

12 October 2023

Dear Shareholder

Upcoming Annual General Meeting of Shareholders

The Company's Annual General Meeting is scheduled to be held on Monday, 13 November 2023 at 11:00 am (AEDT) **(Meeting)**

In accordance with section 249R of the *Corporations Act 2001* (Cth) (**Corporations Act**), as amended under the *Corporations Amendment (Meetings and Documents) Act 2022* (Cth), and rule 12.23 of the Company's constitution, Shareholders will be given the opportunity to attend and participate in a general meeting held at a physical location. The Meeting cannot be accessed virtually.

The Company **strongly encourages Shareholders to lodge a directed proxy form by Saturday, 11 November 2023 at 11.30 am (AEDT)**. Questions should also be submitted in advance of the Meeting as this will provide management with the best opportunity to prepare for the Meeting, for example by preparing answers in advance to Shareholders' questions. However, votes and questions may also be submitted during the Meeting. Further details of how to participate in the Meeting are set out in the Notice of Meeting.

The Notice of Meeting and Annual Report 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 Annual 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/>

Dr Kilian Kelly, Managing Director & CEO

CONTACTS: Dr Kilian Kelly, MD & CEO, Cynata Therapeutics, +61 (03) 7067 6940, kilian.kelly@cynata.com
Lauren Nowak, Media Contact, +61 (0)400 434 299, littlebigdealconsulting@gmail.com

CYNATA THERAPEUTICS LIMITED

ACN 104 037 372

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be convened at Amora Hotel Riverwalk Melbourne, 649 Bridge Road, Richmond VIC 3121 on 13 November 2023 at 11.00 am (AEDT).

This Notice of Annual General 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 ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of Cynata Therapeutics Limited (**Company**) will be held at Amora Hotel Riverwalk Melbourne, 649 Bridge Road, Richmond VIC 3121 on 13 November 2023 at 11.00 am (AEDT) (**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 11 November 2023 at 7.00 pm (AEDT).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 10 of the Explanatory Memorandum.

AGENDA

Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the year ended 30 June 2023, which includes the Financial Report, the Directors' Report and the Auditor's Report.

1. Resolution 1 – Adoption of Remuneration Report

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report be adopted."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company.

2. Resolution 2 – Re-election of Dr Darryl Maher as a Director

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

"That Dr Darryl Maher, who retires in accordance with Listing Rule 14.4 and rule 8.1(d) of the Constitution, being eligible and offering himself for re-election, is re-elected as a Director."

3. Resolution 3 – Approval of 10% Placement Facility

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

"The Company have the additional capacity to issue equity securities provided for in Listing Rule 7.1A."

4. Resolution 4 – Approval of Issue of Equity Securities under Employee Incentive Plan

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.2 Exception 13(b), and for all other purposes, approval is given for the issue of securities under the “Cynata Equity Incentive Plan”, on the terms and conditions set out in the Explanatory Memorandum.”

Note: A voting exclusion applies to this Resolution.

5. Resolution 5 – Approval of issue of Options to Dr Geoff Brooke

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“The issue of 500,000 Options to Dr Geoff Brooke (or nominee), details of which are set out in the Explanatory Memorandum, is approved under and for the purpose of Listing Rule 10.14 and for all other purposes.”

Note: A voting exclusion applies to this Resolution.

6. Resolution 6 – Approval of issue of Options to Dr Paul Wotton

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“The issue of 220,000 Options to Dr Paul Wotton (or nominee), details of which are set out in the Explanatory Memorandum, is approved under and for the purpose of Listing Rule 10.14 and for all other purposes.”

Note: A voting exclusion applies to this Resolution.

7. Resolution 7 – Approval of issue of Options to Ms Janine Rolfe

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“The issue of 220,000 Options to Ms Janine Rolfe (or nominee), details of which are set out in the Explanatory Memorandum, is approved under and for the purpose of Listing Rule 10.14 and for all other purposes.”

Note: A voting exclusion applies to this Resolution.

8. Resolution 8 – Approval of issue of Options to Dr Darryl Maher

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“The issue of 220,000 Options to Dr Darryl Maher (or nominee), details of which are set out in the Explanatory Memorandum, is approved under and for the purpose of Listing Rule 10.14 and for all other purposes.”

Note: A voting exclusion applies to this Resolution.

9. Resolution 9 – Approval of issue of Options to Dr Kilian Kelly

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“The issue of 750,000 Options to Dr Kilian Kelly (or nominee), details of which are set out in the Explanatory Memorandum, is approved under and for the purpose of Listing Rule 10.14 and for all other purposes.”

Note: A voting exclusion applies to this Resolution.

10. Resolution 10 – Renewal of Proportional Takeover Approval Provisions

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purpose of sections 136(2) and 648G(4) of the Corporations Act and for all other purposes, the proportional takeover approval provisions in rule 6 of the Company’s Constitution be renewed for a period of three years from the date of this Meeting.”

