk Premium (Rm–Rf) for Cambium to be 5.5% based on current assessments of the Equity Market Risk Premium in the US.

Beta (β)

The beta coefficient measures the systematic risk of a company compared to the market as a whole. A beta of 1 indicates that the company's risk is comparable to that of the market.

A beta greater than 1 represents higher than market risk and a beta below 1 represents lower than market risk. In assessing beta, we have considered the betas for comparable companies. The equity betas are adjusted to remove the effect of company specific debt levels resulting in an ungeared beta. The ungeared betas are then "regeared" based upon an assessment of the average industry gearing ratio and the assessed optimal capital structure which is discussed in more detail below. The comparable company descriptions are included in Appendix E.

The table below sets out the equity beta analysis in relation to the comparable companies.

Table 29. Beta analysis of comparable companies

Company	Country of domicile	Market Value of Equity $'m	Market Value of Net Debt $'m	Net Debt/ Equity	Notional Tax Rate	Levered Beta	Unlevered Beta	Relevered Beta
Lineage Cell Therapeutics, Inc.	United States	211	-	0.0%	27.0%	1.25	1.24	1.34
Tarsus Pharmaceuticals, Inc.	United States	1,213	30	2.5%	21.0%	1.00	0.98	1.06
Bausch + Lomb Corporation	Canada	5,313	4,562	85.9%	62.2%	0.36	0.27	0.29
Dianthus Therapeutics, Inc.	United States	643	-	0.0%	21.0%	(1.56)	(1.56)	(1.68)
CervoMed Inc.	United States	204	-	0.0%	21.0%	(0.20)	(0.20)	(0.22)
Harrow, Inc.	United States	376	183	48.8%	21.0%	0.38	0.27	0.29
Alimera Sciences, Inc.	United States	192	64	33.6%	21.0%	1.06	0.83	0.90
Celldex Therapeutics, Inc.	United States	2,439	-	0.0%	21.0%	1.96	1.96	2.12
Ocular Therapeutix, Inc.	United States	743	75	10.1%	21.0%	1.51	1.39	1.50
Vericel Corporation	United States	2,254	-	0.0%	5.9%	1.36	1.31	1.42
AVITA Medical, Inc.	United States	225	40	17.7%	21.0%	1.20	1.05	1.13
BioRestorative Therapies, Inc.	United States	8		0.0%	21.0%	62.12	61.09	65.91
EyePoint Pharmaceuticals, Inc.	United States	918	-	0.0%	21.0%	1.56	1.55	1.67
Organogenesis Holdings Inc.	United States	324	66	20.4%	26.3%	1.50	1.18	1.27
Regeneron Pharmaceuticals, Inc.	United States	96,286	1,983	2.1%	10.1%	0.20	0.20	0.21
Nuo Therapeutics, Inc.	United States	35	-	0.0%	27.0%	(261.38)	(260.01)	(280.55)
RegenETP, Inc.	United States	1	-	0.0%	27.0%	2.58	0.49	0.53

Company	Country of domicile	Market Value of Equity	Market Value of Net Debt	Net Debt/ Equity	Notional Tax Rate	Levered Beta	Unlevered Beta	Relevered Beta
Ocuphire Pharma, Inc.	United States	41	-	0.0%	1.7%	0.48	0.48	0.52
Exicure, Inc.	United States	4	-	0.0%	21.0%	1.07	0.48	0.52
Applied Therapeutics, Inc.	United States	492	0	0.1%	21.0%	1.66	1.66	1.79
Amplia Therapeutics Limited	Australia	12	2	17.8%	30.0%	1.12	0.99	1.03
AdAlta Limited	Australia	14	2	14.1%	30.0%	0.94	0.86	0.89
Algorae Pharmaceuticals Limited	Australia	19	-	0.0%	30.0%	1.48	1.48	1.54
Chimeric Therapeutics Limited	Australia	26	-	0.0%	30.0%	2.09	2.09	2.17
CSL Limited	Australia	132,895	10,423	7.8%	18.2%	0.46	0.43	0.44
Cynata Therapeutics Limited	Australia	38	-	0.0%	30.0%	0.98	0.98	1.02
Exopharm Limited	Australia	2	-	0.0%	30.0%	1.74	1.74	1.81
Immutep Limited	Australia	529	1	0.2%	30.0%	2.03	2.02	2.10
Imugene Limited	Australia	600	-	0.0%	30.0%	3.19	3.16	3.29
Kazia Therapeutics Limited	Australia	9	0	3.8%	21.0%	1.93	1.88	1.95
Medlab Clinical Limited	Australia	15.1	-	0.0%	30.0%	1.56	1.56	1.62
Mesoblast Limited	Australia	1,238.2	116	9.3%	30.0%	3.10	2.90	3.02
Paradigm Biopharmaceuticals Limited	Australia	89.3	-	0.0%	30.0%	1.76	1.76	1.83
Telix Pharmaceuticals Limited	Australia	5,125.3	9	0.2%	30.0%	2.35	2.34	2.43
Low		**1**	**0**	**0%**	**2%**	**-261.38**	**-260.01**	**-280.55**
High		**132,895**	**10,423**	**86%**	**62%**	**62.12**	**61.09**	**65.91**
Mean (selected)		**318**	**36**	**9%**	**24%**	**1.32**	**1.19**	**1.26**
Median (selected)		**89**	**40**	**4%**	**26%**	**1.25**	**1.18**	**1.27**
Low (Australian selected)		**9**	**0**	**0%**	**21%**	**0.94**	**0.86**	**0.89**
High (Australian selected)		**89**	**2**	**18%**	**30%**	**1.93**	**1.88**	**1.95**
Mean (Australian selected)		**30**	**1**	**6%**	**29%**	**1.37**	**1.33**	**1.38**
Median (Australian selected)		**17**	**2**	**2%**	**30%**	**1.30**	**1.24**	**1.29**

Source: S&P Capital IQ
Note: Comparable companies highlighted in red have been excluded in the beta calculation due to low data points, outlier to beta observed, or due to low R2 data observed.

For the purposes of this valuation, we have adopted an equity beta (β) of 1.30 to 1.40 based on both the mean and median betas of Australian comparable companies. Whilst the mean and average of the selected comparable companies derived a lower beta of 1.26 and 1.27 respectively, we selected the higher beta of the Australian companies due to the uncertainty surrounding Elate Ocular as it is currently in the clinical phases.

Specific company risk and size premium (α)

In considering an appropriate WACC for DCF, we have considered specific risks to the business that are not experienced by the listed comparable companies, and, therefore, not reflected in the reported betas or implied multiples derived from publicly available market data, need to be assessed.

Specifically, we have considered the following business related factors:

- Cambium is smaller than the majority of the listed comparable companies;
- Cambium being a pre-revenue and loss making entity will have less access to equity and debt markets compared to the comparable entities.
- Uncertainty(other than risk considered through probability weighting including potential competition from similar products nearing FDA approval) associated with forecast achievability of Elate Ocular.

Size premium

In assessing an appropriate size premium, we have had regard to the US size premium data published by Kroll as well as relevant Australian studies.

On the basis of the above, using our professional judgement, we have adopted a specific company risk factor of between 3.0% to 5.0% for the forecast.

Required rate of return on debt (Rd)

The rate of return required by providers of debt includes a risk premium over and above the risk free rate that reflects the debt risk that is specific to the business being valued. This risk effectively represents the risk of default on payments.

