



**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

13 April 2023

Dear Shareholder

**NOTICE TO ELIGIBLE SHAREHOLDERS**

On 3 April 2023, Avecho Biotechnology Limited (ACN 056 482 403) (ASX:AVE) (**Avecho** or **Company**) announced that it is undertaking a non-renounceable entitlement offer of 1 new fully paid ordinary share (**New Share**) for every 1 existing share held by Eligible Shareholders on the Record Date, at an issue price of \$0.006 per New Share to raise up to approximately \$11 million (before costs) (**Entitlement Offer**). Participants in the Entitlement Offer will also be issued 3 free attaching options exercisable at \$0.012 each and expiring 3 years from the date of issue (**New Options**) for every 2 New Shares subscribed under the Entitlement Offer.

Eligible Shareholders who have taken up their full Entitlement may also apply (in excess of their Entitlement) for New Shares and New Options not subscribed for by other Eligible Shareholders at the same issue price as under the Entitlement Offer. Refer to the Prospectus for details regarding the allocation policy for the Additional Share Facility.

The Entitlement Offer is being conducted under a prospectus (**Prospectus**) pursuant to section 713 of the *Corporations Act 2001* (Cth) (**Corporations Act**). Capitalised terms used, but not defined, in this letter have the meaning ascribed to them in the Prospectus.

**Eligibility criteria**

Eligible Shareholders include persons who:

- are registered as a holder of fully paid ordinary shares in Avecho as at 7:00 pm (AEST) on Thursday, 6 April 2023 (**Record Date**);
- have a registered address in Australia or New Zealand as noted on the Company's share register, or are a Shareholder that the Company has otherwise determined is eligible to participate in the Entitlement Offer;
- are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States (to the extent such person holds existing shares for the account or benefit of such person in the United States); and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer,

(**Eligible Shareholder**).

The Company has determined, pursuant to section 9A(3) of the Corporations Act and Listing Rule 7.7.1(a) of the ASX Listing Rules, that it would be unreasonable to make offers to shareholders in countries outside of Australia or New Zealand in connection with the Entitlement Offer. This is due to the legal and regulatory requirements in countries outside of Australia or New Zealand and the potential costs to the Company of complying with these requirements, compared with the relatively small number of shareholders in those countries, the relatively small number of existing shares they hold and the relatively low value of New Shares to which those shareholders would otherwise be entitled to subscribe for.

## Prospectus

This letter is not an offer document but is a notice of some key terms and conditions of the Entitlement Offer.

Full details of the Entitlement Offer are set out in the Prospectus, which has today been despatched to Eligible Shareholders. If you have opted to receive communications by post, a copy of the Prospectus, Investor Presentation and a personalised Entitlement and Acceptance Form (which contains details of your Entitlements under the Entitlement Offer) will be mailed to your address on the Company's shares register. If you have opted to receive communications electronically, you will receive an email containing a link to access an electronic copy of the Prospectus and your personalised Entitlement and Acceptance Form.

Eligible Shareholders can also access a copy of the Prospectus, Investor Presentation, and personalised Entitlement and Acceptance Form at the following link: [www.computersharecas.com.au/aveoffer](http://www.computersharecas.com.au/aveoffer).

The Company has also launched an online Investor Hub where Shareholders can engage directly with management and access additional information. You can access the Hub at: <https://ave.freshamplify.com/welcome>.

## Actions which may be taken by Eligible Shareholders

If you are an Eligible Shareholder, you may take any one of the following actions:

- take up all of your Entitlement;
- take-up all of your Entitlement and apply for additional New Shares under the Additional Share Facility;
- take up part of your Entitlement and allow the balance to lapse; or
- do nothing, in which case your entitlement will lapse and you will receive no value for those lapsed Entitlements.

Your entitlements under the Entitlement Offer may have value and it is important you determine whether to take up (in whole or in part) or do nothing in respect of your entitlement. There are a number of matters that you should consider in relation to taking up your entitlement. You should ensure that you understand the tax consequences of any action that you take, and you should consider seeking advice from your professional adviser.

The Entitlement Offer is non-renounceable and therefore the entitlements that you would have been entitled to, or the underlying shares that you may have subscribed for, will not be offered for sale and no amount will be payable to you. This is not an offer of New Shares to you, nor an invitation for you to apply for New Shares or New Options.

## Taking up an entitlement

If you wish to take up all, or part of, your entitlements under the Entitlement Offer, please pay your application monies by following the instructions set out on the personalised Entitlement and Acceptance Form. Application Monies must be received before 5:00pm (AEST) on Wednesday, 3 May 2023. Nominees must not take up Entitlements under the Entitlement Offer on behalf of, or send any documents related to the Entitlement Offer to, any person in the United States.

## Further information

For further information regarding the Entitlement Offer, please contact the offer information line on 1300 850 505 (within Australia) or +61 3 9415 5000 (outside Australia) between 8.30am to 5.00pm (AEST) Monday to Friday during the offer period. Alternatively, contact your stockbroker, solicitor, accountant or other professional adviser.

On behalf of the Board, I thank you for your ongoing support of the Company.

Yours sincerely,



**Dr Gregory Collier**  
Chairman

## Important information

This letter is issued by Avecho. This letter is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute an offer, invitation or recommendation to subscribe for, retain or purchase any entitlements or securities in Avecho in any jurisdiction. This letter does not constitute financial product advice and does not and will not form any part of any contract for the acquisition of entitlements or Avecho securities.

This letter may not be released or distributed in the United States. This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any person in the United States. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares or New Options in any jurisdiction. In particular, the New Shares and New Options have not been, and will not be, registered under the United States Securities Act of 1933 (**U.S. Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements, the New Shares and New Options may not be issued to, purchased or traded by, or taken up or exercised by, any person in the United States or any person acting for the account or benefit of a person in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable United States state securities laws. The entitlements, New Shares and New Options to be offered in the Entitlement Offer will only be offered outside the United States in "offshore transactions" (as defined in Rule 902(h) of the Securities Act) in reliance on Regulation S under the U.S. Securities Act.