11. Voting exclusions

The Company will disregard any votes cast on Resolutions 1, 4, 5, 6, 7, 8 or 9 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 4 – Approval of Issue of Equity Securities under Cynata Equity Incentive Plan	A person who is eligible to participate in the Plan and any of their Associates.
Resolutions 5 to 9 – Approval of issue of Options to Directors under the Incentive Plan	Each of the Directors of the Company, their nominees(s), any other person who will obtain a material benefit as a result of the issue of securities in accordance with these Resolutions, any other person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the Plan and any of their Associates.

However, the Company need not disregard votes cast in favour of 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

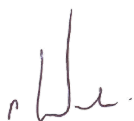
- (ii) the holder votes on the resolution in accordance with the directions given by the beneficiary to the holder to vote in that way.
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12. Express authorisation of the Chair

If a Shareholder appoints the Chair as their proxy, or the Chair is appointed as the Shareholder's proxy by default, and the Shareholder does not mark a voting box for Resolutions 1, 4, 5, 6, 7, 8 or 9, then by submitting the appointment the Shareholder expressly authorises the Chair to exercise the proxy in respect of the relevant Resolution as they decide, even though the Resolution is connected with the remuneration of one or more of the Company's Key Management Personnel. The Chair intends to vote all available proxies in favour of all Resolutions.

Dated 9 October 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 Amora Hotel Riverwalk Melbourne, 649 Bridge Road, Richmond VIC 3121 on 13 November 2023 at 11.00 am (AEDT).

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 11 November 2023 at 11.00 am (AEDT), 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 (unless otherwise determined by the Board).

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. Annual Report

Shareholders will be offered the opportunity to discuss the Annual Report at the Meeting. Copies of the Annual Report can be found on the Company's website www.cynata.com or by contacting the Company Secretary on +61 8 6377 8043.

There is no requirement for Shareholders to approve the Annual Report.

In addition to being offered the opportunity to discuss the Annual Report, Shareholders will be able to:

- (a) ask questions or make comment on the management of the Company; and
- (b) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 Business Days before the Meeting to the Company Secretary at the Company's registered office.

4. Resolution 1 – Adoption of Remuneration Report

Section 250R(2) of the Corporations Act provides that the Company is required to put the Remuneration Report to a vote of Shareholders. The Directors' Report contains a Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive and non-executive directors.

Section 250R(3) of the Corporations Act provides that this Resolution is advisory only and does not bind the Directors of the Company. Of itself, a failure of Shareholders to pass this Resolution will not require the Directors to alter any of the arrangements in the Remuneration Report.

However, under sections 250U and 250Y of the Corporations Act, Shareholders have the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (**Two Strikes Rule**).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting, a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the Managing Director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

At the Company's 2022 Annual General Meeting the remuneration report was approved by over 75% of Shareholders present and voting.

In summary, if the Remuneration Report receives a 'no' vote of 25% or more at this Meeting, Shareholders should be aware that if there is a 'no' vote of 25% or more at the next annual general meeting, the consequences are that all Directors (other than the Managing Director) may be up for re-election.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

The Chair intends to exercise all undirected proxies in favour of Resolution 1. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by appointing the Chair as proxy, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

5. Resolution 2 – Re-election of Dr Darryl Maher as a Director

5.1 Background

Under Listing Rule 14.4 and rule 8.1(d) of the Company's Constitution, a director must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is longer.

Dr Darryl Maher was re-elected at the Company's 2020 Annual General Meeting, meaning this is the third annual general meeting since his last re-election. Accordingly, Dr Maher retires by rotation at this Meeting and, being eligible, seeks re-election.

5.2 Biography of Dr Maher

Dr Maher joined the Cynata Board in June 2020 following over 20 years in the pharmaceutical industry as a senior R&D Executive at CSL Limited. His most recent position was Vice President of R&D and Medical Affairs at CSL Behring Australia where he was responsible for the development of multiple successful drug products from initiation through clinical development and ultimately to commercialisation. Dr Maher undertook medical training, qualified as a specialist haematologist and completed a PhD before commencing his career in the pharmaceutical industry. He was a former President of the Australian Pharmaceutical Physicians Association and a director of Vaccine Solutions. He earned his Bachelor of Medicine/Surgery from the University of Melbourne, Australia and undertook his PhD at The Walter and Eliza Hall Institute of Medical Research. He is a retired Fellow of both the Royal Australian College of Physicians and the Royal College of Pathologists of Australia.

5.3 Recommendation

Resolution 2 is an ordinary resolution.

The Board (other than Dr Maher) unanimously supports the re-election of Dr Maher.

The Chair of the Meeting intends to vote undirected proxies in favour of Resolution 2.

6. Resolution 3 – Approval of 10% Placement Facility

6.1 General

Listing Rule 7.1A enables eligible entities to seek approval of Shareholders by special resolution to have the capacity to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

6.2 ASX Listing Rule 7.1A

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.