In assessing an appropriate debt premium, we have considered a number of factors including:

- the cost of debt for US companies similar to Cambium;
- the gearing levels adopted for the purposes of calculating the WACC;
- The cost of debt of Cambium; and
- the prevailing economic conditions as at the Valuation Date.

In assessing the cost of debt of comparable companies, we have considered the interest rates on long-term debt of small market capitalisation comparable companies, as we consider this to be most appropriate for Cambium based on our professional judgement. Our findings are set out in the table below:

Table 30. Interest rates of comparable companies

Company Name	Ticker	Seniority	Interest rate
Alimera Sciences, Inc.	NasdaqGM:ALIM	2019 Loan Agreement	11.82%
AVITA Medical, Inc.	NasdaqCM:RCEL	5 year Senior Secured Loan	13.34%
Organogenesis Holdings Inc.	NasdaqCM:ORGO	2019 Credit Agreement	9.25%
Harrow, Inc.	NasdaqGM:HROW	Senior Note	11.88%
Harrow, Inc.	NasdaqGM:HROW	Loan Facility	10.88%

Source: S&P Capital IQ

Based on our review of the above factors, we have applied a cost of debt ranging from 11.0% to 12.0%.

Capital structure or Gearing Level (D/V)

The capital structure or gearing level adopted for the purposes of undertaking the valuation should generally reflect the level of debt that can be reasonably sustained by any company operating in a particular industry as opposed to the actual capital structure adopted by the business.

The optimal capital structure of a business is driven by two main considerations:

- the tax benefits of debt finance i.e. the deductibility of interest payments for the purposes of assessing corporate tax liabilities; and
- the financial risk to equity holders i.e. the risk of financial distress as a result of over gearing.

In assessing the optimal capital structure of Cambium, we have considered the following:

- the gearing levels of comparable companies;
- the historical gearing levels of Cambium; and
- the level of debt sustainable by the forecast earnings and cash flows of Cambium.

For the purposes of this valuation we have assessed the optimal net debt to equity ratio (D/V) as 5% (resulting in E/V of 95.0%).

Corporate tax rate (tc)

The projected earnings losses over FY24 to FY28 will be utilised over the short to medium term, and Management has assumed an effective tax rate of 21% from FY29 onwards in the forecast model based on the estimate of an appropriate blended US Federal and State tax rate.

Based on the assumptions set out above, we have assessed the WACC for Cambium as set out in the tables below.

Table 31. Discount rate

	Low	Mid-Point	High
Cost of Equity			
Risk free rate	4.63%	4.63%	4.63%
Beta	1.30	1.35	1.40
Risk premium	5.5%	5.5%	5.5%
Company specific risk factor	3.0%	4.0%	5.0%
R_e	**14.8%**	**16.1%**	**17.3%**
Cost of Debt			
Risk free rate (spot rate)	4.63%	4.63%	4.63%
Debt premium	6.37%	6.87%	7.37%
R_d	**11.0%**	**11.5%**	**12.0%**
Corporate Tax Rate	21.0%	21.0%	21.0%
Capital Structure			
Debt / (Debt + Equity)	5.0%	5.0%	5.0%
Equity / (Debt + Equity)	95.0%	95.0%	95.0%
Cost of Equity			
(Equity / Debt) x R_e	**14.0%**	**15.3%**	**16.5%**
Cost of Debt			
(Debt / Value) x R_d	**0.4%**	**0.5%**	**0.5%**
WACC (Post Tax, Nominal)	**14.5%**	**15.7%**	**16.9%**
WACC (Post Tax, Nominal, Rounded)	**14.0%**	**16.0%**	**17.0%**
WACC (Post Tax, Real, Rounded)	**11.2%**	**13.2%**	**14.1%**

Source: Capital IQ and RSM calculations

The Model considered the cash flow in real terms (i.e. no escalation for inflation was included). We have kept the forecast cash flow in real terms and used a real-term discount rate to calculate the net present value. The assumed inflation rate adopted for the discount rate conversion is 2.5%, which is in line with the US forecast inflation rate.

Based on the above, we have assessed the WACC (post tax on a real basis) to be in the range of 11.2% to 14.1%, with a preferred discount rate of 13.2%.

E. Comparable Trading Companies Description

Table 32. Comparable trading companies descriptions

Ticker	Company	Business Description
NYSEAM:LCTX	Lineage Cell Therapeutics, Inc.	Lineage Cell Therapeutics, Inc., a clinical-stage biotechnology company, develops novel cell therapies for unmet medical needs in the United States and internationally. The company develops OpRegen, an allogeneic retinal pigment epithelium cell replacement therapy, which is in Phase 2a clinical trial for the treatment of the dry age-related macular degeneration; OPC1, an allogeneic oligodendrocyte progenitor cell therapy that is in Phase 1/2a multicenter clinical trial for the treatment of cervical spinal cord injuries; and VAC, an allogeneic cancer immunotherapy of antigen-presenting dendritic cells, which is in Phase I clinical trial to treat non-small cell lung cancer. It also offers ANP1, an allogeneic auditory neuron progenitor cell transplant, which is in preclinical development for the treatment of debilitating hearing loss; and PNC1, an allogeneic photoreceptor cell transplant, which is in preclinical development for the treatment of vision loss due to photoreceptor dysfunction or damage. In addition, the company engages in the research and development of therapeutic products for retinal diseases, neurological diseases, and disorders and oncology. Lineage Cell Therapeutics, Inc. has a collaboration with Immunomic Therapeutics, Inc., for the treatment of glioblastoma multiforme. The company was formerly known as BioTime, Inc. and changed its name to Lineage Cell Therapeutics, Inc. in August 2019. Lineage Cell Therapeutics, Inc. was incorporated in 1990 and is headquartered in Carlsbad, California.
NasdaqGS:TARS	Tarsus Pharmaceuticals, Inc.	Tarsus Pharmaceuticals, Inc., a commercial stage biopharmaceutical company, focuses on the development and commercialization of novel therapeutic candidates for eye care in the United States. The company's lead product candidate is XDEMVY, a novel therapeutic for the treatment of blepharitis caused by the infestation of Demodex mites, as well as to treat meibomian gland disease. It is developing TP-04 for the treatment of rosacea; and TP-05 for Lyme prophylaxis and community malaria reduction. In addition, the company develops lotilaner to address diseases across therapeutic categories in human medicine, including eye care, dermatology, and other infectious disease prevention. Tarsus Pharmaceuticals, Inc. was incorporated in 2016 and is headquartered in Irvine, California.
NYSE:BLCO	Bausch + Lomb Corporation	Bausch + Lomb Corporation operates as an eye health company in the United States, Puerto Rico, China, France, Japan, Germany, the United Kingdom, Canada, Russia, Spain, Italy, Mexico, Poland, South Korea, and internationally. It operates in three segments: Vision Care, Pharmaceuticals, and Surgical. The Vision Care segment provides contact lens that covers the spectrum of wearing modalities, including daily disposable and frequently replaced contact lenses; and contact lens care products comprising over-the-counter eye drops, eye vitamins, and mineral supplements that address various conditions, such as eye allergies, conjunctivitis, dry eye, and redness relief. Its Pharmaceuticals segment offers proprietary and generic pharmaceutical products for post-operative treatments, as well as for the treatment of glaucoma, eye inflammation, ocular hypertension, dry eyes, and retinal diseases. The Surgical segment provides medical device equipment, consumables, and technologies for the treatment of cataracts, corneal, vitreous, and retinal eye conditions; and intraocular lenses and delivery systems, phacoemulsification equipment, and other surgical instruments and devices for cataract surgery. The company sells its products and services through direct sales forces and independent distributors. Bausch + Lomb Corporation was founded in 1853 and is headquartered in Vaughan, Canada. Bausch + Lomb Corporation is a subsidiary of Bausch Health Companies Inc.
NasdaqCM:DNTH	Dianthus Therapeutics, Inc.	Dianthus Therapeutics, Inc., a clinical-stage biotechnology company, develops complement therapeutics for patients with severe autoimmune and inflammatory diseases. It is developing DNTH103, a monoclonal antibody, which is in Phase 2 clinical trial, for the treatment of generalized myasthenia gravis, multifocal motor neuropathy, and chronic inflammatory demyelinating polyneuropathy. Dianthus Therapeutics, Inc. was founded in 2019 and is headquartered in New York, New York.
NasdaqCM:CRVO	CervoMed Inc.	CervoMed Inc., a clinical-stage biotechnology company, engages in the development and commercialization of drug treatments for neurogenerative diseases. Its lead drug candidate is neflamapimod, an orally administered small molecule brain penetrant for the treatment of dementia with Lewy bodies (DLB), Alzheimer's diseases, frontotemporal dementia, and ischemic stroke recovery.

