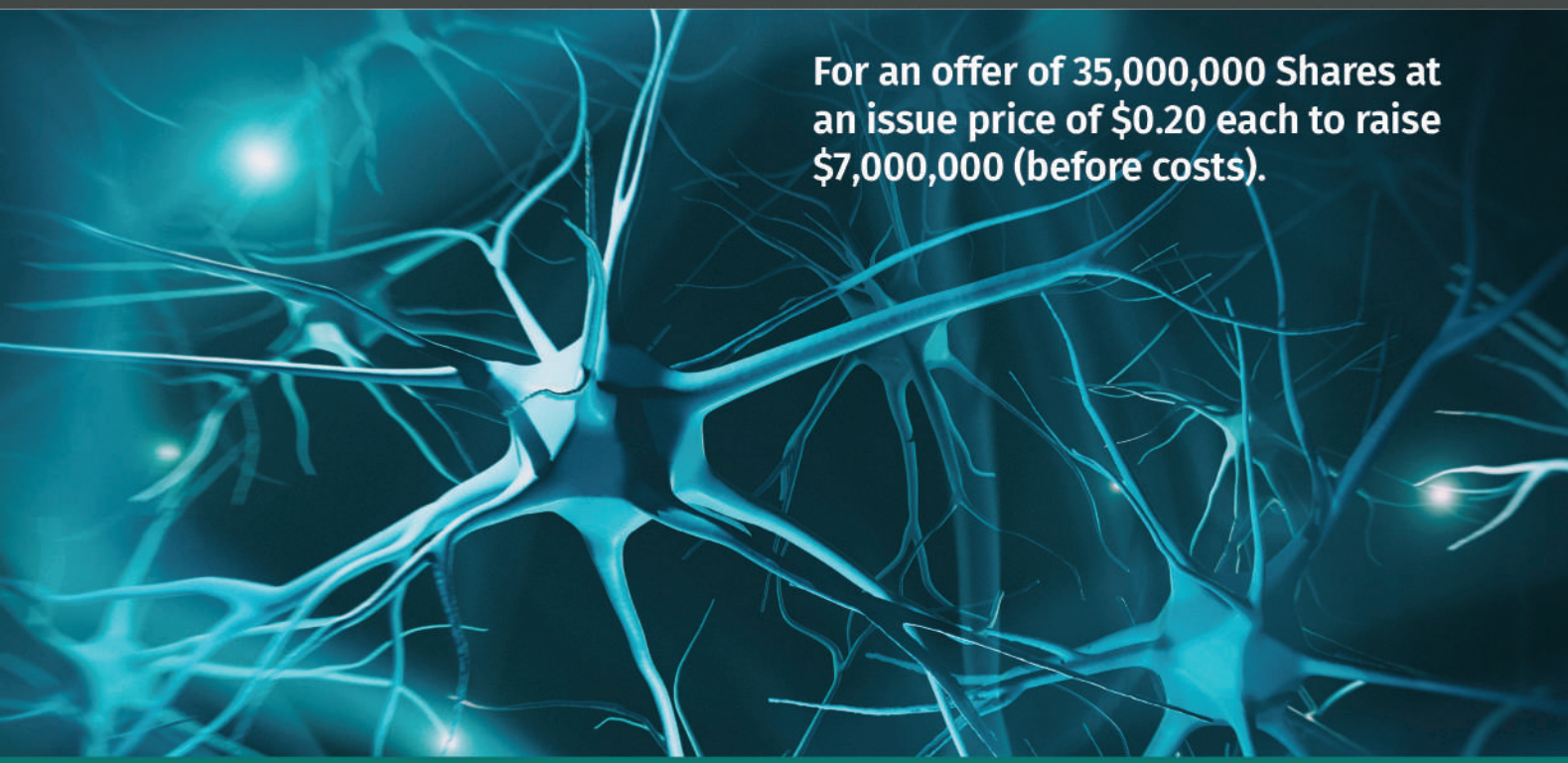
ARGENICA THERAPEUTICS

Argenica Therapeutics Limited
ACN 637 578 753

PROSPECTUS



For an offer of 35,000,000 Shares at an issue price of $0.20 each to raise $7,000,000 (before costs).

ALTO CAPITAL

This Prospectus has been issued to provide information on the offer of 35,000,000 Shares to be issued at a price of $0.20 per Share to raise $7,000,000 (before costs) (**Broker Firm Offer**). Members of the public wishing to apply for Shares under the Broker Firm Offer must do so through the Lead Manager or a Broker.

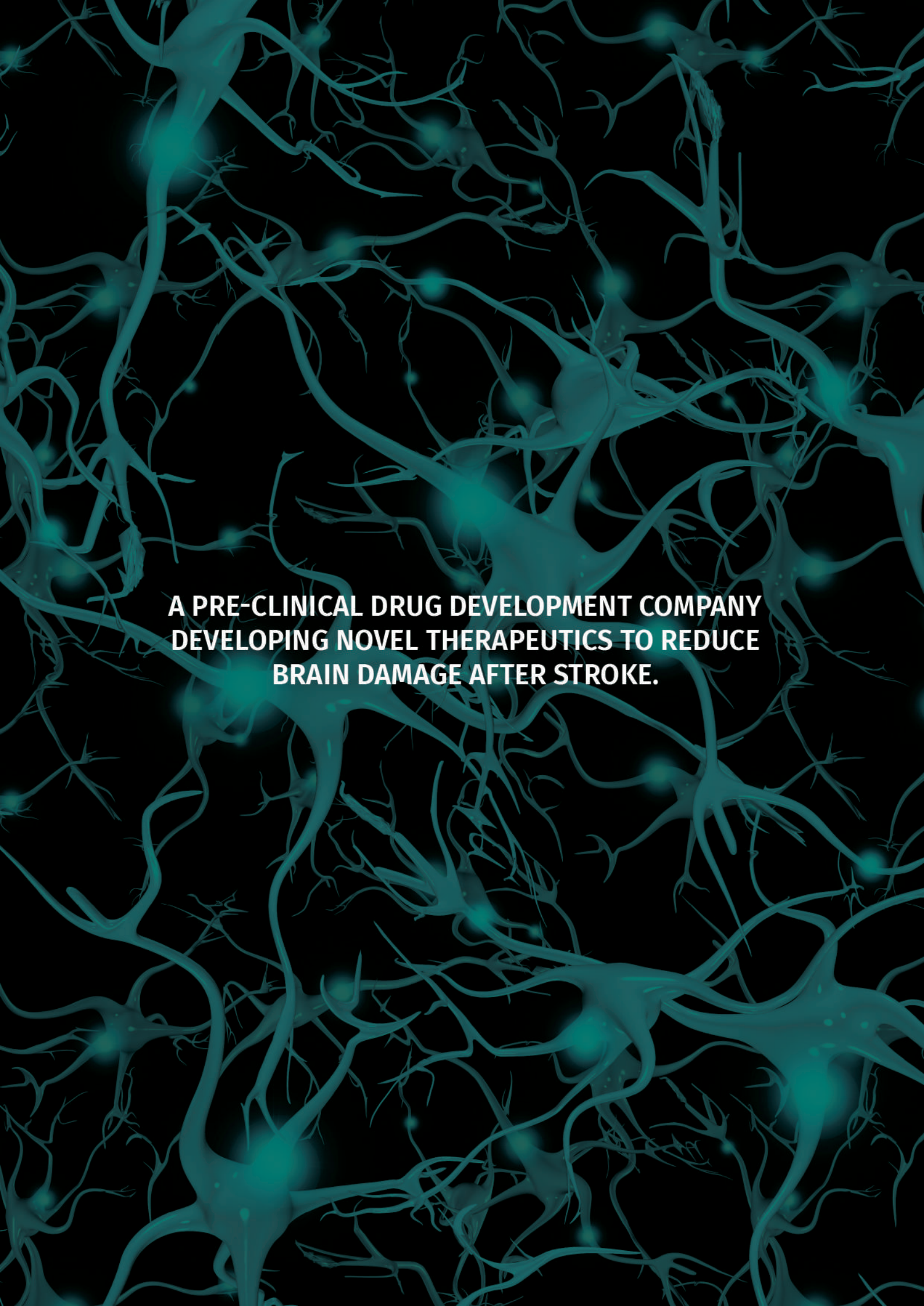
This Prospectus also incorporates the offer of 300,000 Shares and 1,200,000 Options to be issued to the Lead Manager (or its nominees) in part consideration for capital raising services provided to the Company (**Lead Manager Offer**).

