

24 April 2023

Dear Shareholder

Upcoming Extraordinary General Meeting of Shareholders

Cynata Therapeutics Limited (ASX: RAC) is convening an Extraordinary General Meeting of shareholders to be held at Amora Hotel Riverwalk Melbourne, 649 Bridge Road, Richmond VIC 3121 at 10.30 am (AEST) on Thursday, 25 May 2023 (**Meeting**)

The Company **strongly encourages Shareholders to lodge a directed proxy form by Tuesday, 23 May 2023 at 10.30 am (AEST)**. Shareholder questions should also be submitted in advance of the Meeting as this will provide management with the best opportunity to prepare answers. Further details of how to participate are set out in the Notice of Meeting.

The Notice of Meeting can be viewed and downloaded from: <https://cynata.com/cyp-asx-announcements>

Shareholders who have nominated an email address and have elected to receive electronic communications from the Company, will receive an email to their nominated email address with a link to an electronic copy of the important Meeting documents.

In accordance with sections 110C-110K the Corporations Act, as amended by the *Corporations Amendment (Meetings and Documents) Act 2022* (Cth), no hard copy of the Notice of Extraordinary General Meeting and Explanatory Memorandum will be circulated, unless a shareholder has requested a hard copy.

If you are unable to access any of the important Meeting documents online or if you wish to receive a hard copy of the Meeting documents please contact our share registry, Automic, on 1300 288 664 (within Australia) or +612 9698 5414 or via email at hello@automic.coim.au

Your right to elect to receive documents electronically or in hard copy

Cynata Therapeutics will no longer send a hard copy of the meeting documents unless a shareholder requests a copy to be mailed.

We encourage all shareholders to provide an email address so that we can send investor communications electronically when they become available online, which includes items such as meeting documents and annual reports.

Shareholders can still elect to receive some or all of their communications in hard copy or electronic form or elect not to receive certain documents such as annual reports.

To review your communications preferences or sign up to receive your shareholder communications via email, please update your communication preferences at <https://investor.automic.com.au/>.

If you are a shareholder and would like a hard copy of a communication, need further information about the options available to you or have questions about your holding, visit <https://investor.automic.com.au/> or contact our share registry:

Telephone (within Australia): 1300 288 664
Telephone (outside Australia): +61 2 9698 5414
Email: hello@automicgroup.com.au
Website: <https://investor.automic.com.au/>

Yours sincerely



Ross Macdonald

Managing Director & CEO



Dr Ross Macdonald, Managing Director & CEO

CONTACTS: Dr Ross Macdonald, CEO, Cynata Therapeutics, +61 (0)412 119 343, ross.macdonald@cynata.com

About Cynata Therapeutics (ASX: CYP)

Cynata Therapeutics Limited (ASX: CYP) is an Australian clinical-stage stem cell and regenerative medicine company focused on the development of therapies based on Cymerus™, a proprietary therapeutic stem cell platform technology. Cymerus™ overcomes the challenges of other production methods by using induced pluripotent stem cells (iPSCs) and a precursor cell known as mesenchymoangioblast (MCA) to achieve economic manufacture of cell therapy products, including mesenchymal stem cells (MSCs), at commercial scale without the limitation of multiple donors.

Cynata's lead product candidate CYP-001 met all clinical endpoints and demonstrated positive safety and efficacy data for the treatment of steroid-resistant acute graft-versus-host disease (aGvHD) in a Phase 1 trial. Planning for a Phase 2 clinical trial in aGvHD under a cleared US FDA IND is presently underway. Clinical trials of Cymerus products in osteoarthritis (Phase 3) and diabetic foot ulcers (DFU) are currently ongoing. In addition, Cynata has demonstrated utility of its Cymerus technology in preclinical models of numerous diseases, including the clinical targets mentioned above, as well as critical limb ischaemia, idiopathic pulmonary fibrosis, asthma, heart attack, sepsis, acute respiratory distress syndrome (ARDS) and cytokine release syndrome.

Cynata Therapeutics encourages all current investors to go paperless by registering their details with the designated registry service provider, Automic Group.

CYNATA THERAPEUTICS LIMITED

ACN 104 037 372

NOTICE OF EXTRAORDINARY GENERAL MEETING

An Extraordinary General Meeting of the Company will be convened at the Amora Hotel Riverwalk Melbourne, 649 Bridge Road, Richmond VIC 3121 on Thursday, 25 May 2023 at 10.30 am (AEST).

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 8 6377 8043.

CYNATA THERAPEUTICS LIMITED

ACN 104 037 372

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of Shareholders of Cynata Therapeutics Limited (**Company**) will be held at the Amora Hotel Riverwalk Melbourne, 649 Bridge Road, Richmond VIC 3121 on Thursday, 25 May 2023 at 10.30 am (AEST) (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum also forms part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Tuesday, 23 May 2023 at 7.00 pm (AEST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 9 of the Explanatory Memorandum.

AGENDA

1. Resolution 1 – Ratification of issue of Shares under the Unconditional Placement

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, the issue of 22,811,202 Shares to sophisticated and professional investors under the Unconditional Placement, details of which are set out in the Explanatory Memorandum, be ratified by Shareholders."

Note: A voting exclusion applies to this Resolution.

2. Resolution 2 – Approval to issue Options under the Unconditional Placement

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, the issue of up to 11,405,604 free attaching Options to sophisticated and professional investors under the Unconditional Placement, details of which are set out in the Explanatory Memorandum, be approved by Shareholders."

Note: A voting exclusion applies to this Resolution.

3. Resolution 3 – Approval to issue Options to Shareholders in connection with the Share Purchase Plan

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of Listing Rule 7.1 and for all other purposes, the issue of one free attaching Option for every two new Shares issued to Shareholders who subscribe for Shares under the Share Purchase Plan (excluding investors who subscribe for the Shortfall Shares), details of which are set out in the Explanatory Memorandum, be authorised and approved by Shareholders."

Note: A voting exclusion applies to this Resolution.

4. Resolution 4 – Approval to issue Shortfall Shares and attaching Options in connection with the Share Purchase Plan

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purpose of Listing Rule 7.1 and for all other purposes, the issue of up to \$2,000,000 worth of Shares at the SPP Offer Price, comprising shortfall from the Share Purchase Plan (Shortfall Shares), and one free attaching Option for every two Shortfall Shares issued, details of which are set out in the Explanatory Memorandum, be authorised and approved by Shareholders."

Note: A voting exclusion applies to this Resolution.

