8 November 2021

ASX Announcement

RESEARCH AND DEVELOPMENT TAX REFUND RECEIVED

MELBOURNE Australia, 8 November 2021: AdAlta Limited (ASX:1AD), the clinical stage drug discovery company developing novel therapeutic products from its i-body platform is pleased to announce the receipt of its 2020/2021 Research and Development Tax Incentive (RDTI) refund. Net proceeds after full repayment of the Radium Capital facility are $894,329.

The RDTI is an Australian Government program providing important support for biotechnology and other sectors under which companies receive cash refunds for 43.5% of eligible expenditure on research and development.

The cash received is in addition to the $4.0million non-dilutive financing facility agreement with the Victorian Government announced on 20 September 2021.

Authorised for lodgement by:

Tim Oldham
CEO and Managing Director
November 2021

Notes to Editors

About AdAlta

AdAlta Limited (ASX:1AD) is a clinical stage drug development company headquartered in Melbourne, Australia. The Company is using its proprietary i-body technology platform to generate a promising new class of medicines with the potential to treat some of today's most challenging diseases.

The Company's lead asset, called AD-214, is a first-in-class product being developed for the treatment of Idiopathic Pulmonary Fibrosis (IPF) and other human fibrotic diseases and potentially cancers, for which current therapies are sub-optimal and there is a high unmet medical need. AD-214 has progressed through Phase I clinical trials in healthy volunteers.

AdAlta is also entering collaborative partnerships to co-develop i-body enabled therapeutics. The Company has a revenue generating partnership agreement with GE Healthcare which is designed to discover a diagnostic imaging agent for use in immuno-oncology.

AdAlta's growth strategy is to add value to its existing assets and build a pipeline of wholly owned and co-developed therapeutic products enabled by i-bodies.

About i-bodies

Traditional monoclonal antibodies transformed the pharmaceutical industry's ability to address drug targets selectively and specifically. There remain many targets and applications they have been unable to address. i-bodies are designed to solve these challenging drug targeting problems.

i-bodies are single domain antibodies that mimic 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. These unique proteins are capable of interacting with high selectivity, specificity and affinity with difficult to access targets such as G-protein coupled receptors (GPCRs) that are implicated in many serious diseases. i-bodies are the first fully human single domain antibody scaffold.

About AD-214

AD-214 is being developed for the treatment of Idiopathic Pulmonary Fibrosis (IPF) and other human fibrotic diseases and potentially cancers, for which current therapies are sub-optimal and there is a high unmet medical need. AD-214 targets a GPCR called CXCR4 and has been specifically engineered to include features making it suitable for chronic use in fibrosis. It is the only agent against CXCR4 being developed for fibrotic diseases, giving it first-in-class status.

AD-214 has demonstrated efficacy in animal models of IPF and kidney fibrosis and studies in eye fibrosis and metastatic cancer are underway.

In Phase I clinical trials, AD-214 was well tolerated in single and multiple intravenous doses in healthy volunteers and demonstrates high and sustained duration of CXCR4 receptor occupancy. A radiolabelled version of AD-214 for safety and biodistribution (PET imaging) studies has also been developed. AdAlta is developing a more convenient inhaled formulation for future clinical studies.

AD-214 has Orphan Drug Designation (ODD) from the US Food and Drug Administration.

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

For more information, please contact:

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