It is proposed that the Broker Firm Offer and Lead Manager Offer (together, **Offers**) will close at 5.00pm (WST) on 21 May 2021. The Directors reserve the right to close the Offers earlier or to extend this date without notice. Applications must be received before that time.

The Broker Firm Offer has a Minimum Subscription of $7,000,000.

This is an important document and requires your immediate attention. It should be read in its entirety. Please consult your professional adviser(s) if you have any questions about this document.

Investment in the Securities offered pursuant to this Prospectus should be regarded as **highly speculative** in nature, and investors should be aware that they may lose some or all of their investment. Refer to Section 4 for a summary of the key risks associated with an investment in the Securities.


A PRE-CLINICAL DRUG DEVELOPMENT COMPANY
DEVELOPING NOVEL THERAPEUTICS TO REDUCE
BRAIN DAMAGE AFTER STROKE.

CONTENTS

IMPORTANT INFORMATION

The Offer
This Prospectus is issued by Argenica Therapeutics Limited (ACN 637 578 753) (**Company**) for the purpose of Chapter 6D of the *Corporations Act 2001* (Cth) (**Corporations Act**). The Broker Firm Offer contained in this Prospectus is an initial public offering to acquire fully paid ordinary shares (**Shares**) in the Company.

Prospectus
This Prospectus is dated, and was lodged with ASIC on, 23 April 2021. Neither ASIC nor ASX (or their respective officers) take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. The expiry date of this Prospectus is 5.00pm WST on that date which is 13 months after the date this Prospectus was lodged with ASIC. No Securities will be issued on the basis of this Prospectus after that expiry date.

Application will be made to ASX within seven days of the date of this Prospectus for Official Quotation of the Shares the subject of the Offers.

No person is authorised to give any information or to make any representation in connection with the Offers, other than as is contained in this Prospectus. Any information or representation not contained in this Prospectus should not be relied on as having been made or authorised by the Company or the Directors in connection with the Offers.

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Securities the subject of this Prospectus should be considered highly speculative.

ACNS Capital Markets Pty Ltd trading as Alto Capital Pty Ltd have acted as Lead Manager to the Broker Firm Offer. To the maximum extent permitted by law, the Lead Manager and each of its affiliates, officers, employees and advisers expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this Prospectus other than references to their name and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Prospectus.

The Company, the Share Registry and the Lead Manager disclaim all liability, whether in negligence or otherwise, to persons who trade Shares before receiving their holding statement.

Exposure Period
The Corporations Act prohibits the Company from processing Applications in the seven day period after the date of this Prospectus (**Exposure Period**). The Exposure Period may be extended by ASIC by up to a further seven days. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. You should be aware that this examination may result in the identification of deficiencies in this Prospectus. In such circumstances, any Application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications under this Prospectus will not be processed by the Company until after the Exposure Period. No preference will be conferred upon Applications received during the Exposure Period.

No cooling-off rights
Cooling-off rights do not apply to an investment in Securities issued under this Prospectus. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

Electronic Prospectus and Application Forms
During the Exposure Period, an electronic version of this Prospectus (without an Application Form) will be available at www.argenica.com.au only to eligible persons in Australia and eligible institutional investors in Malaysia. Application Forms will not be made available until after the Exposure Period has expired.

The Offers constituted by this Prospectus in electronic form are only available to eligible persons receiving an electronic version of this Prospectus and relevant Application Form within Australia and Malaysia.

The Prospectus is not available to persons in other jurisdictions in which it may not be lawful to make such an invitation or offer to apply for Securities. If you access the electronic version of this Prospectus, you should ensure that you download and read the Prospectus in its entirety. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus and the relevant Application Form (free of charge) from the Company's registered office during the Offer Period by contacting the Company as detailed in the Corporate Directory.

Applications will only be accepted on the relevant Application Form attached to, or accompanying, this Prospectus or in its paper copy form as downloaded in its entirety from www.argenica.com.au. The Corporations Act prohibits any person from passing on to another person the Application Form unless it is attached to a paper copy of the Prospectus or the complete and unaltered electronic version of this Prospectus.

Prospective investors wishing to subscribe for Securities under the Offers should complete the relevant Application Form. If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

No document or information included on the Company's website is incorporated by reference into this Prospectus.

Offers outside Australia
No action has been taken to register or qualify the Securities the subject of this Prospectus, or the Offers, or otherwise to permit the public offering of the Securities in any jurisdiction outside Australia. The distribution of this Prospectus in jurisdictions outside of Australia may be restricted by law and persons who come into possession of this Prospectus outside of Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus except to the extent permitted below.

Notice to Malaysian investors
No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to any offer of Shares under this Prospectus. The Shares may not be offered, sold or issued in Malaysia except pursuant to, and to persons prescribed under, Schedules 5 and 6 of the *Malaysian Capital Markets and Services Act 2007* (**CMSA**).

If you (or any person for whom you are acquiring the Shares are in Malaysia, you (and any such person) represent that you are a person prescribed under Schedules 5 and 6 of the CMSA.

Speculative Investment
The Securities offered pursuant to this Prospectus should be considered highly speculative. There is no guarantee that the Securities offered pursuant to this Prospectus will make a return on the capital invested, that dividends will be paid on the Securities or that there will be an increase in the value of the Securities in the future.

Prospective investors should carefully consider whether the Securities offered pursuant to this Prospectus are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position. Refer to Section 4.1 for details relating to the key risks applicable to an investment in the Securities.

Using this Prospectus
Persons wishing to subscribe for Securities offered by this Prospectus should read this Prospectus in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses, and prospects of the Company and the rights and liabilities attaching to the Securities offered pursuant to this Prospectus. If persons considering subscribing for Securities offered pursuant to this Prospectus have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser for advice.

Forward-looking Statements
This Prospectus contains forward-looking statements which are identified by words such as 'believes', 'estimates', 'expects', 'targets', 'intends', 'may', 'will', 'would', 'could', 'should' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. Key risk factors associated with an investment in the Company are detailed in Section 4. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

The Company has no intention to update or revise forward-looking statements or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

Photographs and Diagrams
Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Prospectus.

Third Party Publications
The Company Overview in Section 2 of this Prospectus includes attributed statements from books, journals and comparable publications that are not specific to, and have no connection with the Company. Except where indicated otherwise, the authors of these books, journals and comparable publications have not provided their consent for these statements to be included in this Prospectus, and the Company is relying upon ASIC Corporations (Consents to Statements) Instrument 2016/72 for the inclusion of these statements in this Prospectus without such consent having been obtained.

Miscellaneous
All financial amounts contained in this Prospectus are expressed as Australian currency unless otherwise stated. Conversions may not reconcile due to rounding. All references to '$' or 'A$' are references to Australian dollars.

All references to time in this Prospectus are references to WST, being the time in Perth, Western Australia, unless otherwise stated.

Defined terms and abbreviations used in this Prospectus are detailed in the glossary in Section 10.

