



NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

13 April 2023

Dear Shareholder

NOTICE TO INELIGIBLE FOREIGN 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.

This is a letter to inform you that, according to our records, unfortunately you do not satisfy the eligibility criteria to participate in the Entitlement Offer.

Why am I not eligible to participate in the Entitlement Offer?

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.

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Shareholder stated above. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3)(b) of the Corporations Act, this letter is to inform you that the Company has determined that you are not an Eligible Shareholder and, therefore, are ineligible to exercise your entitlement to be issued New Shares and New Options under the Entitlement Offer.


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 or New Options to you, nor an invitation for you to apply for New Shares or New Options.

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.