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

Resolution 3 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue equity securities without further Shareholder approval.

If Resolution 3 is passed, the Company will be able to issue equity securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 3 is not passed, the Company will not be able to access the additional 10% capacity to issue equity securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing equity securities without Shareholder approval set out in Listing Rule 7.1.

6.3 Further requirements of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, being the Shares (ASX Code: CYP).

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 10% Placement Period, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A is the number of shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

- (d) Listing Rule 7.1 and Listing Rule 7.1A
- The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.
- The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.3(c) above).
- (e) Minimum Issue Price
- The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days in which trades in that class were recorded immediately before:
- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within ten Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued,
- (Minimum Issue Price).**
- (f) 10% Placement Period
- Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the first to occur of the following:
- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained (which, in the case of Resolution 3, will be 13 November 2024);
 - (ii) the time and date of the Company's 2024 annual general meeting; or
 - (iii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),
- (10% Placement Period).**

6.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The 10% Placement Period is as set out in section 6.3(f) above.
- (b) The Equity Securities will be issued at an issue price of not less than the Minimum Issue Price (defined above).
- (c) If Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. Current Shareholders should be aware that there is a risk of economic and voting dilution that may result from an issue of Equity Securities under the 10% Placement Facility, including the risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the

Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A2		Dilution		
		\$0.065 50% decrease in Issue Price	\$0.13 Issue Price	\$0.26 100% increase in Issue Price
Current Variable A 179,631,786 Shares	10% voting dilution	17,963,178	17,963,178	17,963,178
	Funds raised	\$1,167,606	\$2,335,213	\$4,670,426
50% increase in current Variable A 269,447,679 Shares	10% voting dilution	26,944,767	26,944,767	26,944,767
	Funds raised	\$1,751,409	\$3,502,819	\$7,005,639
100% increase in current Variable A 359,263,572 Shares	10% voting dilution	35,926,357	35,926,357	35,926,357
	Funds raised	\$2,335,213	\$4,670,416	\$9,340,852

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Options are exercised into Shares before the date of the issue of the Equity Securities.

- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- (v) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
- (vii) At the date of this Notice, there are currently 179,631,786 Shares on issue.
- (viii) The issue price is \$0.13, being the closing price of the Shares on **6 October 2023**.
- (d) The Company will only issue the Equity Securities during the 10% Placement Period.
- (e) The Company may seek to issue the Equity Securities for cash consideration in order to raise funds for expanding or accelerating the Company's existing business activities (including expenses associated with further tests in relation to the Company's existing projects), pursuing other acquisitions that have a strategic fit or will otherwise add value to Shareholders (including expenses associated with such acquisitions) and general working capital.
- (f) The Company will comply with the disclosure obligations under Listing Rule 7.1A(4) upon issue of any Equity Securities.
- (g) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the recipients of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
 - (i) the purpose of the issue;
 - (ii) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
 - (iii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iv) the financial situation and solvency of the Company; and
 - (v) advice from corporate, financial and broking advisers (if applicable).

The recipients under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.
- (h) The Company previously obtained Shareholder approval under Listing Rule 7.1A at the Company's 2022 AGM held on 22 November 2022.
- (i) In the 12 months preceding the date of the Meeting the Company issued 14,327,659 Shares under Listing Rule 7.1A.2 representing approximately 10% of the total number of equity securities on issue at the commencement of that 12 month period. The details of this issue are as follows:
 - (i) The Shares were issued in connection with a placement announced on or about 6 April 2023. The participants in the placement were sophisticated and institutional investors who were invited to participate in the placement bookbuild by agreement between the Company and the lead manager (Bell Potter Securities Limited).
 - (ii) The Shares issued under the 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 placement, participants were entitled to subscribe for one free attaching option.

- (iii) The price at which these Shares were issued was \$0.215 per Share, raising approximately \$3.08m before costs.
 - (iv) Funds raised were used in respect of the Company's Phase 2 aGvHD clinical trial and for working capital.
 - (v) The placement was ratified and the issue of the free attaching options was approved by Shareholders at an Extraordinary General Meeting on 25 May 2023. Shareholders can refer to the notice issued in respect of that meeting on 24 April 2023 for further details of the placement and the associated capital raising.
- (j) As at the date of this Notice of Meeting, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A2. Accordingly, there is no exclusion statement in respect of Resolution 3.

6.5 Recommendation

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

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

The Chair of the Meeting intends to vote undirected proxies in favour of Resolution 3.

7. Resolution 4 – Approval of Issue of Equity Securities under Cynata Equity Incentive Plan

7.1 Background

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.2 (Exception 13(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of 3 years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

The Company previously had an Employee Option Acquisition Plan in place and Shareholders last gave approval of issues under this plan at the Company's 2019 Annual General Meeting. This approval expired in November 2022. Rather than renew approval of issues under this plan, the Board has decided to adopt a new Equity Incentive Plan (**Incentive Plan** or **Plan**).