CORPORATE DIRECTORY

DIRECTORS

Mr Geoff Pocock
Non-Executive Chairman

Dr Samantha South
Executive Director

Mr Terry Budge
Non-Executive Director

Ms Liddy McCall
Non-Executive Director

KEY MANAGEMENT

Dr Liz Dallimore
Chief Executive Officer

Ms Emma Waldon
Company Secretary & Chief Financial Officer

Assoc. Prof. Bruno Meloni
Chief Scientific Officer

REGISTERED AND PRINCIPAL OFFICE

Suite 2, 29 The Avenue
Nedlands WA 6009
Phone: + 61 8 9329 3396
Email: info@argenica.com.au
Website: www.argenica.com.au

LEAD MANAGER

ACNS Capital Markets Pty Ltd trading as Alto Capital
(AFSL: 279099)
16 Ord Street
West Perth WA 6005

CORPORATE LAWYERS

HWL Ebsworth Lawyers
Level 20,
240 St Georges Terrace
Perth WA 6000

INVESTIGATING ACCOUNTANT

RSM Corporate Australia Pty Ltd
Level 32, Exchange Tower
2 The Esplanade
Perth WA 6000

SHARE REGISTRY*

Link Market Services Limited
Level 12, 250 St Georges Terrace
Perth WA 6000
Tel (within Australia): 1300 554 474
Tel (outside Australia): +61 2 8280 7100

PROPOSED STOCK EXCHANGE LISTING

Australian Securities Exchange (**ASX**)
Proposed ASX Code: AGN

AUDITOR*

RSM Australia Partners
Level 32, Exchange Tower
2, The Esplanade
Perth WA 6000

INTELLECTUAL PROPERTY EXPERT

Wrays Pty Ltd
Level 7, 863 Hay Street
Perth WA 6000

* These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus.

LETTER FROM THE CHAIRMAN

Dear Investor,

On behalf of the board of Argenica Therapeutics Limited (**Argenica** or **Company**), I am pleased to present this Prospectus and to invite you to become a shareholder in the Company.

Argenica, an Australian company incorporated in November 2019, is undertaking the development and commercialisation of a novel therapeutic, which is based on arginine rich peptides. This therapeutic has been shown to act as a neuroprotective agent to protect the brain following stroke and other acute central nervous system injuries.

This Prospectus contains two offers, being the Broker Firm Offer and the Lead Manager Offer. The Broker Firm Offer is open to retail clients of the Lead Manager and Brokers who are resident in Australia and to eligible institutional clients of the Lead Manager or Brokers who are resident in Malaysia. The Lead Manager Offer is only open to the Lead Manager and its nominees and will not raise any funds as it comprises the issue of Securities to the Lead Manager as partial compensation for capital raising services provided in connection with the Broker Firm Offer. This Prospectus does not contain a general public offer of Securities.

The purpose of the Broker Firm Offer is to raise $7,000,000 (before associated costs) by the issue of 35,000,000 Shares at an issue price of $0.20 each. The Lead Manager of the Broker Firm Offer is ACNS Capital Markets Pty Ltd trading as Alto Capital (**Alto** or **Lead Manager**) (see Section 1.8 for further details).

The proceeds of the Broker Firm Offer will be utilised to enable the Company to:

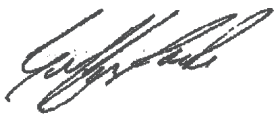
1. fund pre-clinical development activities;
2. fund the clinical trial and safety assessment (phase 1);
3. fund product development and planning activities for clinical trial (phase 2a);
4. fund regulatory approval strategy and preparation;
5. fund IP protection costs;
6. fund working capital and corporate expenses;
7. meet the costs of the Offers, and
8. meet the conditions to apply for Official Quotation of the Shares on the ASX.

The Company has established a Board and management team possessing skills and experience in the commercialisation and scaling of innovative technology companies, including through a number of ASX listed companies.

This Prospectus contains detailed information about the Offers and the current and proposed operations of the Company, as well as the risks pertaining to an investment in the Company. Potential investors in the Company should carefully consider those risks (detailed in Section 4).

I encourage you to read this Prospectus in its entirety to gain a full understanding of the Company's operations before making an investment decision. We look forward to welcoming you as a Shareholder should you decide to take up Shares pursuant to the Broker Firm Offer.

Yours faithfully



Geoff Pocock
Non-Executive Chairman
Argenica Therapeutics Limited

KEY DETAILS OF THE OFFER

KEY DETAILS OF THE OFFERS[1]	SHARES	OPTIONS
Existing Securities	37,872,250	7,100,000[2]
Shares offered under the Broker Firm Offer (at an Offer Price of $0.20 per Share)	35,000,000	-
Securities issued under the Lead Manager Offer[3]	300,000	1,200,000
Total Securities on issue on completion of the Offers[4]	73,172,250	8,300,000
Implied market capitalisation on completion of the Offers[5]	$14,634,450	-

NOTES:

1. Please refer to Section 1.9 for further details relating to the proposed capital structure of the Company.
2. Unquoted Options with an exercise price of $0.30 and an expiry date of 30 September 2024. Please refer to Section 8.2 for the terms and conditions of the existing Options.
3. See Section 8.2 for the terms and conditions of the Lead Manager Options, which are unquoted Options with an exercise price of $0.30 and an expiry date of 30 September 2024, and Section 7.4 for further details in relation to the Lead Manager Shares.
4. Assuming no further Shares are issued and none of the above Options are exercised.
5. Calculation is based on the total number of Securities (Shares or Options, as applicable) multiplied by the Offer Price.

INDICATIVE TIMETABLE

EVENT	DATE
Lodgement of this Prospectus with ASIC	Friday, 23 April 2021
Opening Date for the Offers	Saturday, 1 May 2021
Closing Date for the Offers	Friday, 21 May 2021
Issue Date	Tuesday, 1 June 2021
Despatch of holding statements	Thursday, 3 June 2021
Expected date for quotation on ASX	Thursday, 10 June 2021

NOTE:
The above dates are indicative only and may vary subject to the Corporations Act, the Listing Rules and other applicable laws. In particular, the Company reserves the right to vary the Opening Date and the Closing Date without prior notice, which may have a consequential effect on the other dates. Applicants are therefore encouraged to lodge their Application Form as soon as possible after the Opening Date if they wish to invest in the Company.

INVESTMENT OVERVIEW

This Section is not intended to provide full information for investors intending to apply for Securities offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety. The Securities offered pursuant to this Prospectus carry no guarantee in respect of return of capital, return on investment, payment of dividends or the future value of the Securities.

TOPIC	SUMMARY	MORE INFORMATION
Introduction		
Who is the Company and what does it do?	Argenica was incorporated on 20 November 2019 as a proprietary Australian company to undertake the development and commercialisation of a novel therapeutic known as ARG-007 developed by world-leading researchers at the University of Western Australia (**UWA**) and the Perron Institute for Neurological and Translational Science (**Perron Institute**). The therapeutic , which is based on arginine rich peptides, has proven neuroprotective properties and therefore can offer protection to the brain following stroke and other acute central nervous system injuries. The Company's current business is to develop and commercialise ARG-007. Argenica will initially focus on the use of ARG-007 in the treatment of stroke. The Company has no subsidiaries.	Sections 2.1 and 2.2
What are the Company's sources of revenue?	Investors are cautioned that the Company is not currently generating any material revenues and is unlikely to do so in the near term. The successful development and commercialisation of ARG-007 will require further funding in addition to the Company completing the activities set out in Section 2.7. Subject to the successful development and commercialisation of ARG-007, the Company intends to generate revenue from the on-sale or licensing of ARG-007, rather than from sales of the product directly to the consumer market. The Company intends to seek a partnership with a suitable pharmaceutical company for later-stage clinical development, sales, marketing and distribution.	Sections 2.6 and Section 2.7
What is the Company's growth strategy?	The Company will need to enhance its clinical trial functions, management structure and internal research team and capability to support the clinical development of ARG-007. The Company has therefore established a Board and management team possessing skills and experience in the commercialisation and scaling of innovative technology companies.	Sections 2.4, 2.7 and 5
What are the key dependencies of the Company's business model?	The key factors that the Company will depend on to meet its objectives are: (a) the successful completion of the Broker Firm Offer; (b) successful scale-up of ARG-007; (c) successful safety testing; and (d) a successful phase 1 trial demonstrating no unacceptable adverse events.	Section 2.7
What is the Company's financial position?	A summary of the Company's financial information is included in Section 6 and in the Investigating Accountant's Report (included in Annexure A). Investors are cautioned that the Company is generally loss making and is unlikely to generate any material revenue in the near term.	Section 6, Annexure A
What is the proposed capital structure of the Company?	Following completion of the Offers under this Prospectus, the proposed capital structure of the Company will be as set out in Section 1.9.	Section 1.9