Ticker	Company	Business Description
		The company also develops EIP200 for central nervous system which is in preclinical trials. CervoMed Inc. was founded in 2010 and is headquartered in Boston, Massachusetts.
NasdaqGM:HROW	Harrow, Inc.	Harrow, Inc., an eyecare pharmaceutical company, engages in the discovery, development, and commercialization of ophthalmic pharmaceutical products. The company offers ImprimisRx, an ophthalmology-focused compounded medications. It also provides IHEEZO, a chloroprocaine hydrochloride ophthalmic gel; ophthalmic solutions, including IOPIDINE, VEVYE, and ZERVIATE; MAXITROL eye drops; ILEVRO and NEVANAC, a non-steroidal and anti-inflammatory eye drop for pain and inflammation associated with cataract surgery; VIGAMOX, a fluoroquinolone antibiotic eye drop for the treatment of bacterial conjunctivitis; MAXIDEX and FLAREX, a steroid eye drop for steroid-responsive inflammatory conditions of the palpebral and bulbar conjunctiva, cornea, and anterior segment of the globe and the eye; TRIESENCE, a steroid injection for the treatment of ophthalmic diseases and for visualization during vitrectomy; and NATACYN, a sterile, antifungal drug for the treatment of fungal blepharitis, conjunctivitis, and keratitis. In addition, it offers TOBRADEX ST, a tobramycin and dexamethasone ophthalmic suspension; VERKAZIA cyclosporine ophthalmic emulsion; NEVANAC, a non-steroidal, anti-inflammatory eye drop; and FRESHKOTE preservative free (PF) is a lubricant eye drop. The company was formerly known as Harrow Health, Inc. and changed its name to Harrow, Inc. in September 2023. Harrow, Inc. was founded in 1998 and is headquartered in Nashville, Tennessee.
NasdaqGM:ALIM	Alimera Sciences, Inc.	Alimera Sciences, Inc., a pharmaceutical company, develops and commercializes prescription ophthalmic retinal pharmaceuticals. It operates through United States, International, and Operating Cost segments. The company offers ILUVIEN, a fluocinolone acetonide intravitreal implant for the treatment of diabetic macular edema (DME), which is a disease of the retina that affects individuals with diabetes and can lead to severe vision loss and blindness; and to prevent relapse in recurrent non-infectious uveitis affecting the posterior segment of the eye (NIU-PS). It also provides YUTIQ, a fluocinolone acetonide intravitreal implant to treat NIU-PS. The company sells its products to physician offices, clinics, pharmacies, and hospitals through direct sales and distributors. It has a collaboration agreement with EyePoint Pharmaceuticals US, Inc. to develop, manufacture, and sell products including YUTIQ for the treatment and prevention of uveitis; and Ocumension (Hong Kong) Limited for the development and commercialization of the company's 190 microgram fluocinolone acetonide intravitreal implant in applicator for the treatment and prevention of eye diseases. Alimera Sciences, Inc. was incorporated in 2003 and is headquartered in Alpharetta, Georgia.
NasdaqCM:CLDX	Celldex Therapeutics, Inc.	Celldex Therapeutics, Inc., a biopharmaceutical company, engages in developing therapeutic monoclonal and bispecific antibodies for the treatment of various diseases. Its drug candidates include antibody-based therapeutics to treat patients with inflammatory, allergic, autoimmune, and other devastating diseases. The company's clinical development programs CDX-0159, a Phase II monoclonal antibody that binds the receptor tyrosine kinase KIT and inhibits its activity. It has research collaboration and license agreements with Yale University. The company was incorporated in 1983 and is headquartered in Hampton, New Jersey.
NasdaqGM:OCUL	Ocular Therapeutix, Inc.	Ocular Therapeutix, Inc., a biopharmaceutical company, focuses on the formulation, development, and commercialization of therapies for diseases and conditions of the eye using its bioresorbable hydrogel-based formulation technology in the United States. The company markets DEXTENZA, a dexamethasone ophthalmic insert to treat post-surgical ocular inflammation and pain following ophthalmic surgery, as well as allergic conjunctivitis. It is developing AXPAXLI, an axitinib intravitreal implant that is in phase 3 trials for the treatment of wet age-related macular degeneration and other retinal diseases; PAXTRAVA, a travoprost intracameral implant, which is in phase 2 clinical trials for the treatment of open-angle glaucoma or ocular hypertension; OTX-CSI, a cyclosporine intracanalicular insert that has completed phase 2 clinical trials for the treatment of dry eye disease; and OTX-DED, a dexamethasone intracanalicular insert, which is in phase 2 clinical trials for the short-term treatment of the signs and symptoms of dry eye disease. In addition, the company offers modulator for intermediate and late dry age-related macular degeneration; and gene delivery for inherited retinal degenerations and protein biofactory indications. The company has a strategic collaboration with