Resolution 4 seeks Shareholder approval for the issue of equity securities under the Incentive Plan for the purposes of the Corporations Act, for Listing Rule 7.2, Exception 13(b), and for all other purposes.

The aim of the Incentive Plan is to allow the Board to attract, motivate and retain eligible persons, who in the Board's opinion, are dedicated and will provide ongoing commitment and effort to the Company. It is considered that the adoption of the Incentive Plan and the future

issue of equity securities under the Incentive Plan will provide participants with the opportunity to participate in the future growth of the Company.

If Resolution 4 is passed, the Company will be able to issue a limited number of securities under the Incentive Plan to eligible participants over a period of 3 years without impacting on the Company's ability to issue up to 15% of its total ordinary securities without Shareholder approval in any 12 month period (as extended to 25% by the 10% Placement Facility).

If Resolution 4 is not passed, the Company will still be able to issue securities under the Incentive Plan to eligible participants, however any securities issued under the Incentive Plan will count towards its 15% capacity under ASX Listing Rule 7.1 (as extended to 25% by the 10% Placement Facility), effectively decreasing the number of securities the Company can issue without Shareholder approval over the 12 month period following the issue of any securities under the Incentive Plan.

A detailed overview of the terms of the Incentive Plan is attached in Schedule 1. A copy of the Incentive Plan is also available on the Company's website.

Any future issues of securities under the Incentive Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained will require additional Shareholder approval under ASX Listing Rule 10.14 at the relevant time.

7.2 Specific information required by Listing Rule 7.2

In accordance with the requirements of Listing Rule 7.2 Exception 13(b) the following information is provided:

- (a) The material terms of the Incentive Plan are summarised in Schedule 1.
- (b) The Incentive Plan is a new plan which has not previously been the subject of Shareholder approval of issues under Listing Rule 7.2 Exception 13(b). As a result, to date, no equity securities have been issued under the Incentive Plan with Shareholder approval under Listing Rule 7.2 Exception 13(b).
- (c) The maximum number of Equity Securities which may be issued under the Plan is 13,472,383 Equity Securities, representing 7.5% of the number of ordinary Shares on issue as at the date of the Notice of Meeting. The maximum number of 13,472,383 Equity Securities is not intended to be a prediction of the actual number of Equity Securities to be issued under the Plan during the period for which the approval (if given) will be valid, rather it is simply a ceiling for the purposes of Listing Rule 7.2 (Exception 13(b)). The issue of Options (if approved) will not count towards this limit.
- (d) A voting exclusion statement has been included for the purposes of Resolution 4.

7.3 Recommendation

Resolution 4 is an ordinary resolution.

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to Resolution 4.

The Chair of the Meeting intends to vote undirected proxies in favour of Resolution 4.

8. Resolutions 5 to 9 – Approval of issue of Options to Directors under the Incentive Plan

8.1 Background

Following a review of remuneration offered to the Non-Executive Directors, it is proposed that Non-Executive Directors be issued options under the Company's Plan to incentivise them over the long term, to ensure alignment with shareholders' interests and to maximise Company value.

ASX Listing Rule 10.14 provides that a company must not permit a director to acquire equity securities under an employee incentive scheme without the prior approval of holders of ordinary securities.

Resolutions 5 to 9 seek approval under ASX Listing Rule 10.14 to issue a total of 1,910,000 options (the **Options**) to Non-Executive Directors of the Company for nil consideration as set out in the table below:

Director and relevant Resolution	Current Total annual Remuneration (per annum)	Number of Options to be granted	Value attributed to these Options ¹
Dr Geoff Brooke (Resolution 5)	\$118,973	500,000	\$37,500
Dr Paul Wotton (Resolution 6)	\$59,487	220,000	\$16,500
Ms Janine Rolfe (Resolution 7)	\$59,487	220,000	\$16,500
Dr Darryl Maher (Resolution 8)	\$59,487	220,000	\$16,500
Dr Kilian Kelly (Resolution 9)	\$400,000 (base remuneration)	750,000	\$56,250

The exercise price of the Options will be calculated at a 45% premium to the 5-day VWAP up to and including 12 November 2023. The Options:

- (a) will entitle the holder to one new Share on exercise of each Option;
- (b) will have a term of 5 years from the date of grant;
- (c) will vest in monthly tranches over 3 years, subject to continuous service up to the applicable vesting date;
- (d) do not entitle the holder to participate in new issues of capital offered to Shareholders during the currency of the Options;
- (e) will not be quoted;
- (f) are not transferrable unless they have vested, and then only with the prior written approval of the Board and subject to compliance with the Corporations Act;
- (g) can be exercised from any time after they have vested until they expire; and
- (h) will be issued in accordance with the terms of issue set out in Schedule 2.