5. Resolution 5 – Approval to issue Shares and Options to Dr Geoff Brooke under the Director Placement

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, the issue of 139,534 Shares and 69,767 free attaching Options to Director Dr Geoff Brooke (or nominee(s)) under the Director Placement (on the same terms as Shares and Options are issued under the Unconditional Placement), details of which are set out in the Explanatory Memorandum, be authorised and approved by Shareholders."

Note: A voting exclusion applies to this Resolution. If Shareholder approval is obtained under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1.

6. Resolution 6 – Approval to issue Shares and Options to Dr Ross Macdonald under the Director Placement

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, the issue of 55,813 Shares and 27,907 free attaching Options to Managing Director Dr Ross Macdonald (or nominee(s)) under the Director Placement (on the same terms as Shares and Options are issued under the Unconditional Placement), details of which are set out in the Explanatory Memorandum, be authorised and approved by Shareholders."

Note: A voting exclusion applies to this Resolution. If Shareholder approval is obtained under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1.

7. Resolution 7 – Approval to issue Shares and Options to Dr Darryl Maher under the Director Placement

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, the issue of 50,000 Shares and 25,000 free attaching Options to Director Dr Darryl Maher (or nominee(s)) under the Director Placement (on the same terms as Shares and Options are issued under the under the Unconditional Placement), details of which are set out in the Explanatory Memorandum, be authorised and approved by Shareholders."

Note: A voting exclusion applies to this Resolution. If Shareholder approval is obtained under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1.

8. Resolution 8 – Approval to issue Shares and Options to Ms Janine Rolfe under the Director Placement

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, the issue of 116,279 Shares and 58,140 free attaching Options to Director Ms Janine Rolfe (or nominee(s)) under the Director Placement (on the same terms as Shares and Options are issued under the under the Unconditional Placement), details of which are set out in the Explanatory Memorandum, be authorised and approved by Shareholders."

Note: A voting exclusion applies to this Resolution. If Shareholder approval is obtained under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1.

9. Resolution 9 – Approval to issue Shares and Options to Dr Stewart Washer under the Director Placement

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, the issue of 139,534 Shares and 69,767 free attaching Options to Director Dr Stewart Washer (or nominee(s)) under the Director Placement (on the same terms as Shares and Options are issued under the under the Unconditional Placement), details of which are set out in the Explanatory Memorandum, be authorised and approved by Shareholders."

Note: A voting exclusion applies to this Resolution. If Shareholder approval is obtained under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1.

10. Resolution 10 – Approval to issue Shares and Options to Dr Paul Wotton under the Director Placement

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, the issue of 139,534 Shares and 69,767 free attaching Options to Director Dr Paul Wotton (or nominee(s)) under the

Director Placement (on the same terms as Shares and Options are issued under the under the Unconditional Placement), details of which are set out in the Explanatory Memorandum, be authorised and approved by Shareholders."

Note: A voting exclusion applies to this Resolution. If Shareholder approval is obtained under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1.

11. Voting exclusions

The Company will disregard any votes cast on Resolutions 1 to 10 (inclusive) in contravention of sections 250BD or 250R of the Corporations Act.

In accordance with the Listing Rule 14.11, the Company will disregard votes cast in favour of the following Resolutions by or on behalf of:

Resolution	Person excluded from voting
Resolution 1 – Ratification of issue of Shares under the Unconditional Placement	Unconditional Placement participants (or their nominee(s)) and any of their Associates.
Resolution 2 – Approval to issue attaching Options under the Unconditional Placement	Unconditional Placement participants (or their nominee(s)) and any of their Associates.
Resolution 3 – Approval to issue Options to Shareholders in connection with Share Purchase Plan	Share Purchase Plan participants (or their nominee(s)) and any of their Associates.
Resolution 4 – Approval to issue Shortfall Shares and attaching Options in connection with the Share Purchase Plan	Any sophisticated or professional investor who may participate in the proposed issue of Shortfall Shares and free attaching Options, and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if this resolution is passed, and any Associates of those persons.
Resolution 5 – Approval to issue Shares and free attaching Options to Dr Geoff Brooke on the same terms as the Unconditional Placement	Dr Geoff Brooke (or his nominee(s)), any other person who will obtain a material benefit as a result of the issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) and any of their Associates.
Resolution 6 – Approval to issue Shares and free attaching Options to Dr Ross Macdonald on the same terms as the Unconditional Placement	Dr Ross Macdonald (or his nominee(s)), any other person who will obtain a material benefit as a result of the issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) and any of their Associates.
Resolution 7 – Approval to issue Shares and free attaching Options to Dr Darryl Maher on the same terms as the Unconditional Placement	Dr Darryl Maher (or his nominee(s)), any other person who will obtain a material benefit as a result of the issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) and any of their Associates.
Resolution 8 – Approval to issue Shares and free attaching Options to Ms Janine Rolfe on the same terms as the Unconditional Placement	Ms Janine Rolfe (or her nominee(s)), any other person who will obtain a material benefit as a result of the issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) and any of their Associates.

Resolution	Person excluded from voting
Resolution 9 – Approval to issue Shares and free attaching Options to Dr Stewart Washer on the same terms as the Unconditional Placement	Dr Stewart Washer (or his nominee(s)), any other person who will obtain a material benefit as a result of the issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) and any of their Associates.
Resolution 10 – Approval to issue Shares and free attaching Options to Dr Paul Wotton on the same terms as the Unconditional Placement	Dr Paul Wotton (or his nominee(s)), any other person who will obtain a material benefit as a result of the issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) and any of their Associates.

However, the Company need not disregard on the above resolutions if the vote is cast by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the directions given to the proxy or attorney to vote on the resolution in that way; or
- (b) the person chairing the Meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with the direction given to the chair to vote as the chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.

Dated 21 April 2023

BY ORDER OF THE BOARD



Mr Peter Webse
Company Secretary

CYNATA THERAPEUTICS LIMITED

ACN 104 037 372

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be convened at the Amora Hotel Riverwalk Melbourne, 649 Bridge Road, Richmond VIC 3121 on Thursday, 25 May 2023 at 10.30 am (AEST).

The Meeting is an in-person meeting and is not a hybrid or virtual meeting. Shareholders are encouraged to attend the Meeting or submit their proxy vote in advance of the Meeting.