INVESTMENT OVERVIEW (continued)

TOPIC	SUMMARY	MORE INFORMATION
Summary of key risks		
Prospective investors should be aware that subscribing for Securities in the Company involves a number of risks. The risk factors set out in Section 4, and other general risks applicable to all investments in listed securities, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative.		
Limited operating history	The Company's operations are subject to all of the risks inherent in a recently formed business enterprise. The Company has no significant history of operations and there can be no assurance that the Company will be able to generate or increase revenues from its existing and proposed products or avoid losses in any future period.	Section 4.1(a)
Future capital requirements	The Company is generally loss making and the Company will require further financing in the future, in addition to amounts raised pursuant to the Broker Firm Offer. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price (or Offer Price) or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities. Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and this could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern.	Section 4.1(b)
Uncertainty of clinical development	The Company's ability to commercialise its intellectual property is reliant on its ability to generate clinical data, starting with gaining the necessary approvals to conduct clinical trials. There are numerous regulatory issues to pass before agencies (such as the TGA and FDA) might be prepared to grant permission for a drug candidate to undergo human studies. Further, there is no certainty that any of the drug candidates will ever receive that permission. Drug development is a highly risky business with a high failure rate. There are numerous reasons for this, mainly relating to low therapeutic benefit and unacceptable toxicity, with the drug's pre-clinical data failing to predict those adverse outcomes. While the Company will conduct its clinical programs on the advice of consultants experienced in clinical trial design and regulatory affairs, there is no certainty that the trial design will provide appropriate data or that the data will meet the regulator's benchmark. This may require the Company to conduct further clinical studies, resulting in significant additional cost and delay. From the commencement of the clinical trial phase, the final drug development path typically takes between 7 to 11 years, depending on the indication.	Section 4.1(c)
Technology risk	While the technology has been tested on animal models, there is a risk these models may not translate to human clinical trials. The relevant peptide has been extensively tested in-house and has been provided to animals with no negative effects to date, however there remains a risk that the peptide may be toxic to humans or provoke an adverse immune response and that delivery of the peptide to the relevant area of the brain does not occur as predicted.	Section 4.1(d)
Manufacturing risk	There is no certainty that the Company won't encounter difficulties in scale-up.	Section 4.1(e)

INVESTMENT OVERVIEW (continued)

TOPIC	SUMMARY	MORE INFORMATION
Summary of key risks (continued)		
Market	Initial adoption and ongoing market acceptance of the Company's product is required by clinicians and patients. This may lead to a lack of market share if competition is successful or if alternatives arise which decrease the need for the Company's product, which will impact commercial success.	Section 4.1(f)
Partnering risk	The Company's success will depend upon its ability to market and license its intellectual property rights and find willing and able commercial partners for the ongoing clinical development and commercialisation of the product.	Section 4.1(g)
Regulatory approval risk	Governmental regulatory authorities traditionally set high standards in granting marketing approvals for new drugs. Such drugs need to demonstrate a significant benefit in terms of therapeutic outcome and convenience and cost of use compared to standard therapies. There is no guarantee that any of the Company's drug candidates will receive regulatory approval, and it could be at least 5 years from now before this becomes apparent. Delays or failures in obtaining regulatory approval for a potential product would be likely to have serious adverse effects on the value of the Company and consequently, the Company's financial performance and the value of its securities.	Section 4.1(h)
Reimbursement risk	The availability and amount of reimbursement for patients' medical expenses by public and private payers, including government agencies, private health insurers and other healthcare payers is critical to market access, and any delay or inability to gain adequate coverage and a full reimbursement price for our product will limit future market acceptance and commercial success.	Section 4.1(i)
Intellectual property risks	The success of the Company will depend in part on the Company's ability to register and (if required) successfully enforce the Patents without infringing the proprietary rights of others. The Company currently has three granted patents (in Japan, China and validated jurisdiction of Europe) and a patent application in examination in the US, to protect its technologies. Patent rights constitute an important component of intellectual property, and provide protection for new, non-obvious and useful inventions for a limited period. Patents may be granted in respect of new or improved products, compositions and processes in almost all areas of current scientific, commercial and industrial activities, including pharmaceuticals. A granted patent in a particular jurisdiction enables the patentee to prevent others from using the claimed invention in that jurisdiction. However, as with any Patent, there is a risk associated with the existence of prior art which is unknown to the inventors or the patent examiners which may invalidate a patent. While the Company does not believe that it is currently using any third party patent or other intellectual property rights and does not believe that its activities infringe any third party patent or other intellectual property rights, there is a risk that: (a) granted patents have been secured or are being pursued in certain jurisdictions which could restrict the Company's activities in those jurisdictions; and (b) information made public before the priority date of the Patents could affect the validity of those patents if they were subject to scrutiny having regard to novelty and/or inventive step.	Section 4.1(k)

INVESTMENT OVERVIEW (continued)

TOPIC	SUMMARY	MORE INFORMATION
Summary of key risks (continued)		
Intellectual property risks (continued)	To date, to the Company's knowledge, no third party has enforced against the Company, sought to enforce against the Company, or otherwise drawn the Company's attention to any patent or other intellectual property right (registered or otherwise). The Company is also not aware of any prior art that may invalidate its Patents.	Section 4.1(k)
Competition risk	The pharmaceutical, biotechnology and medical technology industries are characterised by rapid and continuous innovation and development. The Company faces substantial competition as new and existing companies enter the market and advances in research and technology become available. The Company's expertise and product may be rendered obsolete or uneconomical by advances or entirely difference approaches developed by one or more of its competitors.	Section 4.1(t)
Product liability risk	As with all new pharmaceutical and therapeutic products, even if the Company obtains regulatory approval, there is no assurance unforeseen adverse events or manufacturing defects will not arise. Adverse events could expose the Company to product liability claims in litigation, potentially resulting in any regulatory approval (when/if obtained) being removed and damages being awarded against the Company. In such event, the Company's liability may exceed the Company's insurance coverage (if any).	Section 4.1(u)
Reliance on key personnel	The Company's operational success will depend substantially on the continuing efforts of its senior executives. The loss of services of one or more senior executives may have an adverse effect on the Company's operations.	Section 4.1(w)
Infectious diseases	The outbreak of the coronavirus disease (COVID-19) is having a material effect on global economic markets. The global economic outlook is facing uncertainty due to the pandemic, which has had and may continue to have a significant impact on capital markets. The Company's Share price may be adversely affected by the economic uncertainty caused by COVID-19. Further measures to limit the transmission of the virus implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations and may interrupt the Company carrying out its contractual obligations.	Section 4.1(z)
Further risks	For further information on risks specific to the Company, please see Section 4.1 and for further information on general risks, please see Section 4.2.	Section 4.1 and Section 4.2