Ticker	Company	Business Description
		Regeneron Pharmaceuticals, Inc. (Regeneron) for the development and commercialization of products using the company's sustained-release hydrogel in combination with Regeneron's large molecule VEGF-targeting compounds for the treatment of retinal diseases; and AffaMed Therapeutics Limited for the development and commercialization of DEXTENZA and OTX-TIC. Ocular Therapeutix, Inc. was incorporated in 2006 and is headquartered in Bedford, Massachusetts.
NasdaqGM:VCEL	Vericel Corporation	Vericel Corporation, a commercial-stage biopharmaceutical company, engages in the research, development, manufacture, and distribution of cellular therapies for sports medicine and severe burn care markets in North America. The company markets autologous cell therapy products comprising MACI, an autologous cultured chondrocytes on porcine collagen membrane for the repair of symptomatic, and single or multiple full-thickness cartilage defects of the knee; Epicel, a permanent skin replacement humanitarian use device for the treatment of adult and pediatric patients with deep-dermal or full-thickness burns; and NexoBrid, a biological orphan product for eschar removal in adults with deep partial-thickness and/or full-thickness thermal burns. The company was formerly known as Aastrom Biosciences, Inc. Vericel Corporation was incorporated in 1989 and is headquartered in Cambridge, Massachusetts.
NasdaqCM:RCEL	AVITA Medical, Inc.	AVITA Medical, Inc., together with its subsidiaries, operates as a regenerative medicine company in the United States and internationally. The company's lead product is the RECELL System, a cell harvesting device used for the treatment of thermal burn wounds, full-thickness skin defects, and repigmentation of stable depigmented vitiligo lesions. It develops RECELL GO to control the manual process of disaggregation, filtration, and soak time. The company was formerly known as AVITA Therapeutics, Inc. AVITA Medical, Inc. was incorporated in 2020 and is headquartered in Valencia, California.
NasdaqCM:BRTX	BioRestorative Therapies, Inc.	BioRestorative Therapies, Inc., a life sciences company, focuses on the development of regenerative medicine products and therapies using cell and tissue protocols primarily involving adult stem cells. The company's two core developmental programs relate to the treatment of disc/spine disease and metabolic disorders. Its disc/spine program (brtxDisc) includes a lead cell therapy candidate, BRTX-100, a product candidate formulated from autologous cultured mesenchymal stem cells collected from the patient's bone marrow, which has completed Phase 1 clinical trials for use in the non-surgical treatment of painful lumbosacral disc disorders. The company is also developing Metabolic Program (ThermoStem), a cell-based therapy candidate that is in preclinical stage to target obesity and metabolic disorders using brown adipose derived stem cells to generate brown adipose tissue. In addition, it provides investigational curved needle device designed to deliver cells and/or other therapeutic products or material to the spine and discs. BioRestorative Therapies, Inc. has a research and development agreement with Rohto Pharmaceutical Co., Ltd.; a research agreement with Pfizer, Inc.; and a research collaboration agreement with the University of Pennsylvania. The company was formerly known as Stem Cell Assurance, Inc. and changed its name to BioRestorative Therapies, Inc. in August 2011. The company was incorporated in 1997 and is based in Melville, New York.
NasdaqGM:EYPT	EyePoint Pharmaceuticals, Inc.	EyePoint Pharmaceuticals, Inc., a clinical-stage biopharmaceutical company, engages in developing and commercializing therapeutics to improve the lives of patients with serious retinal diseases. The company's pipeline leverages its proprietary bioerodible Durasert E technology for sustained intraocular drug delivery. Its lead product candidate is EYP-1901, an investigational sustained delivery treatment for VEGF-mediated retinal diseases combining vorolanib, a selective and patent-protected tyrosine kinase inhibitor with Durasert E which is in Phase 2 clinical trials for wet age-related macular degeneration (wet AMD), non-proliferative diabetic retinopathy (NPDR), and diabetic macular edema (DME). The company's pipeline programs also include EYP-2301, a promising TIE-2 agonist formulated in Durasert E to potentially improve outcomes in serious retinal diseases. The company was formerly known as pSivida Corp. and changed its name to EyePoint Pharmaceuticals, Inc. in March 2018. EyePoint Pharmaceuticals, Inc. was incorporated in 1987 and is headquartered in Watertown, Massachusetts.

Ticker	Company	Business Description
NasdaqCM:ORGO	Organogenesis Holdings Inc.	Organogenesis Holdings Inc., a regenerative medicine company, develops, manufactures, and commercializes solutions for the advanced wound care, and surgical and sports medicine markets in the United States. The company's advanced wound care products include Affinity, an amniotic membrane in which viable cells, growth factors/cytokines, and ECM proteins in the native tissue are preserved; Novachor, a chorion membrane in which viable cells, growth factors/cytokines, and ECM proteins in the native tissue are preserved; Apligraf, a bioengineered living cell therapy that produce spectrum of cytokines and growth factors; Dermagraft, a bioengineered product that produces human collagen, ECM, proteins, cytokines, and growth factors; NuShield, dehydrated placental tissue covering amnion and chorion membranes for spongy/intermediate layer intact; and PuraPly AM, an antimicrobial barrier that enables conformability and fluid drainage. Its products also include FortiShield, a biosynthetic wound matrix for use as a temporary protective covering; PuraPly MZ, a micronized particulate version of PuraPly for the management of open wounds in the surgical setting; and CYGNUS Dual, a dehydrated placental tissue preserved to retain the ECM scaffold. The company's pipeline products include ReNu, a cryopreserved suspension used to support healing of soft tissues; PuraForce, a bioengineered porcine collagen surgical matrix for use in soft tissue reinforcement applications; and TransCyte, a bioengineered tissue for the treatment of partial thickness burns. It serves hospitals, wound care centers, government facilities, ambulatory service centers, and physician office through direct sales representives and independent agencies. Organogenesis Holdings Inc. was founded in 1985 and is headquartered in Canton, Massachusetts.
NasdaqGS:REGN	Regeneron Pharmaceuticals, Inc.	Regeneron Pharmaceuticals, Inc. discovers, invents, develops, manufactures, and commercializes medicines for treating various diseases worldwide. The company's products include EYLEA injection to treat wet age-related macular degeneration and diabetic macular edema; myopic choroidal neovascularization; diabetic retinopathy; neovascular glaucoma; and retinopathy of prematurity. It also provides Dupixent injection to treat atopic dermatitis and asthma in adults and pediatrics; Libtayo injection to treat metastatic or locally advanced cutaneous squamous cell carcinoma; Praluent injection for heterozygous familial hypercholesterolemia or clinical atherosclerotic cardiovascular disease in adults; REGEN-COV for covid-19; and Kevzara solution for treating rheumatoid arthritis in adults. In addition, the company offers Inmazeb injection for infection caused by Zaire ebolavirus; ARCALYST injection for cryopyrin-associated periodic syndromes, including familial cold auto-inflammatory syndrome and muckle-wells syndrome; and ZALTRAP injection for intravenous infusion to treat metastatic colorectal cancer; and develops product candidates for treating patients with eye, allergic and inflammatory, cardiovascular and metabolic, infectious, and rare diseases; and cancer, pain, and hematologic conditions. The company was incorporated in 1988 and is headquartered in Tarrytown, New York.
OTCPK:AURX	Nuo Therapeutics, Inc.	Nuo Therapeutics, Inc., a regenerative therapies company, develops, commercializes, and markets cell-based technologies that harness the regenerative capacity of the human body to trigger natural healing in the United States. Its technology separates autologous blood to produce a platelet based therapy for the chronic wound care market. The company was formerly known as Cytomedix, Inc. and changed its name to Nuo Therapeutics, Inc. in November 2014. Nuo Therapeutics, Inc. was incorporated in 1998 and is based in Houston, Texas.
OTCPK:RGTP.Q	RegenETP, Inc.	RegenETP, Inc., a clinical stage biotechnology company, develops and commercializes a range of regenerative tissue products and biomaterials for the fields of medicine, biomedical engineering, and material sciences in the United States. The company operates in two segments, Regenerative Medicine Products and Contract Services. It offers SkinTE, a tissue product used to repair, reconstruction, replacement, and supplementation of skin in patients for the treatment of acute or chronic wounds, burns, surgical reconstruction events, scar revision, or removal of dysfunctional skin grafts, as well as contract research services. The company also develops SkinTE Cryo allows multiple deployments from one original harvest through a cryopreservation process; SkinTE point-of-care device to permit the processing and deployment of SkinTE immediately following the initial harvest at the point-of-car; and other tissue regeneration products. The company was formerly known as PolarityTE, Inc. and changed its name to RegenETP, Inc. in August 2023. RegenETP, Inc. is headquartered in Salt Lake City, Utah.