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

Proxy votes can be lodged online at <https://investor.automic.com.au/#/loginsah>. Alternatively, any proxy appointment documents may be provided:

- (a) In Person – Automic, Level 5, 126 Phillip Street, Sydney NSW 2000;
- (b) By Mail – Automic, GPO Box 5193, Sydney NSW 2001;
- (c) By Email – meetings@automicgroup.com.au; or
- (d) By Facsimile – +61 (0)2 8583 3040.

Proxy appointments must be received by Tuesday, 23 May 2023 at 10.30 am (AEST), being not later than 48 hours before the commencement of the Meeting. Any proxy appointments received after that time will not be valid for the Meeting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 6377 8043.

3. Capital Raising

3.1 Overview

On 6 April 2023, the Company announced a capital raising and issue of Shares and free attaching Options comprising the following components (**Capital Raising**).

Placement

- (a) A placement to professional and sophisticated investors, including the Company's Board members, to raise a total of approximately \$5.04 million (**Placement**) through the issue of 23,451,896 new Shares at an offer price of \$0.215 per Share (**Offer Price**).
- (b) The Placement comprises the **Unconditional Placement** and **Director Placement**.
- (c) The Company has engaged Bell Potter Securities Limited as lead manager of the Placement. The Placement is not underwritten.

Unconditional Placement

- (d) On 17 April and on or around 24 April 2023, a total of 22,811,202 new Shares will have been issued to professional and sophisticated investors (**Unconditional Placement**), utilising the Company's existing placement capacity under ASX Listing Rules 7.1 and 7.1A as follows:
 - (i) 8,483,543 Shares issued under ASX Listing Rule 7.1; and
 - (ii) 14,327,659 Shares issued under ASX Listing Rule 7.1A.
- (e) The Company seeks to ratify the issue of Shares under the Unconditional Placement at this Meeting – see Resolution 1.

Director Placement

- (f) In conjunction with the Unconditional Placement, the Company is undertaking a placement to the Directors on the same terms (**Director Placement**).
- (g) On or around Wednesday, 31 May 2023, a total of 640,694 Shares and up to 320,348 free attaching Options are proposed to be issued to the Directors under the Director Placement.
- (h) The issue of new Shares and Options under the Director Placement is conditional on Shareholder approval – see Resolutions 5 to 10.
- (i) Resolutions 5 to 10 seek approval for the issue of:
 - (i) \$29,999.81 worth of Shares (139,534 new Shares) and up to 69,767 Options to Director Dr Geoff Brooke (or his nominee(s));
 - (ii) \$11,999.79 worth of Shares (55,813 new Shares) and up to 27,907 Options to Director Dr Ross Macdonald (or his nominee(s));
 - (iii) \$10,750.00 worth of Shares (50,000 new Shares) and up to 25,000 Options to Director Dr Darryl Maher (or his nominee(s));
 - (iv) \$24,999.98 worth of Shares (116,279 new Shares) and up to 58,140 Options to Director Ms Janine Rolfe (or her nominee(s));
 - (v) \$29,999.81 worth of Shares (139,534 new Shares) and up to 69,767 Options to Director Dr Stewart Washer (or his nominee(s)); and
 - (vi) \$29,999.81 worth of Shares (139,534 new Shares) and up to 69,767 Options to Director Dr Paul Wotton (or his nominee(s)).
- (j) The issue of Shares and Options to Directors under the Director Placement will, if approved, be undertaken on exactly the same terms as the issue of Shares and Options to participants in the Unconditional Placement.
- (k) The total value of new Shares (at the Offer Price) proposed to be issued to the above-named Directors is \$137,749, as disclosed in the Company's announcement of 6 April 2023.

Share Purchase Plan

- (l) A share purchase plan to accompany the Placement (**Share Purchase Plan** or **SPP**), under which eligible Shareholders (i.e. Shareholders with an address in Australia or New Zealand, or otherwise as determined by the Directors, who are on the register as at 7pm on 5 April 2023) will be entitled to acquire up to \$30,000 worth of new Shares at the SPP Offer Price. The Company is seeking to raise \$2,000,000 under the SPP.
- (m) The **SPP Offer Price** is calculated as the lower of:
 - (i) the Offer Price under the Placement, being \$0.215; and
 - (ii) the price representing a 2.5% discount to the volume weighted average price of Shares during the five trading days up to the Closing Date of the SPP, rounded to the nearest half cent,

provided that the SPP Offer Price can be no lower than the lowest price permitted under Listing Rule 7.2, Exception 5.
- (n) The SPP is not underwritten.
- (o) The Directors have reserved the right to place all of the Shortfall Shares (and attaching Options) under the SPP to any other sophisticated and professional investors as a separate placement (**SPP Shortfall Offer**).
- (p) Accordingly, Resolution 4 seeks Shareholder approval to issue up to the maximum of \$2,000,000 worth of Shortfall Shares (at the SPP Offer Price), to any other sophisticated and professional investors who are not related parties of the Company. This assumes that no Shareholders subscribe for Shares under the SPP.

Options

- (q) Shares issued under the Placement and SPP are being offered with free attaching options, expiring on 1 April 2025 and with an exercise price of \$0.30 (**Options**). The terms of issue of the Options are set out in Schedule 1.
- (r) The Options are being offered at a ratio of one Option for every two new Shares issued under the Placement and SPP.
- (s) The Options are being offered under a transaction-specific prospectus issued by the Company on 19 April 2023 (**Prospectus**).
- (t) The Company will apply for quotation of the Options on ASX, the grant of which will be subject to satisfaction of the minimum spread requirements under the Listing Rules. If the Options are not quoted, the issue of Options may not proceed.
- (u) Only those Shareholders who participated in the Placement, or who are eligible to participate in the SPP, will be entitled to subscribe for Options under the Prospectus.
- (v) Resolution 2 seeks approval for the issue of up to approximately 11,405,604 Options to participants in the Unconditional Placement, so that the issue of Options does not count towards the Company's capacity under Listing Rule 7.1. The issue of Options is not conditional on Shareholder approval – in the event that Resolution 2 is not passed, the Company will proceed with the issue of Options however the issue will count towards its capacity under Listing Rule 7.1.
- (w) Resolution 3 seeks approval for the issue of one Option for every two Shares issued under the SPP. The final number of Shares issued under the SPP will depend on the level of applications and the SPP Offer Price. Assuming the SPP is fully subscribed (up to \$2,000,000) and the SPP Offer Price is the Offer Price under the Placement, up to approximately 9,302,325 Shares and 4,651,163 Options will be issued to participants in the SPP. If the SPP is fully subscribed and the SPP Offer Price is lower than the Offer Price under the Placement, more Shares (and more Options) will be issued in connection with the SPP on the basis of the lower SPP Offer Price. The

issue of Options to participants in the SPP is conditional on Resolution 3 being approved by Shareholders.

