

13 July 2023

ASX Announcement

\$1.87 million raised in oversubscribed Shortfall facility

MELBOURNE Australia, 13 July 2023: AdAlta Limited (ASX:1AD), the clinical stage drug discovery company developing novel therapeutic products from its i-body platform is pleased to report it has completed placement of the Shortfall facility under the non-renounceable pro rata Rights Offer announced on 28 April 2023. The over-subscribed placement raised \$1.87 million, bringing the total amount raised under the Rights Offer to its target of \$3.15 million before costs.

The funds raised from the Rights Offer will be used to commence a Phase I extension study of lead fibrosis asset, AD-214, to further inform Phase II study design and progress ongoing partnering discussions, strengthening AD-214's commercial value. Part of the funding will also be used to progress AD-214 partnering discussions and to evaluate synergistic technology and product transaction opportunities.

AdAlta Chair, Dr Paul MacLeman, commented: *“Our recent results linking a clinically convenient dosing of AD-214 every two weeks with efficacy in a key fibrosis process, and our positive partnering discussions at BIO2023 increase our confidence in the return on the new investments enabled by this financing round. We are grateful to our existing and new shareholders who have supported it.”*

The Shortfall was issued under the same terms of the Rights Offer announced on 28 April 2023 at an issue price of 2.5 cents (\$0.025) per New Share together with 1 option (**New Option ASX:1ADOA**) for every 2 New Shares subscribed for. Each New Option entitles the holder to subscribe for 1 additional ordinary share at an exercise price of 3 cents (\$0.03) per share with an expiry date of 29 May 2024.

Under the Shortfall the Company issued 74,846,752 New Shares and 37,423,362 New Options. In addition, as outlined in the Prospectus dated 28 April 2023, 15 million New Options are to be issued to Corporate Advisor, Peak Asset Management, for assisting with the Offer.

The results of the Offer are summarised below:

	Number of Shares	Number of Listed Options	Funds raised before costs
On issue prior to the Rights Offer	315,375,927	-	-
Rights Offer taken up (including additional Shares)	51,303,619	25,651,824	\$1,282,591
Shortfall placement	74,846,752	37,423,362	\$1,871,169
Corporate advisor options	-	15,000,000	-
Total on issue	441,526,298	78,075,186	\$3,153,760



Authorised for lodgement by:

Tim Oldham
CEO and Managing Director
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Notes to Editors

About AdAlta

AdAlta Limited is a clinical stage drug development company headquartered in Melbourne, Australia. The Company is using its proprietary i-body technology platform to solve challenging drug targeting problems and generate a promising new class of single domain antibody protein therapeutics with the potential to treat some of today's most challenging medical conditions.

The i-body technology mimics the shape and stability of a unique and versatile antigen binding domain that was discovered initially in sharks and then developed as a human protein. The result is a range of unique proteins capable of interacting with high selectivity, specificity and affinity with previously difficult to access targets such as G-protein coupled receptors (GPCRs) that are implicated in many serious diseases. i-bodies are the first fully human single domain antibody scaffold and the first based on the shark motif to reach clinical trials.

AdAlta is extending Phase I clinical studies for its lead i-body candidate, AD-214, that is being developed for the treatment of Idiopathic Pulmonary Fibrosis (IPF) and other human fibrotic diseases for which current therapies are sub-optimal and there is a high unmet medical need. Preparation for Phase II clinical studies is also underway. AdAlta has a second target in discovery research, also in the field of fibrosis and inflammation.

The Company is also entering collaborative partnerships to advance the development of its i-body platform. It has a collaboration with Carina Biotech to co-develop precision engineered, i-body enabled CAR-T cell therapies (i-CAR-T) to bring new hope to patients with cancer. It has an agreement with GE Healthcare to co-develop i-bodies as diagnostic imaging agents (iPET imaging) against Granzyme B, a biomarker of response to immunoncology drugs, a program now in preclinical development.

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

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

For more information, please contact:

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