INVESTMENT OVERVIEW (continued)

<table>
<tr><th>TOPIC</th><th>SUMMARY</th><th>MORE INFORMATION</th></tr>
<tr><td colspan="3">Directors, Related Party Interests and Substantial Holders</td></tr>
<tr><td>Who are the Directors?</td><td>As at the date of this Prospectus, the Board comprises of:
(a) Mr Geoff Pocock - Non-Executive Chairman;
(b) Dr Samantha South - Executive Director;
(c) Mr Terry Budge - Non-Executive Director; and
(d) Ms Liddy McCall - Non-Executive Director.</td><td>Section 5.1</td></tr>
<tr><td>Who are the key management personnel?</td><td>As at the date of this Prospectus, the Company's key management personnel comprise:
(a) Dr Liz Dallimore - CEO;
(b) Ms Emma Waldon - Company Secretary & CFO; and
(c) Assoc. Prof. Bruno Meloni - CSO.</td><td>Section 5.3</td></tr>
<tr><td>What benefits are being paid to the Directors?</td><td>Each of the Directors has entered into an Executive Services Agreement or a non-executive Director letter of appointment with the Company which details their proposed remuneration and any additional benefits to which they are entitled.<table><tr><th>Director</th><th>Remuneration since incorporation (A$)</th><th>Proposed Remuneration excl. superannuation (A$)</th></tr><tr><td>Mr Geoff Pocock</td><td>Nil</td><td>$72,000 per annum plus 500,000 Options</td></tr><tr><td>Dr Samantha South</td><td>37,735 (including superannuation)</td><td>$180,000 per annum plus 1,000,000 Options</td></tr><tr><td>Mr Terry Budge</td><td>Nil</td><td>$30,000 per annum plus 500,000 Options</td></tr><tr><td>Ms Liddy McCall</td><td>Nil</td><td>$30,000 per annum plus 500,000 Options</td></tr></table></td><td>Sections 5.8, 7.10, and 7.12</td></tr>
<tr><td>What interests do the Directors and key management personnel have in the Securities of the Company?</td><td>On Admission, the Directors and key management personnel will hold the following interests:<table><tr><th>Director/Key Management Personnel</th><th>Shares</th><th>Options</th></tr><tr><td>Mr Geoff Pocock</td><td>4,377,000</td><td>500,000</td></tr><tr><td>Dr Liz Dallimore</td><td>Nil</td><td>2,500,000</td></tr><tr><td>Dr Samantha South</td><td>2,000,000</td><td>1,000,000</td></tr><tr><td>Mr Terry Budge</td><td>205,000</td><td>500,000</td></tr><tr><td>Ms Liddy McCall</td><td>125,000</td><td>500,000</td></tr><tr><td>Ms Emma Waldon</td><td>1,025,000</td><td>500,000</td></tr></table></td><td>Section 5.7</td></tr>
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INVESTMENT OVERVIEW (continued)

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<tr><th>TOPIC</th><th>SUMMARY</th><th>MORE INFORMATION</th></tr>
<tr><td colspan="3">Directors, Related Party Interests and Substantial Holders (continued)</td></tr>
<tr><td>What important contracts with related parties is the Company a party to?</td><td>The Company has entered into the following related party transactions:
(a) Executive and Administrative Services Agreement (as varied) with Polaris Consulting (an entity controlled by Mr Geoff Pocock in his capacity as a director and shareholder of Polaris Consulting) (see Section 7.5 for details);
(b) executive services agreements with Dr Liz Dallimore, Dr Samantha South and Ms Emma Waldon (see Sections 7.8, 7.10 and 7.11 for details);
(c) letters of appointment with Mr Geoff Pocock as Chairman and with each of its Non-Executive Directors, Mr Terry Budge and Ms Liddy McCall on standard terms (see Section 7.12 for details); and
(d) deeds of indemnity, insurance and access with each of its Directors on standard terms (see Section 7.13 for details).</td><td>Sections 5.9, 7.5, 7.8, 7.10, 7.11, 7.12 and 7.13</td></tr>
<tr><td>Who will be the substantial holders of the Company?</td><td>Those Shareholders holding an interest in 5% or more of the Shares on issue as at the date of this Prospectus are as follows:<table><tr><th>Name</th><th>Number of Shares</th><th>% of Shares</th></tr><tr><td>UWA</td><td>3,953,000</td><td>10.4</td></tr><tr><td>Perron Institute</td><td>3,550,000</td><td>9.4</td></tr><tr><td>Mr Geoff Pocock and associates</td><td>4,377,000</td><td>11.6</td></tr><tr><td>Dr Samantha South and associates</td><td>2,000,000</td><td>5.3</td></tr></table>Based on the information known as at the date of this Prospectus, on Admission the following persons will have an interest in 5% or more of the Shares on issue:<table><tr><th>Name</th><th>Number of Shares</th><th>% of Shares</th></tr><tr><td>UWA</td><td>3,953,000</td><td>5.4</td></tr><tr><td>Perron Institute</td><td>3,550,000</td><td>4.9</td></tr><tr><td>Mr Geoff Pocock and associates</td><td>4,377,000</td><td>6.0</td></tr></table></td><td>Section 8.4</td></tr>
<tr><td>What fees are payable to the Lead Manager?</td><td>Pursuant to the Lead Manager Mandate, the Company has agreed to pay the Lead Manager (or its nominees):
(a) a fee of 6% (comprising of a 1% management fee and 5% capital raising fee) of all funds raised through the Broker Firm Offer;
(b) a success fee comprising of 300,000 Shares and 1,200,000 unquoted Options with an exercise price of $0.30 each and an expiry date of 30 September 2024; and
(c) a lead manager fee of $50,000 payable on Admission.</td><td>Section 1.8</td></tr>
</table>

INVESTMENT OVERVIEW (continued)

TOPIC	SUMMARY	MORE INFORMATION
Directors, Related Party Interests and Substantial Holders (continued)		
What interests will the Lead Manager have in the Securities of the Company upon Admission?	Based on the information available to the Company as at the date of the Prospectus regarding the intentions of the Lead Manager and its associates in relation to the Offers and assuming: (a) 35,000,000 Shares are issued under the Broker Firm Offer; (b) 300,000 Shares and 1,200,000 Options are issued under the Lead Manager Offer; (c) neither the Lead Manager nor its associates take up Shares under the Broker Firm Offer; and (d) the Lead Manager Options are not exercised, the Lead Manager and its associates will have a Relevant Interest in 2,525,250 Shares (a percentage shareholding of 3.45% and 1,200,000 Options (a percentage option holding of 14.5%).	Section 1.8(b)
What are the Offers under the Prospectus?		
What is the Broker Firm Offer?	This Prospectus invites investors to apply for 35,000,000 Shares at an issue price of $0.20 each to raise $7,000,000 (before associated costs).	Section 1.2
What is the purpose of the Broker Firm Offer?	The purposes of the Broker Firm Offer are to: (a) raise $7,000,000 (before associated costs of the Broker Firm Offer); (b) meet the conditions to apply for Official Quotation of the Shares on the ASX; and (c) assist the Company to meet the requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for admission to the Official List.	Section 1.2 and Section 1.4
What is the Broker Firm Offer Price?	$0.20 per Share.	Section 1.2
What is the Minimum Subscription amount under the Broker Firm Offer?	The Minimum Subscription for the Broker Firm Offer is 35,000,000 Shares at $0.20 per Share to raise $7,000,000 before costs.	Section 1.3
Is the Broker Firm Offer underwritten?	No, the Broker Firm Offer is not underwritten.	Section 1.19
What is the proposed use of funds raised under the Broker Firm Offer?	The proceeds of the Broker Firm Offer will be utilised to enable the Company to: (a) fund pre-clinical development activities; (b) fund the clinical trial and safety assessment (phase 1); (c) fund product development and planning activities for clinical trial (phase 2a); (d) IP protection costs; (e) fund regulatory approval strategy and preparation; (f) fund working capital and corporate expenses; (g) meet the costs of the Offers; and (h) meet the conditions to apply for Official Quotation of the Shares on the ASX.	Section 1.7