- (x) Resolution 4 also seeks approval for the issue of one Option for every two Shortfall Shares issued under the SPP Shortfall Offer (assuming that no Shareholder subscribes for Shares or Options under the SPP).

3.2 Use of funds raised under the Capital Raising

The proceeds of the Capital Raising will be used as follows (assuming the full amount of \$2 million is raised under the SPP):

- (a) Phase 2 aGvHD clinical trial: \$6.0 million;
- (b) Working Capital: \$0.5 million; and
- (c) Costs of the Capital Raising: \$0.5 million.

Any proceeds of the exercise of Options will be used to progress the Company's clinical trial program and for working capital purposes.

3.3 Timetable of the Capital Raising

The timetable for the Capital Raising, assuming the passing of all of the Resolutions which relate to the Capital Raising, is set out below. The dates that have not yet passed as at the date of this Notice of Meeting are indicative only and subject to change at the Company's complete discretion.

Event	Date (2023)
SPP Record Date	Wednesday, 5 April
Capital Raising announced Investor Presentation and ASX Announcement lodged with ASX	Thursday, 6 April
Settlement of Unconditional Placement (other than Bioscience Managers)	Friday, 14 April
Issue and trading of Shares under the Unconditional Placement (other than Bioscience Managers)	Monday, 17 April
Despatch of SPP Offer Booklet SPP opens Options Prospectus lodged with ASIC and ASX and Options offer opens	Wednesday, 19 April
Settlement and issue of Shares to Bioscience Managers under Unconditional Placement	Monday, 24 April
Despatch of Notice of Meeting	Monday, 24 April
SPP closes	Monday, 8 May
Announcement of results of SPP	Wednesday, 10 May
Issue of new Shares under SPP (other than Shortfall Shares)	Thursday, 11 May

Event	Date (2023)
Extraordinary General Meeting	Thursday, 25 May
Settlement of Director Placement	Tuesday, 30 May
Allotment of Shares under the Director Placement Allotment of Options (subject to ASX quotation condition being met)	Wednesday, 31 May

3.4 Impact of the Capital Raising on the capital structure of the Company

Assuming the completion of the issue of:

- (a) 22,811,202 Shares under the Unconditional Placement, together with the issue of 11,405,604 free attaching Options;
- (b) 640,694 Shares under the Director Placement, together with the issue of 320,348 free attaching Options; and
- (c) 9,302,325 Shares under the SPP, together with the issue of 4,651,163 free attaching Options, on completion of the Capital Raising (and assuming no further equity securities are issued or converted), the capital structure of the Company will comprise:
- (d) 176,030,815 Shares; and
- (e) 23,677,115 options.

4. Resolution 1 – Ratification of issue of Shares under the Unconditional Placement

Resolution 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 of the issue of Shares under the Unconditional Placement. See Section 3 above for further details on the Unconditional Placement.

4.1 Background

A total of 22,811,202 Shares will be issued under the Unconditional Placement as follows:

- (a) 13,508,877 Shares were issued on 17 April 2023; and
- (b) 9,302,325 Shares will be issued to Bioscience Managers on or around 24 April 2023

The prior approval of Shareholders was not required in respect of the issue of Shares in connection with the Unconditional Placement as the issue did not exceed the Company's available capacity under Listing Rules 7.1 and 7.1A and no Shares were issued to any related party of the Company.

4.2 Listing Rules 7.1, 7.1A and 7.4

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25% for the 12 months following that meeting. The Company obtained approval under Listing Rule 7.1A to increase its 15% limit by an extra 10% to 25% at its most recent Annual General Meeting on 22 November 2022 (the **10% Placement Facility**).

The issue of Shares under the Unconditional Placement does not fit within any of the exceptions and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1 and all of the 10% limit in Listing Rule 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of the issue.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule or Listing Rule 7.1A.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1 and Listing Rule 7.1A. To this end, Resolution 1 seeks Shareholder approval of the issue of Shares under the Unconditional Placement under and for the purposes of Listing Rule 7.4.

If Resolution 1 is passed, the issue of Shares under the Unconditional Placement will be excluded in calculating the Company's 15% limit in Listing Rule 7.1 (as extended to 25% under the 10% Placement Facility), effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of the issue.

If Resolution 1 is not passed, the issue of Shares under the Unconditional Placement will be included in calculating the Company's 15% limit in Listing Rule 7.1 (as extended to 25% under the 10% Placement Facility), effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of the issue.

4.3 Information provided in accordance with Listing Rule 7.5

For the purpose of Resolution 1, the following information is provided in relation to the issue of Shares under the Unconditional Placement in accordance with Listing Rule 7.5:

- (a) The number of Shares issued under Listing Rule 7.1 in connection with the Unconditional Placement is 8,483,543 Shares. The number of Shares issued under Listing Rule 7.1A in connection with the Unconditional Placement is 14,327,659 Shares.
- (b) The participants in the Unconditional Placement are sophisticated and institutional investors who were invited to participate in the Unconditional Placement bookbuild by agreement between the Company and the Lead Manager.
- (c) No related party of the Company, member of the Company's key management personnel or adviser to the Company, or Associate of any of such persons, was issued more than 1% of the Company's total issued share capital under the Unconditional Placement.
- (d) Certain substantial holders of the Company will be issued Shares under the Unconditional Placement, as follows:
 - (i) FIL Investment Management (Hong Kong) Limited, which held 14,303,287 Shares (representing 9.98% of the Company's issued share capital) prior to announcement of the Unconditional Placement, was issued 2,333,299 Shares under the Unconditional Placement; and
 - (ii) Bioscience Managers, which held 14,285,715 Shares (representing 10.33% of the Company's issued share capital) prior to announcement of the Unconditional Placement, will be issued 9,302,325 Shares under the Unconditional Placement on or around 24 April 2023.
- (e) The price at which Shares are being issued under the Unconditional Placement is the Offer Price of \$0.215 per Share. The Company will raise a total of \$4,904,408.43 (before costs) under the Unconditional Placement.
- (f) The Shares issued under the Unconditional Placement are fully paid ordinary shares and rank equally in all respects with the Company's other Shares on issue save for the fact that for every

two Shares issued under the Unconditional Placement, participants will be entitled to subscribe for one free attaching Option.