¹ This value has been determined on a Black Scholes basis assuming volatility of 72% and a risk free rate of 0.33%

Under Chapter 2E of the Corporations Act, for a public company to give a financial benefit to a related party of the public company, the public company must:

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

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

It is the view of the Directors (with each Director abstaining from considering his or her grant) that the exception set out in section 211(1) (allowing the giving of a financial benefit that is reasonable remuneration) applies in the current circumstances. Accordingly, Shareholder approval is sought for the issue of the Options under ASX Listing Rule 10.14 as contemplated by Resolutions 5 to 9, but not under Chapter 2E of the Corporations Act.

8.2 Information provided in accordance with Listing Rule 10.15

The following information is provided in relation to the issue of Options in accordance with Listing Rule 10.15 under Resolutions 5 to 9:

- (a) The related parties are respectively Dr Geoff Brooke, Dr Paul Wotton, Ms Janine Rolfe, Dr Darryl Maher and Dr Kilian Kelly (or their respective nominees), each of whom are related parties by virtue of being a Director which falls within Listing Rule 10.14.1. Details of their respective current total remuneration packages are set out in Section 8.1.
- (b) The number of Options (being the nature of the financial benefit being provided) to be allocated to:
 - (i) Dr Geoff Brooke is 500,000 Options (Resolution 5);
 - (ii) Dr Paul Wotton is 220,000 Options (Resolution 6);
 - (iii) Ms Janine Rolfe is 220,000 Options (Resolution 7);
 - (iv) Dr Darryl Maher is 220,000 Options (Resolution 8); and
 - (v) Dr Kilian Kelly is 750,000 Options (Resolution 9).
- (c) The Options will be issued for nil cash consideration and accordingly no funds will be raised by the issue of the Options. The exercise price of each of the Options will be calculated at a 45% premium to the 5-day VWAP up to and including 12 November 2023.
- (d) The Options will be granted no later than 1 month after the date of the Annual General Meeting and it is anticipated that the Options will be allocated on one date. It is proposed that the Options will be issued to Directors on 14 November 2023 and expire on 14 November 2028.
- (e) No Directors have received securities under the Plan to date.
- (f) The people referred to in ASX Listing Rule 10.14 who are eligible to participate in the Plan are all of the Directors.
- (g) There is no loan associated with the grant of the Options.

- (h) Shares issued on exercise of the Options will rank equally with fully paid ordinary Shares.
- (i) A summary of the terms of the Plan is set out in Schedule 1.
- (j) The Options will be issued on the terms set out in Schedule 2.
- (k) Details of any securities issued under the Plan will be published in the annual report of the Company relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- (l) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after Resolutions 5 to 9 are approved who were not named in the Notice will not participate until approval is obtained under that Rule.
- (m) A voting exclusion statement is included in the Notice of Meeting.

8.3 Recommendation

Resolutions 5 to 9 are ordinary resolutions.

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to Resolutions 5 to 9.

The Chair of the Meeting intends to vote undirected proxies in favour of Resolutions 5 to 9.

9. Resolution 10 – Renewal of Proportional Takeover Approval Provisions

9.1 Background

A proportional takeover bid is an off-market takeover offer sent to all Shareholders, but only in respect of a specified portion of each Shareholder's Shares in the Company (i.e. less than 100%). Accordingly, if a Shareholder accepts in full the offer under a proportional takeover bid, the Shareholder will dispose of the specified portion of the Shareholder's Shares and retain the balance of the Shares.

Under section 648D of the Corporations Act, a company may include provisions in its constitution to the effect that the registration of a transfer giving effect to a takeover contract for a proportional takeover bid is prohibited unless a resolution to approve the bid is passed by shareholders in accordance with the requirements of the Corporations Act. These provisions cease to apply at the end of 3 years after they were inserted into the constitution or last renewed by shareholders. The provisions are renewed in the same manner in which the constitution is altered to insert the provisions.

Rule 6 of the Company's Constitution sets out the mechanism permitted by section 648D of the Corporations Act and which is governed by its related provisions (sections 648D to 648H of the Corporations Act). The text of Rule 6 has been reproduced in Schedule 3 to this Notice.

The Company's proportional takeover bid provisions were effectively renewed when Rule 6 was adopted as part of the Company's Constitution adopted by Shareholders at the 2020 Annual General Meeting on 24 November 2020. Accordingly, Rule 6 would cease to have effect on 24 November 2023 unless renewed.

Under section 648G of the Corporations Act, the Company may renew the proportional takeover bid provisions for a further three years.

Resolution 10 provides for the renewal of the proportional takeover bid provisions in Rule 6 of the Constitution for a further three years from the date of the Meeting.

9.2 Summary of the proposed changes

For the purpose of Resolution 10, the following information is provided in relation to the renewal of the proportional takeover bid provisions in Rule 6 of the Constitution, in accordance with section 648G(5) of the Corporations Act.