Ticker	Company	Business Description
NasdaqCM:OCUP	Ocuphire Pharma, Inc.	Ocuphire Pharma, Inc., a clinical-stage ophthalmic biopharmaceutical company, focuses on developing and commercializing therapies for the treatment of unmet needs of patients with refractive and retinal eye disorders. The company offers Phentolamine Ophthalmic Solution for reversal of mydriasis, as well as is in Phase III clinical trials for presbyopia and dim light or night vision disturbances. Its lead retinal product candidate is APX3330, a small-molecule inhibitor of reduction oxidation effector factor-1 protein that has completed Phase II clinical trial for the treatment of diabetic retinopathy. The company also develops APX2009 and APX2014 that are preclinical product candidates for retina indications. The company was founded in 2018 and is headquartered in Farmington Hills, Michigan.
NasdaqCM:XCUR	Exicure, Inc.	Exicure, Inc., an early-stage biotechnology company, develops nucleic acid therapies targeting ribonucleic acid against validated targets. The company's preclinical candidate includes SCN9A that is in preclinical studies for the treatment of chronic pain. It also develops immuno-oncology therapeutics based on its proprietary SNA technology. Exicure, Inc. was founded in 2011 and is headquartered in Chicago, Illinois.
NasdaqGM:APLT	Applied Therapeutics, Inc.	Applied Therapeutics, Inc., a clinical-stage biopharmaceutical company, engages in the development of a pipeline of novel product candidates against validated molecular targets in indications of high unmet medical need in the United States. The company's lead product candidate is AT-007 (also called govorestat) that has completed phase 3 for the treatment of galactosemia in healthy volunteers and adults, in pediatric clinical study for the treatment of galactosemia in kids, for treating enzyme sorbitol dehydrogenase, and for the treatment of phosphomannomutase enzyme-CDG. It also develops AT-001 (also called caficrestat) that is in phase 3 clinical trials to treat diabetic cardiomyopathy, as well as for the treatment of diabetic peripheral neuropathy; and AT-003, which is in preclinical studies for the treatment diabetic retinopathy. The company has exclusive license and supply agreement with Mercury Pharma Group Limited to commercialize drug products containing AT-007. Applied Therapeutics, Inc. was incorporated in 2016 and is headquartered in New York, New York.
ASX:ATX	Amplia Therapeutics Limited	Amplia Therapeutics Limited, a pharmaceutical company, focuses on development of focal adhesion kinase (FAK) inhibitors for cancer and fibrosis in Australia. The company's product pipeline includes AMP945, an inhibitor of FAK, for pancreatic cancer and idiopathic pulmonary fibrosis, as well as other solid tumors and fibrotic diseases indications, that has completed Phase I clinical trial; and AMP886 for acute myeloid leukemia (AML) and certain solid tumors.It has a collaboration agreement with the Garvan Institute of Media Research in Sydney. The company was formerly known as Innate Immunotherapeutics Limited and changed its name to Amplia Therapeutics Limited in September 2018. Amplia Therapeutics Limited was incorporated in 2000 and is headquartered in Melbourne, Australia.
ASX:1AD	AdAlta Limited	AdAlta Limited, a clinical stage biotechnology company, discovers and develops protein therapeutics by its i-body platform in Australia. Its lead product is AD-214, an antibody therapeutic, which is in Phase I clinical trial for the treatment of fibrotic diseases, including idiopathic pulmonary fibrosis and interstitial lung disease, kidney fibrosis, eye fibrosis, and various cancers. AdAlta Limited has collaborative partnerships with GE Healthcare to develop i-body enabled granzyme B PET imaging agents for use in immuno-oncology; and Carina Biotech to develop CAR-T cell products against various solid tumor antigens. The company was incorporated in 2006 and is based in Bundoora, Australia.
ASX:1AI	Algorae Pharmaceuticals Limited	Algorae Pharmaceuticals Limited, a biotechnology company, focuses on developing solutions for Parkinson's disease in Australia. It is developing NTCELL, an alginate coated capsule to target the treatment of Parkinson's disease; and AI-116, a novel combination drug candidate, which includes cannabidiol and an off-patent pharmaceutical ingredient treatment for dementia, including Alzheimer's disease. The company was formerly known as Living Cell Technologies Limited and changed its name to Algorae Pharmaceuticals Limited in September 2023. The company was founded in 1987 and is based in Melbourne, Australia.
ASX:CHM	Chimeric Therapeutics Limited	Chimeric Therapeutics Limited, a clinical stage cell therapy company, develops and commercializes a range of cell therapies in oncology in Australia. The company develops CHM 0201 (core NK platform) that is in phase I clinical trial for treating solid tumors and hematological malignancies; and CHM 1101 (CLTX CAR T), which is in phase I clinical trial for treating patients with MMP2+ recurrent or progressive glioblastoma. It is also developing CHM 0301 for blood