(g) A total of 22,811,202 Shares will be issued under the Unconditional Placement as follows:

(i) 13,508,877 Shares were issued on 17 April 2023; and

(ii) 9,302,325 Shares will be issued to Bioscience Managers on or around 24 April 2023.

(h) The proceeds of the Capital Raising will be used as set out in Section 3.2.

(i) A voting exclusion statement in relation to Resolution 1 is included in the Notice.

4.4 Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

The Chairman intends to vote undirected proxies in favour of Resolution 1.

5. Resolution 2 – Approval to issue Options to Unconditional Placement participants

Resolution 2 seeks Shareholder approval pursuant to Listing Rule 7.1 of the issue of free attaching Options under the Unconditional Placement. See Section 3 above for further details on the Unconditional Placement and attaching Options.

5.1 Background

The Company expects to complete the issue of 22,811,202 Shares under the Unconditional Placement on or around 24 April 2023.

As part of the Unconditional Placement, participants are being offered one free attaching Option for every two Shares issued under the Unconditional Placement. This involves the issue of up to approximately 11,405,604 Options (subject to rounding) to participants in the Unconditional Placement.

The terms of issue of the Options are set out in Schedule 1.

Resolution 2 seeks approval for the issue of Options to participants in the Unconditional Placement pursuant to Listing Rule 7.1 so that the Options issued do not count towards its capacity under Listing Rule 7.1.

The offer of Options will be made under the Prospectus.

5.2 Listing Rules 7.1 and 7.3

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Listing Rule 7.1 allows the shareholders of a listed company to approve an issue of equity securities before it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule or Listing Rule 7.1A.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1 and Listing Rule 7.1A. To this end, Resolution 2 seeks Shareholder approval of the potential issue of Options to participants in the Unconditional Placement who subscribe for Options under the Prospectus for the purposes of Listing Rule 7.1.

The issue of Options to participants in the Unconditional Placement is not conditional on Shareholder approval – in the event that Resolution 2 is not passed, the Company will proceed with the issue of Options (subject to ASX's quotation conditions being met) however the issue will count towards its capacity under Listing Rule 7.1.

5.3 Information provided in accordance with Listing Rule 7.3

For the purpose of Resolution 2, the following information is provided in relation to the proposed issue of free attaching Options to Unconditional Placement participants who apply for Options under the Prospectus in accordance with Listing Rule 7.3:

- (a) A maximum of approximately 11,405,604 Options (subject to rounding) will be issued to participants in the Unconditional Placement who apply for Options under the Prospectus.
- (b) Only participants in the Unconditional Placement are entitled to apply for the Options that attach to Shares issued under the Unconditional Placement. See Sections 4.3(b), 4.3(c) and 4.3(d) for a description of the participants in the Unconditional Placement.
- (c) The issue price of the Options will be nil as they will be issued free attaching with Shares already issued under the Unconditional Placement. Accordingly, no cash proceeds will be realized from the issue of Options. A total of \$3,421,680 will be raised if all of the Options (in respect of the Unconditional Placement) are issued and exercised. These funds will be used to advance the Company's clinical trial program and for working capital purposes.
- (d) The Options will be issued to participants in the Unconditional Placement on the basis of an entitlement of one Option for every two Shares issued under the Unconditional Placement.
- (e) The Options will be issued in accordance with the terms set out in Schedule 1.
- (f) Shares to be issued on the exercise of the Options will be fully paid ordinary shares and rank equally in all respects with the Company's other Shares on issue.
- (g) The Options will be issued to participants in the Unconditional Placement on or around 31 May 2023, and in any event will be issued no later than 3 months after the date of the Meeting. The issue of the Options is conditional on ASX granting quotation to the Options.
- (h) A voting exclusion statement in relation to Resolution 2 is included in the Notice.

5.4 Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2.

The Chairman intends to vote undirected proxies in favour of Resolution 2.

6. Resolution 3 – Approval to issue Options to Share Purchase Plan participants

Resolution 3 seeks Shareholder approval pursuant to Listing Rule 7.1 of the proposed issue of free attaching Options to Share Purchase Plan participants. See Section 3 above for further details on the Capital Raising.

6.1 Background

As explained in Section 3, the proposed issue of free attaching Options to Share Purchase Plan participants is conditional on Shareholder approval. Resolution 3 seeks Shareholder approval to proceed with the issue of free attaching Options to Share Purchase Plan participants.

The Options will be offered and issued under the Prospectus.

6.2 Listing Rule 7.1

See Section 4.2 for a summary of Listing Rule 7.1. The Options are a new class of security and Listing Rule 7.1A is not applicable.

The proposed issue of free attaching Options to Share Purchase Plan participants does not fit within any of the exceptions in Listing Rule 7.2 and, to the extent that the Company's capacity under Listing Rule 7.1 is exhausted at the time that the Options are proposed to be issued, it would require the approval of Shareholders under Listing Rule 7.1.

Accordingly, Resolution 3 seeks the required Shareholder approval of the proposed issue of free attaching Options to Share Purchase Plan participants.

If Resolution 3 is passed, the Company will be able to proceed with the proposed issue of free attaching Options to Share Purchase Plan participants. In addition, these Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to proceed with the proposed issue of free attaching Options to Share Purchase Plan participants. If this occurs, the Options may not satisfy the ASX's minimum spread requirements for quotation of the Options which may result in no Options being issued to any investor (including participants in the Placement).

6.3 Information provided in accordance with Listing Rule 7.3

For the purpose of Resolution 3, the following information is provided in relation to the proposed issue of free attaching Options to Share Purchase Plan participants in accordance with Listing Rule 7.3:

- (a) One Option will be offered for every two Shares issued under the SPP. The final number of Shares issued under the SPP (and hence the final number of Options) will depend on the level of applications received under the SPP and the SPP Offer Price.
- (b) The SPP Offer Price is described in Section 3.1(m) above.
- (c) Assuming the SPP is fully subscribed (up to \$2,000,000) and the SPP Offer Price is:
 - (i) the Offer Price under the Placement (\$0.215), up to approximately 9,302,325 Shares and 4,651,163 Options will be issued to participants in the SPP; and
 - (ii) lower than the Offer Price under the Placement, more Shares (and more Options) will be issued in connection with the SPP on the basis of the lower SPP Offer Price.
- (d) By way of example, if the volume weighted average price of Shares over the five trading days up to the SPP Closing Date is \$0.20, a 2.5% discount to that price is \$0.195. If the SPP is fully subscribed (up to \$2,000,000) and the SPP Offer Price is \$0.195, then:
 - (i) 10,256,410 new Shares would be issued under the SPP; and
 - (ii) up to approximately 5,128,205 Options would be issued under the SPP.
- (e) No more than \$2,000,000 worth of new Shares (at the SPP Offer Price) will be issued under the SPP.
- (f) The maximum number of Options to be issued to participants in the Share Purchase Plan will depend on the level of applications and the final SPP Offer Price.
- (g) The Options will be issued to participants in the Share Purchase Plan on the basis of an entitlement to one Option for every two Shares issued under the Share Purchase Plan.
- (h) The issue price of the Options will be nil as they will be issued free attaching with Shares issued under the Share Purchase Plan (under the Prospectus). Accordingly, no cash proceeds will be realized from the issue of Options.
- (i) Assuming the SPP is fully subscribed and the SPP Offer Price is \$0.215 (such that up to approximately 4,651,163 Options are issued) a total of approximately \$1,395,348 will be raised if all of the Options are issued and exercised. These funds will be used to advance the Company's clinical trial program and for working capital purposes.
- (j) The Options will be issued in accordance with the terms set out in Schedule 1.
- (k) Shares to be issued on the exercise of the Options will be fully paid ordinary shares and rank equally in all respects with the Company's other Shares on issue.
- (l) It is proposed that Options to be issued to Share Purchase Plan participants will be issued on or around 31 May 2023 and, in any event, will be issued within 3 months of the date of the Meeting.

(m) A voting exclusion statement in relation to Resolution 3 is included in the Notice.

6.4 Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

The Chairman intends to vote undirected proxies in favour of Resolution 3.

7. Resolution 4 – Approval to issue Shortfall Shares and Options in connection with the Share Purchase Plan

Resolution 4 seeks Shareholder approval pursuant to Listing Rule 7.1 for the proposed issue of Shortfall Shares (in connection with the SPP), and free attaching Options, to professional and sophisticated investors. See Section 3 above for further details on the Capital Raising.

7.1 Background

As explained in Section 3, the Company is seeking to raise up to \$2,000,000 under the Share Purchase Plan at the SPP Offer Price.

The SPP Offer Price is described in Section 3.1(m) above.

The number of Shares representing the difference between \$2,000,000 worth of Shares (at the SPP Offer Price) and the value of valid applications received from eligible Shareholders under the SPP, calculated at the SPP Offer Price is referred to as the “**Shortfall Shares**”.

The Directors have reserved the right to place all of the Shortfall Shares to any other sophisticated and professional investors as a separate placement.

The Shares issued under the SPP, including the Shortfall Shares, will be issued with one free attaching Option for every two Shares issued. The Options are being issued for nil consideration as part of the SPP.

Accordingly, Resolution 4 seeks Shareholder approval to issue:

- (a) up to the maximum of \$2,000,000 worth of Shortfall Shares at the SPP Offer Price, to sophisticated and professional investors who are not related parties of the Company; and
- (b) one free attaching Option for every two Shortfall Shares issued.

In each case, this assumes that no Shareholders subscribe for Shares under the SPP. The number of Shortfall Shares and Options issued will decrease proportionately for each Share and Option subscribed for by Shareholders under the SPP.

7.2 Listing Rule 7.1 and 7.1A

See Section 4.2 for a summary of Listing Rules 7.1 and 7.1A.

The proposed issue of Shortfall Shares and free attaching Options does not fit within any of the exceptions in Listing Rule 7.2 and, to the extent that the Company’s capacity under Listing Rule 7.1 and 7.1A is exhausted at the time that the Shortfall Shares and attaching Options are proposed to be issued, it would require the approval of Shareholders under Listing Rule 7.1.

The effect of Resolution 4 will be to allow the Company to issue the Shortfall Shares, together with free attaching Options, to sophisticated and professional investors who are not Related Parties of the Company in compliance with Listing Rule 7.1.

If Resolution 4 is not passed, the Company will only be permitted to issue Shortfall Shares and attaching Options up to its available capacity under Listing Rules 7.1 and 7.1A.

7.3 Information provided in accordance with Listing Rule 7.3

For the purpose of Resolution 4, the following information is provided in relation to the proposed issue of Shortfall Shares and attaching Options in accordance with Listing Rule 7.3:

- (a) The maximum number of:
 - (i) Shortfall Shares to be issued is calculated as \$2,000,000 divided by the final SPP Offer Price; and
 - (ii) Options attaching to Shortfall Shares to be issued is one Option for every two Shortfall Shares issued.
- (b) The SPP Offer Price is described in Section 3.1(m) above.
- (c) Assuming there are no subscriptions under the SPP and the offer of Shortfall Shares and attaching Options is fully subscribed (up to \$2,000,000), then if the SPP Offer Price is:
 - (i) the Offer Price under the Placement (\$0.215), up to approximately 9,302,325 Shares (raising \$2,000,000) and 4,651,163 Options will be issued to subscribers for Shortfall Shares; and
 - (ii) lower than the Offer Price under the Placement, more Shares (and more Options) will be issued to subscribers for Shortfall Shares on the basis of the lower SPP Offer Price.
- (d) By way of example, if the volume weighted average price of Shares over the five trading days up to the SPP Closing Date is \$0.20, a 2.5% discount to that price is \$0.195. If the SPP Shortfall Offer is fully subscribed (up to \$2,000,000) and the SPP Offer Price is \$0.195, then:
 - (i) 10,256,410 new Shares would be issued under the SPP Shortfall Offer; and
 - (ii) up to approximately 5,128,205 Options would be issued under the SPP Shortfall Offer.
- (e) No more than \$2,000,000 worth of new Shares (at the SPP Offer Price) will be issued in aggregate under the SPP and SPP Shortfall Offer. For every dollar of Shares subscribed for under the SPP, the number of Shortfall Shares available under the SPP Shortfall Offer will be reduced by one dollar.
- (f) The Shortfall Shares and attaching Options will be issued within 3 months of the date of the Meeting. The attaching Options will be issued to participants in the SPP Shortfall Offer on the basis of one Option for every two Shortfall Shares issued.
- (g) The issue price of the Shortfall Shares will be the SPP Offer Price. The issue price of the attaching Options will be nil as they will be issued free attaching with Shortfall Shares issued under the SPP Shortfall Offer (under the Prospectus). Accordingly, no cash proceeds will be realized from the issue of Options in connection with the SPP Shortfall Offer.
- (h) The Shortfall Shares issued under the SPP Shortfall Offer will be fully paid and rank equally in all respects with the Company's other Shares on issue, save for the fact that every two Shortfall Shares issued under the SPP Shortfall Offer will be entitled to subscribe for one free attaching Option. The free attaching Options will be issued in accordance with the terms set out in Schedule 1.
- (i) Assuming the SPP Offer Price is \$0.215 and the SPP Shortfall Offer is fully subscribed, up to approximately 4,651,163 Options would be issued under the SPP Shortfall Offer. If all of these Options were exercised, the Company would raise total proceeds of approximately \$1,395,348. The Company will use the proceeds of exercise of the Options to fund its clinical trial program and for working capital.
- (j) Shares to be issued on the exercise of the Options will be fully paid ordinary shares and rank equally in all respects with the Company's other Shares on issue.
- (k) A voting exclusion statement in relation to Resolution 4 is included in the Notice.

