

25 September 2020

ASX Announcement

Listing Rule 6.22.2 Adjustment to Option Exercise Prices

MELBOURNE Australia, 25 September 2020: AdAlta Limited (ASX:1AD), a clinical stage biopharmaceutical discovery and development company using i-body technology to address challenging drug targets, advises it has options on issue which, under Listing Rule 6.22.2 and their terms and conditions, require their exercise price to be adjusted as a consequence of the Non-renounceable Rights Issue Offer that closed on 2 September 2020 (Entitlement Offer).

Listing Rule 6.22 confers on an option the right to a change to its exercise price if there is a pro rata issue (except a bonus issue). The reduction in exercise price to be applied is outlined in the formula in Listing Rule 6.22.2.

As a result of the recent Entitlement Offer, applying the formula in Listing Rule 6.22.2 requires a reduction in the exercise price of issued options of \$0.0015 per option.

In accordance with Listing Rule 3.11.2, AdAlta advises that, effective from 30 September 2020, the exercise price of the following options will be amended in accordance with their terms and conditions and the Listing Rules:

Details	Number of Options	Expiry Date	Original Exercise Price	Amended Exercise Price
Listed options (1ADO)	23,348,803	30/06/2021	\$0.25	\$0.2485
Unlisted options	234,472	1/11/2020	\$0.17	\$0.1685
Unlisted options	600,000	16/10/2020	\$0.17	\$0.1685
Unlisted options	400,000	14/11/2021	\$0.25	\$0.2485
Unlisted options	130,000	14/11/2021	\$0.50	\$0.4985
Unlisted options	100,000	14/11/2021	\$0.75	\$0.7485
Unlisted options	100,000	14/11/2021	\$1.00	\$0.9985
Unlisted options	620,535	27/02/2022	\$0.24	\$0.2385
Unlisted options	4,929,060	26/11/2025	\$0.25	\$0.2485
Unlisted options	600,000	20/03/2023	\$0.085	\$0.0835

The effect of the change in exercise prices is a reduction of \$46,594 in the amount of capital that would be raised by the Company should all the above options be exercised.

Authorised for lodgement by:

Tim Oldham
CEO and Managing Director
September 2020

Notes to Editors

About AdAlta

AdAlta Limited is a clinical stage drug development company headquartered in Melbourne, Australia. The Company is using its proprietary i-body technology platform to solve challenging drug targeting problems and generate a promising new class of single domain antibody protein therapeutics with the potential to treat some of today's most challenging medical conditions. The i-body technology mimics the shape and stability of a unique and versatile antigen-binding domain that was discovered initially in sharks and then developed as a human protein. The result is a range of unique proteins capable of interacting with high selectivity, specificity and affinity with previously difficult to access targets such as G-protein coupled receptors (GPCRs) that are implicated in many serious diseases.

AdAlta is conducting Phase 1 clinical studies for its lead i-body candidate, AD-214. AD-214 is being developed 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 is also entering collaborative partnerships to advance the development of its i-body platform. It has an agreement with GE Healthcare for diagnostic imaging agents against several drug targets, including Granzyme B.

AdAlta's strategy is to maximise the products developed using its next generation i-body platform by internally discovering and developing selected i-body enabled product candidates against GPCRs implicated in fibrosis, inflammation and cancer and partnering with other biopharmaceutical companies to develop product candidates against other classes of receptor, in other indications, and in other product formats.

Further information can be found at: <https://adalta.com.au>

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