Ticker	Company	Business Description
		cancers; CHM 1301 (CLTX CAR NK) and CHM 2301 (CDH17 CAR NK) for solid tumors; CHM 1101 (CLTX CAR T) for melanoma, colorectal, and prostate; and CHM 2101 (CDH17 CAR T) for neuroendocrine, colorectal, pancreatic, and gastric. The company was incorporated in 2020 and is based in Carlton, Australia.
ASX:CSL	CSL Limited	CSL Limited researches, develops, manufactures, markets, and distributes biopharmaceutical and vaccines in Australia, the United States, Germany, the United Kingdom, Switzerland, China, and internationally. The company operates through CSL Behring, CSL Seqirus, and CSL Vifor segments. The CSL Behring segment offers plasma products, gene therapies, and recombinants. The CSL Seqirus segment provides influenza related products and pandemic services to governments. The CSL Vifor segment offers products in the therapeutic areas of iron deficiency and nephrology. The company also licenses CSL intellectual property. CSL Limited was founded in 1916 and is headquartered in Melbourne, Australia.
ASX:CYP	Cynata Therapeutics Limited	Cynata Therapeutics Limited, together with its subsidiaries, develops and commercializes proprietary induced pluripotent stem cell and mesenchymal stem cell technology under the Cymerus brand for human therapeutic use in Australia. The company's lead therapeutic product candidate is CYP-001, which has completed Phase I clinical trial for the treatment of graft versus host disease. It also develops CYP-004, which is in Phase III clinical trial used for the treatment of osteoarthritis; and CYP-006TK, a novel polymercoated silicon wound dressing for diabetic wounds. In addition, the company develops products for the treatment of asthma, heart attack, coronary artery disease, brain cancer, sepsis, acute respiratory distress syndrome, critical limb ischemia, idiopathic pulmonary fibrosis, and renal transplantation. Cynata Therapeutics Limited has a strategic partnership with Fujifilm to provide clinical and commercial manufacturing services for, and supply of, Cynata's Cymerus therapeutic mesenchymal stem cell products. The company was formerly known as Eco Quest Limited and changed its name to Cynata Therapeutics Limited in October 2013. Cynata Therapeutics Limited was incorporated in 2003 and is based in Cremorne, Australia.
ASX:EX1	Exopharm Limited	Exopharm Limited develops transformative medicines based upon exosomes or extracellular vesicles (EVs) in Australia. The company's technology includes LOAD technology platform that enables loading of active pharmaceutical ingredient (API) into exosomes; Ligand-based Exosome Affinity Purification (LEAP) technology that solves the critical bottleneck of exosome isolation and purification; MASTER CELL BANK to manufacture clinical-grade engineered exosomes; EVPS technology platform that allows specific molecules to be attached to the surface of exosomes to target them to selected tissues, organs, or cell types; EXORIA, a novel and proprietary dye that tags invisible exosomes to enhance tracking in experimental studies and laboratory analysis; and FORMULATION H to enable the stable storage and transport of exosome medicines. Exopharm Limited has research collaboration agreements with Astellas Institute for Regenerative Medicine. The company was incorporated in 2013 and is based in Camberwell, Australia.
ASX:IMM	Immutep Limited	Immutep Limited, a clinical-stage biotechnology company, engages in developing novel LAG-3 Immunotherapy for cancer and autoimmune diseases. The company is involved in advancing therapeutics related to Lymphocyte Activation Gene-3 (LAG-3), a cell surface molecule that plays a vital role in regulating the immune system. Its LAG-3 immunotherapies are designed to harness and strengthen the power of patients' immune systems to fight cancer and autoimmune disease. Its lead product candidate is eftilagimod alpha (efti or IMP321) for the treatment of different types of cancers. The trials that efi is being evaluated in include TACTI-002, a Phase II clinical trial for the treatment of head and neck squamous cell carcinoma (HNSCC) and non-small cell lung cancer (NSCLC); TACTI-003, a Phase IIb clinical trial to treat HNSCC; and INSIGHT-003, a Phase I clinical trial for the treatment of NSCLC, as well as INSIGHT-005, a Phase I/IIa clinical trial to treat solid tumors. In addition, it offers IMP761, an agonist of lymphocyte activation gene 3 for autoimmune disease; IMP701, an antagonist antibody that acts to stimulate T cell proliferation in cancer patients; and IMP731, a depleting antibody that removes T cells involved in autoimmunity. The company has collaboration agreements with GlaxoSmithKline, Novartis, CYTLIMIC Inc., Merck & Co., Inc., Institute of Clinical Cancer Research, Merck KGaA, and EOC Pharma. The company was formerly known as Prima BioMed Ltd and changed its name to Immutep Limited

Ticker	Company	Business Description
		in November 2017. The company was incorporated in 1987 and is headquartered in Sydney, Australia.
ASX:IMU	Imugene Limited	Imugene Limited, a clinical stage immuno-oncology company, develops a range of immunotherapies to activate the immune system of cancer patients to treat and eradicate tumors in Australia. Its lead product is HER-Vaxx, a HER2-positive cancer vaccine that stimulates a polyclonal antibody response against HER2/neu receptors in gastric and breast cancer. The company's HER-Vaxx is in phase 2 study for gastric cancer. It also engages in developing PD1-Vaxx, a cancer vaccine that aims to induce the body to produce polyclonal antibodies that block PD-1 signalling and is in phase I trial; and CF33, a combination of genomic sequences from various vaccinia virus strains to generate potent virus. The company has a collaboration with Arovella Therapeutics Ltd to test the integration of Arovella's CAR19- iNKT cell therapy with the onCARlytics platform, as well as a research collaboration with RenovoRx, Inc. to deliver oncolytic virus therapy for the treatment of difficult-to-access tumors. Imugene Limited was incorporated in 1986 and is based in Sydney, Australia.
NasdaqCM:KZIA	Kazia Therapeutics Limited	Kazia Therapeutics Limited operates as a biotechnology company, develops anti-cancer drugs. Its lead development candidate is Paxalisib, a small molecule, brain-penetrant inhibitor of the PI3K/AKT/mTOR pathway, which is developed as a potential therapy for glioblastoma, diffuse intrinsic pontine glioma/advanced solid tumors, atypical teratoid rhabdoid tumor, brain metastases, triple negative breast cancer, and primary central nervous system lymphoma. It is also developing EVT801, a small molecule targeted therapeutic vascular endothelial growth factor receptor 3 inhibitor. The company was formerly known as Novogen Limited and changed its name to Kazia Therapeutics Limited in November 2017. The company was incorporated in 1994 and is based in Sydney, Australia.
ASX:MDC	Medlab Clinical Limited	Medlab Clinical Limited, a biotechnology company, researches, develops, and pre-commercializes pharmaceutical and nutraceutical products in Australia. Its drug candidate includes NanaBis, a buccal spray from cannabis oil extract for oncology and pain management; and NanoCBD, a buccal spray from hemp oil extract for mental health. The company also develops NanoCelle, a patented sub-micron drug delivery platform that allows passive diffusion of active pharmaceutical ingredients directly into the bloodstream through oral-buccal, sublingual, intranasal, and transdermal or topical delivery. In addition, it offers virtual clinic services. The company was founded in 2012 and is headquartered in Botany, Australia.
ASX:MSB	Mesoblast Limited	Mesoblast Limited engages in the development of regenerative medicine products in Australia, the United States, Singapore, and Switzerland. The company offers products in the areas of cardiovascular, spine orthopedic disorder, oncology, hematology, and immune-mediated and inflammatory diseases. Its proprietary regenerative medicine technology platform is based on specialized cells known as mesenchymal lineage cells. The company offers Remestemcel-L that is in Phase III clinical trials for the treatment of systemic inflammatory diseases, including steroid refractory acute graft versus host disease, acute respiratory distress syndrome, and biologic refractory inflammatory bowel disease; and Remestemcel-L, which is in Phase III clinical trials to treat chronic heart failure and chronic low back pain due to degenerative disc disease. It is also developing MPC-300-IV to treat biologic refractory rheumatoid arthritis diabetic nephropathy; and MPC-25-IC for the treatment or prevention of acute myocardial infarction. It has strategic partnerships with Tasly Pharmaceutical Group to offer MPC-150-IM for heart failure and MPC-25-IC for heart attacks in China; JCR Pharmaceuticals Co. Ltd. to treat wound healing in patients with epidermolysis bullosa; and Grünenthal to develops and commercializes cell therapy for the treatment of chronic low back pain. The company was incorporated in 2004 and is headquartered in Melbourne, Australia.
ASX:PAR	Paradigm Biopharmaceuticals Limited	Paradigm Biopharmaceuticals Limited engages in the research and development of therapeutic products for human use in Australia. It offers pentosan polysulfate sodium drugs in the injectable form for the treatment of osteoarthritis, mucopolysaccharidosis, ross river virus, chikungunya virus, chronic heart failure, allergic respiratory, and acute respiratory distress syndrome diseases. The company was incorporated in 2014 and is based in Melbourne, Australia.

