

ASX Announcement

AdAlta raises \$4.25 million to advance AD-214

MELBOURNE Australia, 13th July 2018, AdAlta Limited (ASX: 1AD), the biotechnology company advancing its lead i-body candidate toward clinical development, is pleased to announce the placement of 14,166,667 fully paid ordinary shares to sophisticated and institutional investors at a price of \$0.30 per share to raise \$4.25 million. Directors intend to take up a total of 522,450 shares, the issue of which will be subject to shareholder approval at the Annual General Meeting.

This funding will be used for manufacturing and pre-clinical studies of AD-214 as well as internal research and development of new i-bodies and corporate costs.

Commenting on the successful raising AdAlta Chairman Paul MacLeman said “This new funding brings AD-214 closer to the clinic. We are grateful of the support of the institutional and sophisticated investors who participated in the placement.”

AdAlta CEO, Sam Cobb added “Combined with our existing cash position and anticipated refundable R&D tax incentive, the Company now believes it has the necessary funds to take our lead program, AD-214 through to the end of manufacturing, an important milestone for the lead i-body candidate”.

About the Placement

The shares were offered at 30 cents, representing a 14.3% discount to the last closing price (35 cents) on 10th July and a 16.7% discount to the 15 day Volume Weighted Average Price (VWAP) of 36 cents.

The shares will be allocated using the Company’s available capacity under its 15% limit in accordance with ASX Listing Rule 7.1.

Morgans Corporate Limited and Patersons Securities Limited were Joint Lead Managers and Morgans were Bookrunner to the placement.

Share Purchase Plan

Following the settlement of the Placement, the Company intends to offer a Share Purchase Plan (SPP) to existing eligible shareholders. SPP documentation will be lodged separately to this announcement.

The SPP will allow each eligible shareholder, holding shares on the record date of 12 July 2018, the opportunity to apply for up to \$15,000 of fully paid ordinary shares in AdAlta.

The issue price of shares under the SPP will also be \$0.30.

-ENDS-

Notes to Editors

About AdAlta

AdAlta Limited is an Australian based drug development company headquartered in Melbourne. The Company is focused on using its proprietary technology platform to generate i-bodies, a new class of protein therapeutics, with applications as therapeutic drugs to treat disease.

I-bodies are a promising, novel class of drugs that offer a new and more effective approach to treating a wide range of human diseases. They are identified and developed using our proprietary technology platform.

We have pioneered a technology that mimics the shape and stability of a crucial antigen-binding domain, that was discovered initially in sharks and then developed as a human protein. The result is a range of unique compounds, now known as i-bodies, for use in treating serious diseases.

AdAlta is developing its lead i-body candidate, AD-214, for the treatment of idiopathic pulmonary fibrosis (IPF) and other human fibrotic diseases, for which current therapies are sub-optimal and there is a high-unmet medical need.

The Company also plans to continue further drug discovery and development directed towards other drug targets and diseases with its i-body technology platform.

Further information can be found at: www.adalta.com.au.

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