7.4 Recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 4.

The Chairman intends to vote undirected proxies in favour of Resolution 4.

8. Resolutions 5 to 10 – Approval of the issue of Shares and Options to Directors under the Director Placement

8.1 Background

The Company has agreed, subject to the passing of Resolutions 5 to 10, to issue a total of 640,694 Shares at the offer price of \$0.215, together with up to 320,347 free attaching Options (on the basis of an entitlement of one Option for every two issued Shares) under the Director Placement to raise \$137,749 from each of the following Directors (and in the following amounts):

- (a) Dr Geoff Brooke (or his nominee(s)), to be issued \$29,999.81 worth of Shares (139,534 Shares), together with up to 69,767 Options – see [Resolution 5](#);
- (b) Dr Ross Macdonald (or his nominee(s)), to be issued \$11,999.79 worth of Shares (55,813 Shares), together with up to 27,907 Options – see [Resolution 6](#);
- (c) Dr Darryl Maher (or his nominee(s)), to be issued \$10,750.00 worth of Shares (50,000 Shares), together with up to 25,000 Options – see [Resolution 7](#);
- (d) Ms Janine Rolfe (or her nominee(s)), to be issued \$24,999.98 worth of Shares (116,279 Shares), together with up to 58,140 Options – see [Resolution 8](#);
- (e) Dr Stewart Washer (or his nominee(s)), to be issued \$29,999.81 worth of Shares (139,534 Shares), together with up to 69,767 Options – see [Resolution 9](#); and
- (f) Dr Paul Wotton (or his nominee(s)), to be issued \$29,999.81 worth of Shares (139,534 Shares), together with up to 69,767 Options – see [Resolution 10](#),

(the “**Relevant Persons**”).

The Shares and Options issued to the Relevant Persons under the Director Placement will be issued on exactly the same terms as Shares and Options issued to participants in the Unconditional Placement.

8.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company’s members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months of such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Shares and Options to the Relevant Persons under Resolutions 5 to 10 constitutes giving a financial benefit as each of the Relevant Persons are related parties for the purposes of Chapter 2E of the Corporations Act.

The Directors, other than:

- (a) Dr Geoff Brooke, in relation to Resolution 5;
- (b) Dr Ross Macdonald, in relation to Resolution 6;
- (c) Dr Darryl Maher, in relation to Resolution 7;
- (d) Ms Janine Rolfe, in relation to Resolution 8;

- (e) Dr Stewart Washer, in relation to Resolution 9; and
- (f) Dr Paul Wotton, in relation to Resolution 10,

(given their material personal interests in the relevant Resolutions), consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Shares and Options under Resolutions 5 to 10 because the Shares and Options are being issued on arm's length terms on the basis that they are being issued on exactly the same terms as Shares issued to investors under the Unconditional Placement. Accordingly, the Directors consider that the exception in section 210 of the Corporations Act applies in respect of the Director Placement.

8.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of Shares and Options as proposed by Resolutions 5 to 10 falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11.

Resolutions 5 to 10 seek Shareholder approval for the issue of Shares and Options to the Relevant Persons as proposed by those Resolutions under and for the purposes of Listing Rule 10.11.

If any of Resolutions 5 to 10 is passed, the Company will be able to proceed with the issue of Shares and Options as proposed by that respective Resolution.

If any of Resolutions 5 to 10 is not passed, the Company will not be able to proceed with the issue of Shares and Options as proposed by that respective Resolution.

8.4 Information provided in accordance with Listing Rule 10.13

For the purpose of Resolutions 5 to 10, the following information is provided in under Listing Rule 10.13:

- (a) The Shares and Options will be issued to each of the Relevant Persons.
- (b) The number of equity securities the Company will issue under the Director Placement, and the proceeds to be raised in respect of each Relevant Person, is set out in Section 8.1 above.
- (c) The Director Placement involves the issue of a total of up to 640,694 Shares at the offer price of \$0.215, together with up to 320,347 free attaching Options (on the basis of an entitlement of one Option for every two issued Shares) under the Director Placement to raise a total of \$137,749.
- (d) The Shares and Options are expected to be issued to each of the Relevant Persons on or around 31 May 2023 and, in any event, will be issued within 1 month of the date of the Meeting.
- (e) In the event that any of the Relevant Persons instruct the Company to issue Shares or Options to a nominee, each such nominee will be a Related Party of the Relevant Person and thus approval under Listing Rule 10.11 will be required.

- (f) The Shares issued will be fully paid ordinary shares and rank equally in all respects with the Company's other Shares on issue save for the fact that every two Shares issued will be entitled to subscribe for one free attaching Option.
- (g) The Shares to be issued on the exercise of the Options will be fully paid ordinary shares and rank equally in all respects with the Company's other Shares on issue.
- (h) The Options will be issued for nil consideration in accordance with the terms set out in Schedule 1.
- (i) The Company will raise a total of \$137,749 (before costs) in respect of Resolutions 5 to 10. The proceeds from the issue of Shares to the Relevant Persons will be used to fund the Company's aGvHD trial (as explained further in the Company's announcement of 6 April 2023) as well as providing the Company with additional working capital.
- (j) No funds will be raised from the issue of Options attaching to the Shares as the Options are being issued for nil consideration. If all 320,347 Options are issued and subsequently exercised, a total of \$96,104 will be raised by the Company. This amount will be used to fund the Company's clinical trial program and for working capital.
- (k) A voting exclusion statement in relation to each of Resolutions 5 to 10 is included in the Notice.