INVESTMENT OVERVIEW (continued)

TOPIC	SUMMARY	MORE INFORMATION
What are the Offers under the Prospectus? (continued)		
What is the Lead Manager Offer and what is its purpose?	This Prospectus includes a separate offer of 300,000 Shares and 1,200,000 Options to the Lead Manager. The purpose of the Lead Manager Offer is to partially compensate the Lead Manager for capital raising services provided to the Company in connection with the Broker Firm Offer. No funds will be raised from the Lead Manager Offer. The Lead Manager Offer is being made under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale or transfer of any Shares, or any Shares issued upon exercise of any Options into Shares, that are issued under the Lead Manager Offer. The Lead Manager Offer is made to the Lead Manager (or its respective nominees). You should not complete an Application Form in relation to the Lead Manager Offer unless directed to do so by the Company.	Section 1.5
Will the Shares be quoted?	The Company will apply to the ASX for its admission to the Official List within seven days of the date of this Prospectus.	Section 1.13
What are the conditions of the Offers?	The Offers under this Prospectus are conditional upon the following events occurring: (a) the Company raising the Minimum Subscription of $7,000,000 under the Broker Firm Offer; (b) to the extent required by ASX or the Listing Rules, certain persons entering into a restriction agreement imposing such restriction on trading on the Securities as mandated by the Listing Rules; and (c) ASX providing the Company with a list of conditions which, once satisfied, will result in ASX admitting the Company to the Official List. If these conditions are not satisfied, then the Offers will not proceed and the Company will repay all Application Monies received under the Offers in accordance with the Corporations Act.	Section 1.6
Are there any escrow arrangements?	ASX will classify certain existing Securities on issue in the Company as being subject to the restricted securities provisions of the Listing Rules. Restricted securities would be required to be held in escrow for up to 24 months and would not be able to be sold, mortgaged, pledged, assigned or transferred for that period without the prior approval of ASX. Prior to the Company's Shares being admitted to quotation on the ASX, the Company will enter into escrow deeds with the recipients of any restricted securities in accordance with Chapter 9 of the Listing Rules, and the Company will announce to ASX full details (quantity and duration) of any Securities required to be held in escrow. During the period in which these Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner. As at the date of this Prospectus the Company expects approximately 22,625,750 Shares and 8,300,000 Options to be subject to 24 months escrow and 4,650,000 Shares and Nil Options subject to 12 months escrow.	Section 1.18

INVESTMENT OVERVIEW (continued)

<table>
<tr><th>TOPIC</th><th>SUMMARY</th><th>MORE INFORMATION</th></tr>
<tr><td colspan="3">What are the Offers under the Prospectus? (continued)</td></tr>
<tr><td>What is the Offer period?</td><td><table><tr><th>Event</th><th>Date</th></tr><tr><td>Prospectus Lodged</td><td>Friday, 23 April 2021</td></tr><tr><td>Opening Date</td><td>Saturday, 1 May 2021</td></tr><tr><td>Closing Date</td><td>Friday, 21 May 2021</td></tr><tr><td>Issue Date</td><td>Tuesday, 1 June 2021</td></tr><tr><td>Holding Statements sent</td><td>Thursday, 3 June 2021</td></tr><tr><td>Expected trading</td><td>Thursday, 10 June 2021</td></tr></table>
The above dates are indicative only and may change without notice.</td><td>Key Offer Details, page viii</td></tr>
<tr><td colspan="3">Additional Information</td></tr>
<tr><td>Will the Company be adequately funded after completion of the Broker Firm Offer?</td><td>The Board believes that the funds raised from the Broker Firm Offer will provide the Company with sufficient working capital to achieve its stated objectives as detailed in this Prospectus.</td><td>Section 1.7</td></tr>
<tr><td>What rights and liabilities attach to the Securities on issue?</td><td>The rights and liabilities attaching to the Shares are described in Section 8.1.
The rights and liabilities attaching to the Options are described in Section 8.2.</td><td>Sections 8.1 and 8.2</td></tr>
<tr><td>Who is eligible to participate in the Offers?</td><td>The Broker Firm Offer is open to Australian retail clients of the Lead Manager or Brokers who have received a firm allocation of Shares from Alto or a Broker. It is also open to eligible Malaysian institutional clients of the Lead Manager or Brokers.
No general public offer of Shares will be made under the Broker Firm Offer.
Only the Lead Manager (or its nominees) may accept the Lead Manager Offer.</td><td>Section 1.11</td></tr>
<tr><td>How do I apply for Shares under the Broker Firm Offer?</td><td>Applications for Securities under the Offers can only be made using the relevant Application Form accompanying this Prospectus.
Applications under the Broker Firm Offer must be for a minimum of 10,000 Shares ($2,000) and thereafter in multiples of 2,500 Shares ($500).
If you are an Applicant applying under the Broker Firm Offer, you should complete and lodge your Application Form with the Lead Manager or Broker (as applicable) from whom you received an invitation to participate. Application Forms must be completed in accordance with the instructions given to you by the Lead Manager or your Broker (as applicable) and the instructions set out on the Application Form.
Applicants under the Broker Firm Offer must lodge their Application Form and Application Monies with the Lead Manager or their Broker in accordance with the directions of the Lead Manager or Broker (as applicable) in order to receive their firm allocation. Applicants under the Broker Firm Offer must not send their Application Forms to the Share Registry.</td><td>Section 1.11(a)(ii)</td></tr>
</table>

INVESTMENT OVERVIEW (continued)

TOPIC	SUMMARY	MORE INFORMATION
Additional Information (continued)		
What is the allocation policy?	The Directors, in conjunction with the Lead Manager, will allocate Shares at their sole discretion with a view to ensuring an appropriate Shareholder base for the Company going forward. There is no assurance that any Applicant will be allocated any Shares, or the number of Shares for which it has applied.	Section 1.15
When will I receive confirmation that my application has been successful?	Holding statements confirming allocations under the Broker Firm Offer will be sent to successful Applicants as required by ASX. Holding statements are expected to be issued to Shareholders on or about 3 June 2021.	Section 1.12
What is the Company's dividend policy?	The Company does not expect to pay dividends in the near future as its focus will primarily be on growing the existing business. Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors.	Section 2.8
How can I find out more about the Prospectus or the Offers?	By speaking to your sharebroker, solicitor, accountant or other independent professional adviser or by contacting the Company Secretary on +61 417 800 529.	Section 1.24

1. DETAILS OF OFFERS

1.1 IMPORTANT INFORMATION

This Prospectus contains details of the Offers to apply for Securities in the Company. You are encouraged to:

(a) read the contents of this Prospectus carefully, including the risk factors in Section 4; and

(b) obtain independent professional advice from your accountant, lawyer, financial advisor or any other party qualified to provide advice on the contents of this Prospectus.

1.2 DESCRIPTION OF THE BROKER FIRM OFFER

This Prospectus invites investors to apply for 35,000,000 Shares at an issue price of $0.20 each to raise $7,000,000 (before associated costs) (**Broker Firm Offer**).

The Broker Firm Offer is open to Australian resident retail clients of the Lead Manager and Brokers who have received a firm allocation to apply for Shares under the Prospectus. No general public offer of Shares will be made under this Prospectus.