(a) Effect of Rule 6 of the Constitution

The effect of Rule 6 of the Constitution is that, if a proportional takeover bid is made to Shareholders, the Directors are obliged to convene a general meeting of Shareholders to be held 15 days or more before the offer closes. The purpose of the meeting is to vote on a resolution to approve the proportional takeover bid.

For the resolution on the proposed proportional takeover bid to be approved, it must be passed by a simple majority of votes at the meeting, excluding votes of the bidder and its associates. If no such resolution is voted on within the required timeframe, the resolution is deemed to have been approved. This, in effect, means that Shareholders as a body may only prohibit a proportional takeover bid by rejecting such a resolution.

If the resolution on the proposed proportional takeover bid is approved or deemed to have been approved, transfers of Shares under that proportional takeover bid (provided they are in all other respects in order for registration) must be registered.

If the resolution on the proposed proportional takeover bid is rejected, registration of any transfer of Shares resulting from that proportional takeover bid is prohibited and the offer is deemed by the Corporations Act to have been withdrawn.

Rule 6 will expire three years after the date of the Meeting unless renewed by a special resolution of Shareholders.

Rule 6 does not apply to full takeover bids.

(b) Reasons for proposing the renewal of the proportional takeover bid provisions of the Constitution

The reason for renewing the proportional takeover bid provisions in Rule 6 is that the Directors consider that Shareholders should have the opportunity to vote on a proposed proportional takeover bid. If Rule 6 is renewed, the benefit under Rule 6 is that Shareholders will be able to collectively decide on whether a proportional takeover bid is permitted to succeed having weighed up whether the advantages outweigh the disadvantages in the particular circumstances of the bid, or vice versa.

(c) Awareness of Directors of proposal to acquire or increase a substantial interest in the Company

At the date of this Notice of Meeting before despatch to Shareholders, no Director is aware of a proposal by a person to acquire, or to increase the extent of, a substantial interest in the Company.

(d) Review of the advantages and disadvantages for Directors and Shareholders for the past 3 years

As there have been no proportional takeover bids made for the Company in the period since the previous renewal of the proportional takeover bid provisions, there are no actual circumstances against which the Directors have had the opportunity to review the advantages or disadvantages of the proportional takeover bid provisions. The Directors are not aware of any proposed bid which did not proceed during that period because of the proportional takeover bid provisions.

(e) Potential advantages and disadvantages of Rule 6 of the Constitution to the Directors and to Shareholders

The Directors consider that the renewal of Rule 6 would have no advantage or disadvantage for them other than the advantage of enabling them to formally ascertain the views of Shareholders in relation to any proportional takeover bid. The Directors remain free to make a recommendation in relation to whether a proportional takeover bid for the Company should be recommended or rejected.

The potential advantages for Shareholders of the proportional takeover bid provisions include that:

- (i) Shareholders will have the right to decide by majority vote whether a proportional takeover bid should proceed;
- (ii) the provisions may help prevent Shareholders being locked in as minority shareholders; and
- (iii) the provisions may improve the bargaining power of Shareholders and therefore may result in any proportional takeover bid being adequately priced.

The potential disadvantages for Shareholders of the proportional takeover bid provisions include that:

- (i) the provisions may discourage a proportional takeover bid being made, which may be the only takeover offer to be made for the Company;
- (ii) Shareholders may lose an opportunity to sell a portion of their Shares in the Company at a premium; and
- (iii) the chance that a proportional takeover bid is successful may be reduced.

9.3 Recommendation

Resolution 10 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

The Directors unanimously recommend that Shareholders vote in favour of Resolution 10.

The Chair of the Meeting intends to vote undirected proxies in favour of Resolution 10.

10. Definitions

10% Placement Facility has the meaning given in Section 6.1.

10% Placement Period has the meaning given in Section 6.3(f).

AEDT means Australian Eastern Daylight Time.

Annual Report means the Directors' Report, the Financial Report and Auditor's Report in respect to the financial year ended 30 June 2023.

ASIC means Australian Securities and Investments Commission.

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

Auditor's Report means the auditor's report on the Financial Report.

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.

CEO means the person appointed to Chief Executive Officer.

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

Closely Related Party has the meaning in Section 8 of the Corporations Act.

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.

Directors' Report means the annual directors report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

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

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

Incentive Plan or **Plan** has the meaning given in Section 7.1.

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 (which includes the Explanatory Memorandum, as the case requires).

Options has the meaning given in Section 8.1.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

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.

Shareholder means a shareholder of the Company.

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

VWAP means volume weighted average price.

Schedule 1 – Summary of the Cynata Equity Incentive Plan

The rules of the Plan (**Plan Rules**) provide the framework under which the Plan and individual grants will operate. The key features of the Plan are outlined below.