Ticker	Company	Business Description
ASX:TLX	Telix Pharmaceuticals Limited	Telix Pharmaceuticals Limited, a commercial-stage biopharmaceutical company, focuses on the development and commercialization of diagnostic and therapeutic radiopharmaceuticals and related medical devices for cancer and rare diseases in Australia, Belgium, Japan, Switzerland, and the United States. Its lead products include TLX591-CDx for the diagnosis and treatment of metastatic castrate-resistant prostate cancer; TLX250-CDx that is in Phase III clinical trials for the treatment and diagnosis of renal (kidney) cancer; TLX101-CDx for the diagnosis and treatment of glioblastoma (brain cancer); TLX66-CDx to treat bone marrow conditioning and rare diseases; TLX300-CDx for the treatment and diagnosis of soft tissue sarcoma; TLX250, which is in Phase II clinical trials for the diagnosis and treatment of kidney cancer; TLX591, which is in Phase III clinical trials for the diagnosis and treatment of metastatic castrate-resistant prostate cancer; TLX101 that is in Phase II clinical trials for the treatment of glioblastoma (brain cancer); TLX66, which is in Phase II clinical trials for the treatment of bone marrow conditioning and rare diseases; and TLX300 that is in Phase I clinical trial for the treatment and diagnosis of soft tissue sarcoma. The company also develops TLX592, a prostate cancer therapy candidate for targeted alpha therapy; and TLX599-CDx for treatment of prostate cancer imaging agent. The company was founded in 2015 and is headquartered in North Melbourne, Australia.

Source: Capital IQ

F. Assessment of impact on Fair Market Value of the potential dilutive impact of Cambium Options

Cambium Options – Prior to the General Meeting

At the date of this Report, Cambium has 30,162,833 unlisted Options on issue.

In the absence of the Proposed Transaction, the Cambium Options are subject to service vesting conditions. On the basis that the recipients of the Cambium Options are effectively "earning" the benefit of the Cambium Options over time, we have only included within our valuation of Cambium the dilutionary impact of the proportion of Cambium Options for which the service condition vesting condition has passed as at the most recent practical date for this report. We consider that the remaining balance of the potential dilutionary impact of the Cambium Options is representative of future services that Cambium will receive, being part of the future remuneration of the Options recipients which, therefore, should not be reflected within our valuation of Cambium prior the Proposed Transaction.

On 7 May 2021, Cambium entered into a Subscription Agreement with institutional investor, New Life Sciences LLC to secure up to A$4.5m in a three-stage placement of the Company's ordinary shares. 3,800,000 options were issued immediately before the first placement and can be exercised anytime over a period of 36 months. Management has confirmed that all options has passed vesting conditions and can be exercised at A$0.1651. Accordingly, we have included the dilutionary impact of the NLS Options in our assessment of the Fair Market Value of a Cambium Share prior to the Proposed Transaction.

Options

As the options are American Options (may be exercised at any time before the expiration date), we have utilised the binomial options valuation model to enable expected early exercise of the unlisted Options to be factored into the valuation.

The binomial model uses either a binomial or a trinomial distribution process to derive value by separating the total maturity period of the option into discrete periods. When progressing from one time period, or node, to another, the underlying common stock price is assumed to have an equal probability of increasing and/or decreasing by upward and downward price movements.

The key inputs and assumptions we have used in the binomial model to value the potential dilutionary impact of the unlisted options are set out in the next table.

Table 33. Key inputs in the valuation of the Cambium options

Cambium Options - Unvested	New Life Sciences, LLC	John Chiplin	Graham Vesey	Karolis Rosickas
Valuation Date	30/04/2024	30/04/2024	30/04/2024	30/04/2024
Vesting Date	7/01/2023	30/06/2022	30/06/2023	30/06/2023
Expiry Date	11/05/2024	14/10/2025	14/10/2025	24/05/2026
Exercise price	A$0.1651	A$0.1075	A$0.1400	A$0.1000
Current share price	A$0.0116	A$0.0116	A$0.0116	A$0.0116
Maximum option life in years	0.03	1.46	1.46	2.06
Volatility	163.64%	142.77%	142.77%	128.58%
Risk free rate	4.32%	3.83%	3.83%	3.67%
Dividend yield	0%	0%	0%	0%
Employee exit rate - pre vesting	0%	0%	0%	0%
Employee exit rate - post vesting	0%	0%	0%	0%
Early Exercise Factor	2.5	2.5	2.5	2.5
Vesting Period (Yrs)	-	-	-	-
Trinomial steps	200	200	200	200
Option Value	**A$0.0000**	**A$0.0021**	**A$0.0017**	**A$0.0027**
% of service condition vesting passed	100.00%	100.00%	100.00%	100.00%
Number of options issued	3,800,000	333,333	1,029,500	25,000,000
Number of options with service condition vesting passed	3,800,000	333,333	1,029,500	25,000,000
Total Value	**A$0.0000**	**A$705**	**A$1,782**	**A$67,601**

Source: Management information and RSM analysis

Valuation date and option life – we have valued the options as at the date of this Report (or as close as practically possible) and accordingly, have calculated remaining option life in years based on the date of this Report to the expiry date under the appropriate terms of options on issue that we considered to represent each individual and/or institution investor.

Exercise price – each of New Life Sciences, LLC, John Chiplin, Graham Vesey and Karolis Rosickas has all Options issued in Australian Dollars, with an exercise price of A$0.1651, A$0.1075, A$0.1400 and A$0.1000 respectively.

Current share price – we have adopted a share price of A$0.0171, being the preferred share price of a Cambium Share as per our valuation summary set out in Section 5.3, adjusted for discount for lack of control ("**DLOC**") [4], as set out in the table below:

Table 34. Discount for lack of control

A$	Preferred value
Equity Value per ordinary share on a controlling basis	**A$0.0171**
Discount for lack of control	32.20%
Equity Value per ordinary share on a minority basis	**A$0.0116**

Source: RSM Analysis

Volatility – the volatility of the share price is a measure of the uncertainty about the returns provided by Cambium shares. Generally, it is possible to predict future volatility of a stock by reference to its historical volatility. A share with a greater volatility has a greater time component of the total value.

Our assumption is predicated on the fact that historical volatility is representative of expected future volatility.

[4] DLOC is calculated as $1 - \left[\frac{1}{(1+Control\ premium)}\right]$, of which mid-point control premium of 32.5% is used (refer Section 6.3)

Based on the above, and, having regard to the liquidity and historical volatility of Cambium's shares, we have included a volatility of 163.64%, 142.77%, 142.77% and 128.58% respectively for each of New Life Sciences, LLC, John Chiplin, Graham Vesey and Karolis Rosickas assessed in our assessment, based on the average daily and weekly share price volatility of Cambium for the preceding three years.

Risk free rate – we have determined the risk-free rate based on the yield of appropriate Commonwealth bond rates as at 18 April 2024 that cover the period that best match the life of the options for each individual and the institution investor as at the valuation date as set out above.

Dividend yield – no dividend yield was utilised given no dividend was paid over the last three years.

Early exercise factor – Expected early exercise is factored into the valuation by our application of the binomial model. The model incorporates an exercise factor, which determines the conditions under which an option holder is expected to exercise their options. It is defined as a multiple of the exercise price (e.g., 2.5 would mean that on average option holders tend to exercise their options when the stock price reaches 2.5 times the exercise price).

This is considered more reliable than trying to guess the average time to exercise. For example, trying to estimate an average time after which option holders exercise is likely to be inaccurate as during periods when the market is high option holders are more likely to exercise early as opposed to times when the market is low. Using an exercise multiple, which is based on a robust theory of stock price behaviour/distribution overcomes these problems.