Approval pursuant to Listing Rule 7.1 is not required for the issue of Shares and Options under Resolutions 5 to 10 as approval is being obtained under Listing Rule 10.11. Accordingly, if approved, the issue of Shares and Options to the Relevant Persons will not be included in the use of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

8.5 Recommendation

The Directors, other than:

- (a) Dr Geoff Brooke, in relation to Resolution 5;
- (b) Dr Ross Macdonald, in relation to Resolution 6;
- (c) Dr Darryl Maher, in relation to Resolution 7;
- (d) Ms Janine Rolfe, in relation to Resolution 8;
- (e) Dr Stewart Washer, in relation to Resolution 9; and
- (f) Dr Paul Wotton, in relation to Resolution 10,

(given their material personal interests in the relevant Resolutions), unanimously recommend that Shareholders vote in favour of Resolutions 5 to 10.

The Chairman intends to vote undirected proxies in favour of Resolutions 5 to 10.

9. Definitions

10% Placement Facility has the meaning given in Section 4.2.

AEST means Australian Eastern Standard Time.

ASIC means Australian Securities and Investments Commission.

Associate has the same meaning as in the Listing Rules.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Bioscience Managers means Phillip Asset Management Limited as trustee for Bioscience Managers Translation Fund 1.

Board means the board of Directors.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Capital Raising has the meaning given in Section 3.1.

Chair or Chairman means the person appointed to chair the Meeting.

Company or **Cynata** means Cynata Therapeutics Limited ACN 104 037 372.

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Director Placement has the meaning given in Section 3.1(f).

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Key Management Personnel means a person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of meeting.

Offer Price has the meaning given in Section 3.1(a).

Options has the meaning given in Section 3.1(q).

Placement means the Unconditional Placement and the Director Placement.

Prospectus has the meaning given in Section 3.1(s).

Resolution means a resolution contained in this Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

Share means a fully paid ordinary share in the capital of the Company.

Share Purchase Plan or SPP has the meaning given in Section 3.1(l).

Shareholder means a shareholder of the Company.

Shortfall Shares has the meaning given in Section 7.1.

SPP Offer Price has the meaning given in Section 3.1(m).

SPP Shortfall Offer has the meaning given in Section 3.1(o).

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

Unconditional Placement has the meaning given in Section 3.1(d).

VWAP means volume weighted average price.

Schedule 1 – Terms of issue of the Options

The Options to be issued under the Prospectus pursuant to the Capital Raising entitle the holder to subscribe for Shares on the following terms and conditions.

- (a) The Options are exercisable at a price of 30 cents (\$0.30) each at any time from the date of issue of the Options up to their expiry on 1 April 2025 (inclusive) (**Option Exercise Period**), but not thereafter.
- (b) Each Option entitles the holder to subscribe for one fully paid ordinary share (**Share**).
- (c) No amount is payable on issue of the Options.
- (d) The Company must give each Option holder a holding statement or confirmation stating:
 - (i) the number of Options issued to the Option holder;
 - (ii) the exercise price of the Options; and
 - (iii) the date of issue of the Options and the Option Expiry Period.
- (e) The Company will maintain a register of holders of Options in accordance with section 168(1)(b) of the *Corporations Act 2001* (Cth).
- (f) The Options will be fully transferrable, subject to registration of the transfer by the Company. For such time as the Company is listed, the Listing Rules of the ASX will apply to the Options.
- (g) The Company will apply for quotation of the Options on ASX.
- (h) Options do not carry any dividend entitlement until they are exercised. Subject to the Constitution, Shares issued on exercise of Options rank equally with other issued Shares from the date they are issued by the Company.
- (i) An Option holder is not entitled to participate in any new issue of securities to existing Shareholders unless the Option holder has exercised its Options before the record date for determining entitlements to the new issue of securities and participates as a result of holding Shares.
- (j) If the Company is listed on ASX, the Company must give an Option holder, if required by the Listing Rules, notice of:
 - (i) the proposed terms of the issue or offer proposed under paragraph (h); and
 - (ii) the right to exercise the Option holder's Options under paragraph (h).
- (k) If the Company makes a bonus issue of Shares or other securities to Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and no Share has been issued in respect of an Option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the Option is exercisable is increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for determining entitlements to the issue, in accordance with the Listing Rules.
- (l) If the Company makes a pro rata issue of Shares (except a bonus issue) to existing Shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no Share has been issued in respect of the Option before the record date for determining entitlements to the issue, the Company may elect to reduce the exercise price of each Option in accordance with the Listing Rules.
- (m) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option holder (including the number of Options to which each Option holder is entitled and the exercise price) is changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

- (n) Any calculations or adjustments which are required to be made under these Option Terms of Issue will be made by the Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option holder.
- (o) The Company must within a reasonable period give to each Option holder notice of any change under paragraphs (k) to (m) (inclusive) to the exercise price of any Options held by an Option holder or the number of Shares for which the Option holder is entitled to subscribe on exercise of an Option.
- (p) When exercising Options, an Option holder must give the Company or its share registry a Notice of Exercise of Options form (to be provided by the Company or share registry), together with payment of the exercise monies payable to the Company in connection with the Options being exercised (being \$0.30 per Option).
- (q) The Options are exercisable on any business day during the Option Exercise Period. An Option holder may only exercise Options in multiples of 50,000, unless the Option holder exercises all of its Options.
- (r) If an Option holder exercises less than the total number of its Options, the Company must issue the Option holder a new holding statement for the remaining number of Options held by the Option holder.
- (s) Options will be deemed to be exercised on the date that the Notice of Exercise of Option Form is received by the Company in accordance with paragraphs (p) and (q). The Company shall within 5 business days after the receipt of such Notice and cleared funds, issue Shares in respect of the Options exercised and dispatch a shareholder statement to the holder.
- (t) The Company will apply to ASX for official quotation of the Shares issued on exercise of the Options.
- (u) If required by the Listing Rules, the Company will advise holders at least 20 Business Days before the impending expiry of their Options and will advise the due date for payment, the amount of money payable on exercise, the consequences of non-payment and such other details as the Listing Rules then prescribe, so as to enable holders to determine whether or not to exercise their Options during the Option Exercise Period.
- (v) These Option Terms of Issue and the rights and obligations of Option holders are governed by the laws of Victoria. Each Option holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Victoria.

Proxy Voting Form

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **10.30am (AEST) on Tuesday, 23 May 2023**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online:

Use your computer or smartphone to appoint a proxy at

<https://investor.automic.com.au/#/loginsah>

or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE: <https://automicgroup.com.au/>

PHONE: 1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