Eligibility	Offers may be made at the Board’s discretion to employees of the Company, Directors and any other person that the Board determines to be eligible to receive a grant under the Plan.
Types of securities	<p>The Plan Rules provide flexibility for the Company to grant one or more of the following securities as incentives, subject to the terms of individual offers:</p> <ul style="list-style-type: none"> • performance rights, which are an entitlement to receive Shares upon satisfaction of applicable conditions; • options, which are an entitlement to receive Shares upon satisfaction of applicable conditions and payment of the applicable exercise price; and • restricted shares, which are Shares that are subject to dealing restrictions, vesting conditions or other restrictions or conditions.
Offers under the Plan	<p>The Board may make offers at its discretion and any offer documents must contain the information required by the Plan Rules. The Board has the discretion to set the terms and conditions on which it will offer performance rights, options and restricted shares in individual offer documents.</p> <p>Offers must be accepted by the participant and can be made on an opt-in or opt-out basis.</p>
Issue price	Unless the Board determines otherwise, no payment is required for a grant of a performance right, option or restricted share under the Plan.
Vesting	<p>Vesting of performance rights, options and restricted shares under the Plan is subject to any vesting or performance conditions determined by the Board and specified in the offer document. Options must be exercised by the employee and the employee is required to pay the exercise price before Shares are allocated.</p> <p>Subject to the Plan Rules and the terms of the specific offer document or invitation, any performance rights, options or restricted shares will either lapse or be forfeited if the relevant vesting and performance conditions are not satisfied.</p>
Cessation of employment or engagement	Under the Plan Rules, the Board has a broad discretion in relation to the treatment of entitlements on cessation of employment or engagement. It is intended that individual offer documents will provide more specific information on how the entitlements will be treated if the participant ceases employment.
Clawback and preventing inappropriate benefits	The Plan Rules provide the Board with broad “clawback” powers if, for example, the participant has acted fraudulently or dishonestly or there is a material financial misstatement.
Change of control	The Board may determine that all or a specified number of a participant’s performance rights, options or restricted shares will vest or cease to be subject to restrictions on a change of control event in accordance with the Plan Rules.
Reconstructions, corporate action, rights issues, bonus issues etc.	The Plan Rules include specific provisions dealing with rights issues, bonus issues and corporate actions and other capital reconstructions. These provisions are intended to ensure that there is no material advantage or disadvantage to the participant in respect of their incentives as a result of such corporate actions.

Restrictions on dealing	Prior to vesting, the Plan Rules provide that participants must not sell, transfer, encumber, hedge or otherwise deal with their incentives. After vesting, participants will be free to deal with their incentives, subject to the Securities Trading Policy.
Other terms	The Plan contains customary and usual terms of dealing with administration, variation, suspension and termination of the Plan.

Schedule 2 –Terms of the issue of the Options

Each Option issued by the Company entitles its holder to subscribe for one fully paid ordinary share in the capital of the Company (**Share**) on the following terms and conditions.

1. Each Option is exercisable an exercise price calculated as a 45% premium to the five-day volume weighted average price of the Company's shares up to and including 12 November 2023, at any time from vesting up to the five year anniversary of the issue date of the Option (**Option Exercise Period**).
2. Each Option will automatically lapse if not exercised prior to expiry of the Option Exercise Period.
3. Each Option entitles the holder to subscribe for, and be issued with, one Share.
4. The Company will not apply for quotation of the Options on ASX. The Company will apply for quotation of the Shares issued on exercise of the Options.
5. The Company must give or cause to be given to each Option holder a holding statement stating:
 - (a) the number of Options issued to the Option holder;
 - (b) the exercise price of the Options; and
 - (c) the date of issue of the Options and the Option Exercise Period.
6. The Company will maintain a register of holders of Options in accordance with section 168(1)(b) of the Corporations Act.
7. The Options are not transferable, unless the transfer is approved by the Company.
8. For such time as the Company is listed, the official listing rules of ASX (**Listing Rules**) will apply to the Options.
9. Options do not carry any dividend entitlement until they are exercised. Subject to the Constitution, Shares issued on exercise of Options will rank equally with all other issued Shares from the date they are issued by the Company.
10. An Option holder is not entitled to participate in any new issue of securities to existing shareholders of the Company (**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.
11. If the Company is listed on ASX, the Company must give the Option holder, if required to do so by the Listing Rules, notice of:
 - (a) the proposed terms of the issue or offer proposed under paragraph 10; and
 - (b) the right to exercise the Option holder's Options under paragraph 10.
12. 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.
13. 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.
14. 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.
15. 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.