We have assumed that the exercise factor for these options is 2.5. There have been a number of historical studies that indicate that option holders early exercise options generally at between 2 to 3 times the exercise price, with the higher multiples generally attributable to more senior employees within the company.

% of service condition vesting passed – calculated as (number of exercisable options less number of options vested into ordinary shares as at the most recent practical date for this report) divided by total number of remaining Options on issue.

Cambium Options valuation summary

Based on the inputs and assumptions above, our assessed value of the potential dilutionary impact of the unlisted Cambium Options prior to the Proposed Transaction is set out in the table below.

Table 35. Cambium ESS interest summary

Cambium Options	Quantity	Vesting Date	Exercise Price	Value of one instrument	Total dilutionary impact
New Life Sciences, LLC	3,800,000	7/01/2023	A$0.1651	A$0.0000	$0
John Chiplin	333,333	30/06/2022	A$0.1075	A$0.0021	$705
Graham Vesey	1,029,500	30/06/2023	A$0.1400	A$0.0017	$1,782
Karolis Rosickas	25,000,000	30/06/2023	A$0.1000	A$0.0027	$67,601
Total Options subject to valuation	**30,162,833**				**A$70,087**

Source: Management information and RSM analysis

G. Industry Overview

Global Biopharmaceuticals Industry

The global biopharmaceutical industry focuses on the development, production and marketing of pharmaceutical drugs derived from biological sources, recognised as biologics.

The global market size for the biopharmaceuticals industry is approximately US$300bn in 2023 and is forecasted to grow to US$643.9bn by 2032[5]. The United States accounts for the highest share of global revenue of 45.0%[6]. The following trends are the drivers of industry growth:

- Increasing demand for personalised medicine;
- Growing prevalence of chronic and life-style illnesses; and
- Access to advancements in biotechnology.

As such, the growing significance of biopharmaceuticals results in market growth of 8.6% from 2024 to 2032. However, there are several challenges that may inhibit industry expansion including[7]:

- High cost of related equipment;
- Competition amongst the development of pharmaceutical drugs; and
- Long lead times for drug development due to high regulatory standards in countries including the United States.

Dry Eye Disease Industry

DED is a multifactorial disorder of the tear film and ocular surface of the eye which can be due to aqueous deficiency, resulting in discomfort and visual disturbance. The DED industry has an estimated US$6.61bn market size in 2022 and is forecast to grow at a compound annual growth rate ("CAGR") of 7.1% from 2024 to 2032[8]. Noting the United States accounted for the largest share of over 46.9%. The treatment market consists of several diseases related to the eye, most commonly, evaporative dry eye syndrome (82% revenue share), followed by aqueous dry eye syndrome, and mixed dry eye. Treatments for these conditions include eye drops, pharmaceutical tablets and ointments[9].

Key industry drivers[10]

Rising prevalence of DED

The primary driver for industry growth is the increasing number of individuals diagnosed with dry eye syndrome, particularly amongst the elderly population as a result of age related and hormonal changes. This is expedited by the global ageing population and the increasing awareness of eye health which increases diagnoses and the demand for treatments. In fact, up to 50% of individuals over the age of 50 experience eye-related diseases[11].

Chronic and life-style illnesses

The growth in DED is also due to the rising prevalence of other illnesses such as autoimmune diseases (Sjogren's, GvHD, rheumatoid arthritis and lupus), and diabetes, which increase the prospect of eye conditions. Medications including antihistamines, beta blockers and antidepressants are also contributors to DED[12]. Certain systemic conditions are a result of the shift towards sedentary lifestyle resulting in inactivity and poor diet. Other causes of DED are attributed to the long hours of screen-time where the average internet user has increased screen time on social networking by 37.5% between 2014 to 2024[13]. Therefore, these life-style habits raise the number of diagnoses for DED and subsequently increased the demand for treatments.

[5] IMARC – Biopharmaceutical Market Report 2024-2032
[6] Prescient & Strategic Intelligence – Biopharmaceuticals Market 2024-2030
[7] Ibid.
[8] Fortune Business Insights – Dry Eye Syndrome Market 2024-2032
[9] Grand View Research – Dry Eye Syndrome Treatment Market 2023-2030
[10] Global Market Insights – Dry Eye Disease Market 2023-2032
[11] The Ocular Surface - TFOS DEWS II Epidemiology Report 2017
[12] Market Diligence Report – Dry Eye Disease
[13] Statista – Daily time spent on social networking by internet users worldwide from 2012 to 2024

Environmental factors

The change in the global environment also plays a role in the growing prevalence of DED. With high populations living in dry climates and experiencing smoke exposure, such environments increase the likelihood of tear evaporation which may cause symptoms of dry eyes[14].

Technological advancements

Improvements in technology has enabled researchers to develop more advanced DED treatments and create new products that will be competitive in the treatment industry. Technological advancements have driven the interest in new research and novel solutions, particularly through the use of biologics. As such, research and development will contribute to future industry growth.

Industry challenges and barriers to entry

The DED treatment market has several challenges which may impede its revenue growth as follows:

- High expenses associated with the research and development of advanced treatment options, as well as the high cost for patients purchasing such products;
- Stringent regulatory standards which may delay the development process for new treatments; and
- The lack of treatment options in some populations may limit their reach to the market and access the necessary products.

Industry outlook

Overall, the US DED market is projected to experience industry growth, increasing from a market size of $6.61bn in 2022 to approximately $11.26bn in 2030[15].

[14] American Optometric Association –err Dry eye causes & risk factors
[15] Fortune Business Insights – Dry Eye Syndrome Market 2023-2030

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X99999999999

PROXY FORM

I/We being a member(s) of Cambium Bio Limited and entitled to attend and vote hereby appoint:

STEP 1 APPOINT A PROXY

☐ **the Chairman of the Meeting (mark box)**

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the General Meeting of the Company to be held at **1:00pm (Sydney Time) on Tuesday, 25 June 2024 at the Company's Registered Office located at 16 Goodhope Street Paddington NSW 2021** (the **Meeting**) and at any postponement or adjournment of the Meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

STEP 2 VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions	For	Against	Abstain*
1 Ratification of Issue of Shares - Tranche 1 Placement (Listing Rule 7.1)	☐	☐	☐
2 Ratification of Issue of Shares - Tranche 1 Placement (Listing Rule 7.1A)	☐	☐	☐
3 Approval to issue Shares – Tranche 2 Placement – Sebastian Tseng and ZYBT	☐	☐	☐
4 Approval to issue Shares – Tranche 2 Placement – Other Investors (Listing Rule 7.1)	☐	☐	☐
5 Share consolidation	☐	☐	☐

* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3 SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

(a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and

(b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be received at registrars@linkmarketservices.com.au prior to admission in accordance with the Notice of General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **1:00pm (Sydney Time) on Sunday, 23 June 2024,** being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

ONLINE

https://investorcentre.linkgroup.com

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

BY MOBILE DEVICE

QR Code

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link **https://investorcentre.linkgroup.com** into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.

BY MAIL

Cambium Bio Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia

BY FAX

+61 2 9287 0309

BY HAND

delivering it to Link Market Services Limited*
Parramatta Square
Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150

*during business hours Monday to Friday (9:00am - 5:00pm)

IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU. THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.