The Shares to be issued pursuant to the Broker Firm Offer are of the same class and will rank equally with the existing Shares on issue. The rights and liabilities attaching to the Shares are further described in Section 8.1.

Applications for Shares under the Broker Firm Offer must be made on the Application Form accompanying this Prospectus and received by the Company on or before the Closing Date. Persons wishing to apply for Shares under the Broker Firm Offer should refer to Section 1.11 for further details and instructions.

1.3 MINIMUM SUBSCRIPTION

The minimum subscription under the Broker Firm Offer is $7,000,000 (being 35,000,000 Shares) (**Minimum Subscription**).

None of the Securities offered under this Prospectus will be issued if Applications are not received for the Minimum Subscription. Should Applications for the Minimum Subscription not be received within four months from the date of this Prospectus, the Company will either repay the Application Monies (without interest) to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).

1.4 PURPOSE OF PROSPECTUS

The purpose of this Prospectus is to:

(a) raise $7,000,000 pursuant to the Broker Firm Offer (before associated costs of the Offers);

(b) meet the conditions to apply for Official Quotation of the Shares on the ASX; and

(c) assist the Company to meet the requirements of ASX and satisfy Chapters 1 and 2 of the Listing Rules, as part of the Company's application for admission to the Official List.

1.5 LEAD MANAGER OFFER

This Prospectus includes a separate offer of 300,000 Shares and 1,200,000 Options (together, the **Lead Manager Securities**) to the Lead Manager (or its nominees) under this Prospectus (**Lead Manager Offer**).

The Company has agreed to issue the Lead Manager Securities to the Lead Manager (or its nominees) upon successful completion of the Broker Firm Offer as partial consideration for the lead manager services provided in connection with the Broker Firm Offer. No funds will be raised from the Lead Manager Offer.

Only the Lead Manager (or its nominees) may accept the Lead Manager Offer.

The Lead Manager Offer is being made under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale or transfer of any Shares, or any Shares issued upon exercise of any Options into Shares, that are issued under the Lead Manager Offer.

1. DETAILS OF OFFERS (continued)

An Application Form in relation to the Lead Manager Offer will be issued to the Lead Manager together with a copy of this Prospectus.

Refer to Section 7.4 for a summary of the Lead Manager Mandate.

1.6 CONDITIONAL OFFERS

The Offers under this Prospectus are conditional upon the following events occurring:

(a) the Company raising the Minimum Subscription under the Broker Firm Offer;

(b) to the extent required by ASX or the Listing Rules, certain persons entering into a restriction agreement imposing such restriction on trading on the Company's securities as mandated by the Listing Rules; and

(c) ASX providing the Company with a list of conditions which, once satisfied, will result in ASX admitting the Company to the Official List.

If these conditions are not satisfied then the Offers will not proceed and the Company will repay all Application Monies received under the Offers in accordance with the Corporations Act.

1.7 PROPOSED USE OF FUNDS

Following the Offers, it is anticipated that the following funds will be available to the Company:

Source of funds	$
Existing cash as at the date of this Prospectus	1,034,000
Proceeds from the Broker Firm Offer (no proceeds will be raised from the Lead Manager Offer)	7,000,000
Total funds available	**8,034,000**

The following table shows the intended use of funds in the two year period following Admission of the Company to the Official List:

Use of Funds	$	%
Pre-clinical development activities[1]	2,175,000	27.1
Clinical trial and safety assessment (phase 1)	1,525,000	19.0
Product development and planning activities for clinical trial (phase 2a)	300,000	3.7
Regulatory approval strategy and preparation	550,000	6.8
IP protection costs	150,000	1.9
Corporate administration	2,000,000	24.9
Working capital[2]	579,000	7.2
Costs of the Offers[3]	755,000	9.4
Total Funds allocated	**8,034,000**	**100.0**

NOTES:

1. This item includes funds that will be used to perform pre-clinical assessment of the most appropriate additional applications for ARG-007, such as traumatic brain injury and perinatal hypoxia ischaemia.
2. Working capital includes the general costs associated with the management and operation of the business, including administration expenses, rent and other associated costs. Working capital also includes surplus funds. The Directors will allocate surplus funds at their discretion.
3. Expenses paid or payable by the Company in relation to the Offer are set out in Section 8.7.
4. The Company may seek to access any research and development tax incentive funding from the Australian Commonwealth Government to assist funding research and development. Currently, a research and development tax incentive provides a refundable tax offset for certain eligible research and development activities for an entity whose aggregate turnover is less than $20 million. Any such funding is uncertain and has therefore not been included in the budgets above.

1. DETAILS OF OFFERS (continued)

Shareholders should note that the above estimate expenditures will be subject to modification on an ongoing basis depending on the results obtained from the Company's activities. Due to market conditions, the development of new opportunities and/or any number of other factors (including the risk factors outlined in Section 4), actual expenditure levels may differ significantly from the above estimates.

The Board believes that the funds raised from the Broker Firm Offer will provide the Company with sufficient working capital to achieve its stated objectives as detailed in this Prospectus.

The use of further equity funding through Share placements will be considered by the Board where it is appropriate to accelerate a specific project or strategy.

Based on the intended use of funds detailed above, the amounts raised pursuant to the Broker Firm Offer will provide the Company sufficient funding for two years of operations. The Company may require further financing in the future. See Section 4.1(b) for further details about the risks associated with the Company's future capital requirements.

1.8 LEAD MANAGER'S INTERESTS IN THE OFFERS

Alto has been appointed as Lead Manager to the Company and is a party to the Lead Manager Mandate summarised in Section 7.4.

(a) Fees payable to the Lead Manager

Pursuant to the Lead Manager Mandate, the Company has agreed to pay the Lead Manager (or its nominees):

(i) a fee of 6% (comprising of a 1% management fee and 5% capital raising fee) of all funds raised through the Broker Firm Offer;

(ii) a success fee comprising of 300,000 Shares and 1,200,000 unquoted Options with an exercise price of $0.30 each and an expiry date of 30 September 2024; and

(iii) a lead manager fee of $50,000 payable on Admission.

The Company has not paid any fees to the Lead Manager for services under the Lead Manager Mandate accrued thus far.

(b) Lead Manager's interests in Securities

As at the date of this Prospectus, the Lead Manager and its associates have a Relevant Interest in 1,819,250 Shares (a percentage shareholding of 4.8%).

Based on the information available to the Company as at the date of the Prospectus regarding the intentions of the Lead Manager and its associates in relation to the Offers and assuming:

(i) 35,000,000 Shares are issued under the Broker Firm Offer;

(ii) 300,000 Shares and 1,200,000 Options are issued under the Lead Manager Offer;

(iii) neither the Lead Manager nor its associates take up Shares under the Broker Firm Offer; and

(iv) the Lead Manager Options are not exercised,

the Lead Manager and its associates will have a Relevant Interest in 2,119,250 Shares (a percentage shareholding of 2.9%) and 1,200,000 Options (a percentage Option holding of 14.5%).

(c) Lead Manager's participation in previous placements

The Lead Manager and its associates have been issued 1,437,500 Shares as a result of participation in placements of Securities by the Company in the 2 years preceding lodgement of this Prospectus and 381,750 Shares in lieu of a 6% cash capital raising fee on these placements.

1. DETAILS OF OFFERS (continued)

1.9 CAPITAL STRUCTURE

On the basis that the Company completes the Offers on the terms in this Prospectus, the Company's capital structure will be as follows:

	No. of Shares	% of Shares	No. of Options	% of Options
Existing Securities	37,872,250	51.8	7,100,000[1]	85.5
Broker Firm Offer	35,000,000	47.8	-	-
Lead Manager Offer[2]	300,000	0.4	1,200,000[1]	14.5
Total	**73,172,250**	**100**	**8,300,000**	**100**

NOTES:

1. Unquoted Options with an exercise price of $0.30 and an expiry date of 30 September 2024. Please refer to Section 8.2 for the terms and conditions of the existing Options and Lead Manager Options.
2. Refer to Section 7.4 for further details of the Lead Manager Mandate.

