

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

ADALTA LIMITED

ABN

92 120 332 925

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

1	+Class of +securities issued or to be issued	(1) Fully Paid Ordinary Shares (2) Options
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	AdAlta will issue up to 13,364,150 fully paid ordinary shares under a pro-rata non-renounceable entitlement issue on a basis of 1 New Share for every 8.8 Existing Shares held and 1 New Option for every 2 New Shares subscribed for being up to approximately 6,682,075 Options exercisable at \$0.25 on or before 30 June 2021 as announced to ASX on 23 May 2019 (Entitlement Offer). The final number of New Shares issued in accordance with the Entitlement Offer will be subject to the determination of the Company and holding reconciliation and rounding.
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	(1) Fully Paid Ordinary Shares (2) Options, exercisable at \$0.25 expiring on 30 June 2021

+ See chapter 19 for defined terms.

4	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>the date from which they do</li> <li>the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>(1) Yes</p> <p>(2) No - Upon exercise of options, securities will rank equally with existing fully paid ordinary shares</p>
5	Issue price or consideration	<p>(1) \$0.15</p> <p>(2) Nil</p>
6	<p>Purpose of the issue</p> <p>(If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Proceeds will be used for</p> <ul style="list-style-type: none"> <li>- completing the manufacturing processes for AD-214 to GMP standard (good manufacturing practice)</li> <li>- AD-214 pre-clinical studies in fibrosis and safety in non-human primates (good laboratory practice (GLP) toxicology studies);</li> <li>- AD-214 phase 1 trial;</li> <li>- Expansion of i-body pipeline and partnering transactions;</li> <li>- General working capital; and</li> <li>- Cost of the offer.</li> </ul>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	Yes
6b	The date the security holder resolution under rule 7.1A was passed	28 November 2018
6c	Number of +securities issued without security holder approval under rule 7.1	Nil
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil

6f	Number of securities issued under an exception in rule 7.2	13,364,150 fully paid ordinary shares under a pro-rata non-renounceable entitlement issue on a basis of 1 New Share for every 8.8 existing Shares held and 1 New Option for every 2 New Shares subscribed for being 6,682,075 options	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	7.1	17,640,678
		7.1A	11,760,452
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	Anticipated to be 17 June 2019	
8	Number and +class of all +securities quoted on ASX ( <i>including</i> the securities in section 2 if applicable)	Number	+Class
		Assuming that the Maximum number of shares offered under the Entitlement Issue is issued 130,380,262 shares on issue after completion of the Entitlement Issue	Ordinary fully paid shares

+ See chapter 19 for defined terms.

Number and \*class of all  
\*securities not quoted on ASX  
(including the securities in  
section 2 if applicable)

Number	*Class
588,411	Ordinary shares subject to a Holding Lock
234,472	Unlisted options exercisable at 17 cents and expiring 1 November 2020* (1ADAD)
600,000	Unlisted options exercisable at 17 cents and expiring 16 October 2020 (1ADAD)
775,000	Unlisted options exercisable at 25 cents and expiring 14 November 2021 (1ADAD)
650,000	Unlisted options exercisable at 50 cents and expiring 14 November 2021 (1ADAD)
350,000	Unlisted options exercisable at 75 cents and expiring 14 November 2021 (1ADAD)
350,000	Unlisted options exercisable at 1 dollar and expiring 14 November 2021 (1ADAD)
200,000	Unlisted options exercisable at 31 cents and expiring 30 September 2022 (1ADAD)
375,000	Unlisted options exercisable at 25 cents and expiring 1 November 2022 (1ADAD)
200,000	Unlisted options exercisable at 31 cents and expiring 30 September 2021 (1ADAD)
620,535	Unlisted options exercisable at 24 cents and expiring 27 February 2022 (1ADAD)
Maximum number of Options offered under the Entitlement Issue is issued, there will be 6,682,075 options on issue after completion of the Entitlement Issue.	Options, exercisable at \$0.25 expiring on 30 June 2021

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

N/A
-----

## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No, shareholder approval is not required for the Entitlement Issue
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 New Share for every 8.8 existing Shares held and 1 New Option for every 2 New Shares subscribed for under the Entitlement Issue.
14	+Class of +securities to which the offer relates	(1) Fully Paid Ordinary Shares (2) Options, exercisable at \$0.25 expiring on 30 June 2021
15	+Record date to determine entitlements	7.00PM (Melbourne time) 28 May 2019
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Any fractional entitlement to a new share will be rounded up to the nearest whole new share.
18	Names of countries in which the entity has +security holders who will not be sent new issue documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	All countries other than Australia and New Zealand
19	Closing date for receipt of acceptances or renunciations	12 June 2019
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	Bell Potter Securities Limited and Aurenda Partners are Joint Lead Managers
23	Fee or commission payable to the broker to the issue	The Joint Lead Managers will be paid a 7% fee of gross amount raised by the Joint Lead Managers under the Entitlement Offer

---

+ See chapter 19 for defined terms.

24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of *security holders	N/A
25	If the issue is contingent on *security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	31 May 2019
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	23 May 2019
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do *security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do *security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do *security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	*Despatch date	Anticipated to be 17 June 2019

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a) ☒ Securities described in Part 1  
(1) Fully Paid Ordinary Shares Only

(b) ☐ All other securities  
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

### Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

---

+ See chapter 19 for defined terms.

40	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>					
41	<p>Reason for request for quotation now</p> <p><small>Example: In the case of restricted securities, end of restriction period</small></p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>					
42	<p>Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;">+Class</th> </tr> </thead> <tbody> <tr style="height: 60px;"> <td></td> <td></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

## Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
  
- 2 We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
 

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.



- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Print name:

Cameron Jones  
(Company secretary)

Date: 23 May 2019

== == == == ==

# Appendix 3B – Annexure 1

## Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

### Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	101,845,845
<b>Add</b> the following: <ul style="list-style-type: none"> <li>Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>Number of fully paid ordinary securities issued in that 12 month period with shareholder approval</li> <li>Number of partly paid ordinary securities that became fully paid in that 12 month period</li> </ul> <b>Note:</b> <ul style="list-style-type: none"> <li>Include only ordinary securities here – other classes of equity securities cannot be added</li> <li>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</li> <li>It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	1,592,011 (15 August 2018) (SPP) 522,450 (28 November 2018)  13,644,217 – Private Placement (19 July 2018) Ratified by shareholders on 28 November 2018
<b>Subtract</b> the number of fully paid ordinary securities cancelled during that 12 month period	0
<b>“A”</b>	117,604,523

<b>Step 2: Calculate 15% of "A"</b>	
<b>"B"</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply "A" by 0.15</b>	17,640,678
<b>Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used</b>	
<b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:  <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <b>Note:</b> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable ) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	0
<b>"C"</b>	0
<b>Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1</b>	
<b>"A" x 0.15</b>  <i>Note: number must be same as shown in Step 2</i>	17,640,678
<b>Subtract "C"</b>  <i>Note: number must be same as shown in Step 3</i>	0
<b>Total ["A" x 0.15] – "C"</b>	17,640,678  <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

## Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	117,604,523
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	11,760,452
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <b>Notes:</b> <ul style="list-style-type: none"> <li>• This applies to equity securities – not just ordinary securities</li> <li>• Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</li> <li>• Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</li> <li>• It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	0
<b>“E”</b>	0

<b>Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A</b>	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	11,760,452
<b>Subtract "E"</b> <i>Note: number must be same as shown in Step 3</i>	0
<b>Total ["A" x 0.10] – "E"</b>	11,760,452 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

---

+ See chapter 19 for defined terms.