16. The Company must within a reasonable period give to each Option holder notice of any change under paragraphs 12 to 14 (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 the Options.
17. When exercising Options, an Option holder must give the Company or its share registry a Notice of Exercise of Options Form (in a form approved by the Company, with the parties acknowledging that the Notice of Exercise of Options Form may be delivered by the Option holder to the Company by email), together with payment of the exercise monies payable to the Company in connection with the Options being exercised by:
 - (a) paying to the Company, in immediately available funds, an amount equal to the exercise price multiplied by the number of Options being exercised; or
 - (b) cashless exercise, in which case the Option holder will be issued such number of Shares for each Option as is calculated according to the following formula:
$$(A-B) * X/A$$

Where:
 - (c) **A** equals the closing price of Shares on ASX on the trading day immediately preceding the date of delivery of the Notice of Exercise of Options Form; and
 - (d) **B** equals the exercise price of the Options; and
 - (e) **X** equals the number of Shares issuable on exercise of the Options, assuming the Options were issued for cash.
18. The Options are exercisable on any day other than a Saturday, Sunday public holiday or any other day that ASX declares is not a business day (Business Day) during the Option Exercise Period.
19. An Option holder must only exercise a minimum of 100,000 Options, and thereafter in multiples of 50,000, unless an Option holder exercises all of its Options.
20. 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.
21. 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 17 and 18. The Company shall within 10 Business Days after the receipt of such Notice and cleared funds, issue Shares in respect of the Options exercised and dispatch a holding statement to the holder in respect of the Shares so issued.
22. The Company will apply to ASX for official quotation of the Shares issued on exercise of the Options on the date of issue of such Shares.
23. If required by the Listing Rules to do so, the Company will advise an Option holder 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.
24. These Option Terms of Issue and the rights and obligations of Option holders are governed by the laws of Victoria, Australia.

Schedule 3 – The Proportional Takeover Bid Provisions in Rule 6 of the Company's Constitution

The text of Rule 6 of the Company's Constitution is as follows:

6 Plebiscite to approve proportional takeover bids

6.1 Definitions

The meanings of the terms used in this rule 6 are set out below.

Defined term	Meaning
Approving Resolution	in relation to a Proportional Takeover Bid, a resolution to approve the Proportional Takeover Bid passed in accordance with rule 6.3.
Approving Resolution Deadline	in relation to a Proportional Takeover Bid, the day that is 14 days before the last day of the bid period and during which the offers under the Proportional Takeover Bid remain open or a later day allowed by the Australian Securities and Investments Commission.
Proportional Takeover Bid	a takeover bid that is made or purports to be made under section 618(1)(b) of the Act in respect of securities included in a class of securities in the company.
Relevant Class	in relation to a Proportional Takeover Bid, means the class of securities in the company in respect of which offers are made under the Proportional Takeover Bid.

6.2 Transfer not to be registered

Despite rules 5.1(c) and 5.2, a transfer giving effect to a contract resulting from the acceptance of an offer made under a Proportional Takeover Bid must not be registered unless an Approving Resolution has been passed or is taken to have been passed in accordance with rule 6.3.

6.3 Approving Resolution

- (a) Where offers have been made under a Proportional Takeover Bid, the Board must:
- (i) convene a meeting of the persons entitled to vote on the Approving Resolution for the purpose of considering and, if thought fit, passing a resolution to approve the Proportional Takeover Bid; and
 - (ii) ensure that the resolution is voted on in accordance with this rule 6.3, before the Approving Resolution Deadline.
- (b) The provisions of this constitution relating to general meetings apply (with any necessary changes) to a meeting that is convened under rule 6.3(a), as if that meeting were a general meeting of the company.

- (c) The bidder under a Proportional Takeover Bid and any associates of the bidder are not entitled to vote on the Approving Resolution and if they do vote, their votes must not be counted.
- (d) Subject to rule 6.3(c), a person who held securities of the relevant class as at the end of the day on which the first offer under the Proportional Takeover Bid was made is entitled to vote on the Approving Resolution.
- (e) An Approving Resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is taken to have been rejected.
- (f) If an Approving Resolution has not been voted on in accordance with this rule 6.3 as at the end of the day before the Approving Resolution Deadline, an Approving Resolution will be taken to have been passed in accordance with this rule 6.3 on the Approving Resolution Deadline.

6.4 Sunset

Rules 6.1, 6.2 and 6.3, cease to have effect at the end of 3 years beginning:

- (a) where those rules have not been renewed in accordance with the Act, on the date that those rules were adopted by the company; or
- (b) where those rules have been renewed in accordance with the Act, on the date those rules were last renewed.

Proxy Voting Form

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

Your proxy voting instruction must be received by **11.00am (AEDT) on Saturday, 11 November 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)



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 (GvHD) in a Phase 1 trial. A Phase 2 clinical trial in GvHD under a cleared US FDA IND, as well as trials of Cymerus products in osteoarthritis (Phase 3) and diabetic foot ulcers (DFU) are currently ongoing. In addition, Cynata has also demonstrated utility of its Cymerus technology in preclinical models of numerous diseases, including 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

Level 3, 100 Cubitt Street, Cremorne, Victoria, 3121, Australia

T: +613 7067 6940 E: info@cynata.com

ABN – 98 104 037 372