The Company's free float at the time of Admission will be not less than 20%.

1.10 FORECASTS

The Directors have considered the matters detailed in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

The Directors consequently believe that, given these inherent uncertainties, it is not possible to include reliable forecasts in this Prospectus.

1.11 APPLICATIONS

(a) Broker Firm Offer

(i) Who can apply?

The Broker Firm Offer is open to Australian resident retail clients and eligible Malaysian resident institutional clients of the Lead Manager and Brokers who have received a firm allocation to apply for Shares under the Broker Firm Offer. If you have been offered a firm allocation by the Lead Manager or a Broker, you will be treated as an Applicant under the Broker Firm Offer in respect of that allocation. You should contact the Lead Manager or your Broker (as applicable) to determine whether they may allocate Shares to you under the Broker Firm Offer.

(ii) How do I apply?

Applications for Shares under the Broker Firm Offer may only be made on an Application Form attached to or accompanying this Prospectus. If you are an Applicant applying under the Broker Firm Offer, you should complete and lodge your Application Form with the Lead Manager or Broker (as applicable) from whom you received an invitation to participate. Application Forms must be completed in accordance with the instructions given to you by the Lead Manager or your Broker (as applicable) and the instructions set out on the Application Form.

By making an Application under the Broker Firm Offer, you declare that you were given access to this Prospectus (including any supplementary or replacement prospectus), together with an Application Form. The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or a complete and unaltered electronic version of this Prospectus.

1. DETAILS OF OFFERS (continued)

The minimum Application under the Broker Firm Offer is for 10,000 Shares ($2,000), and in multiples of 2,500 Shares ($500) thereafter. There is no maximum value of Shares that may be applied for under the Broker Firm Offer. However, the Company and the Lead Manager reserve the right to aggregate any Applications that they believe may be multiple Applications from the same person or reject or scale back any Applications in the Broker Firm Offer. The Company and the Lead Manager may determine a person to be eligible to participate in the Broker Firm Offer, and may amend or waive the Broker Firm Offer Application procedures or requirements, in their absolute discretion in compliance with applicable laws.

Applicants under the Broker Firm Offer must lodge their Application Form and Application Monies with the Lead Manager or with their Broker (as applicable) in accordance with the directions of the Lead Manager or Broker in order to receive their firm allocation. Applicants under the Broker Firm Offer must not send their Application Forms to the Share Registry.

The Company, the Lead Manager and the Share Registry take no responsibility for the acts or omissions of you or your Broker in connection with your Application.

(iii) Discretion regarding the Broker Firm Offer

The Broker Firm Offer opens on Saturday, 1 May 2021 and is expected to close at 5pm (WST) on Friday, 21 May 2021.

The Company, in consultation with the Lead Manager, reserve the right to vary the dates and times of the Broker Firm Offer (including, subject to the Listing Rules and the Corporations Act, to extend the Broker Firm Offer, close the Broker Firm Offer early, to accept late Applications, either generally or in particular cases, or to cancel or withdraw the Broker Firm Offer) in each case without notifying any recipient of this Prospectus or any Applicants, which may have a consequential effect on other dates. Your Broker may also impose an earlier closing date. Applicants are therefore encouraged to submit their Applications and deposit Application Monies as early as possible. Please contact the Lead Manager or your Broker for instructions.

(iv) How do I pay?

Applicants under the Broker Firm Offer must pay their Application Monies in accordance with instructions received from the Lead Manager or their Broker (as applicable).

(v) Acceptance of Applications under the Broker Firm Offer

An Application in the Broker Firm Offer is an offer by an Applicant to the Company to acquire Shares in the amount specified on the Application Form at the Offer Price on the terms and conditions set out in this Prospectus (including any supplementary or replacement prospectus) and the applicable Application Form. To the extent permitted by law, an Application is irrevocable.

An Application in any part of the Broker Firm Offer may be accepted by the Company in respect of the full number of Shares specified in the Application Form or any of them, without further notice to the Applicant. Acceptance of an Application will give rise to a binding contract. The Company and the Lead Manager reserve the right to reject any Application, which is not correctly completed or which is submitted by a person who they believe is ineligible to participate in the Broker Firm Offer or any part of it, or to waive or correct any errors made by the Applicant in completing their Application.

Applicants whose Applications are not accepted, or who are allocated a lesser number of Shares than the amount applied for, will receive a refund of all or part of their Application Monies, as applicable. Interest will not be paid on any Application Monies refunded.

Applicants whose Applications are accepted in full will receive the whole number of Shares calculated by dividing the Application Monies by the Offer Price. Where the Offer Price does not divide evenly into the Application Monies, the number of Shares to be allocated will be rounded down. Your Application Monies should be for the entire number of Shares you are applying for.

1. DETAILS OF OFFERS (continued)

(b) Acknowledgements and warranties

It is the responsibility of Applicants outside of Australia, to obtain all necessary approvals for the allotment and issue of Shares pursuant to this Prospectus. Each Applicant under the Broker Firm Offer will be deemed to have:

(i) agreed to be bound by the terms of the Broker Firm Offer;

(ii) agreed to be bound by the terms of the Constitution;

(iii) acknowledged having personally received a printed or electronic copy of the Prospectus (and any supplementary or replacement prospectus) including or accompanied by the Application Form and having read them all in full;

(iv) declares that all details and statements in the Application Form are complete and accurate;

(v) declares that, if they are an individual, they are over 18 years of age and have full legal capacity and power to perform all its rights and obligations under the Application Form;

(vi) acknowledged that, once the Company or a Broker receives an Application Form, it may not be withdrawn;

(vii) applied for the number of Shares at the Australian dollar amount shown on the front of the Application Form;

(viii) agreed to being allocated and issued or transferred the number of Shares applied for (or a lower number allocated in a way described in this Prospectus), or no Shares at all;

(ix) acknowledged that the Company may not pay dividends, or that any dividends paid may not be franked;

(x) declared that the Applicant(s) is/are a resident of Australia (except as applicable to the Broker Firm Offer);

(xi) authorises the Company and its respective officers or agents, to do anything on their behalf necessary for the Shares to be issued to them, including to act on instructions of the Company's Share Registry upon using the contact details set out in the Application Form;

(xii) acknowledges that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that Shares are suitable for them given their investment objectives, financial situation or particular needs;

(xiii) acknowledges that the Shares have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia, and accordingly, the Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws;

(xiv) acknowledged and agreed that the Broker Firm Offer may be withdrawn by the Company, or may otherwise not proceed in the circumstances described in this Prospectus; and

(xv) acknowledged and agreed that if the listing does not occur for any reason, the Broker Firm Offer will not proceed.

(c) Minimum and maximum Application size under the Broker Firm Offer

The minimum Application under the Broker Firm Offer is for 10,000 Shares ($2,000) and thereafter in multiples of 2,500 Shares ($500).

There is no maximum value of Shares that may be applied for under the Broker Firm Offer.

1. DETAILS OF OFFERS (continued)

(d) Applications under the Lead Manager Offer

Only the Lead Manager (or its nominees) may accept the Lead Manager Offer. A personalised application form in relation to the Lead Manager Offer will be issued to the Lead Manager (or its nominees) together with a copy of this Prospectus.

No monies are payable for the Lead Manager Securities under the Lead Manager Offer.

1.12 CHESS AND ISSUER SPONSORSHIP

The Company will apply to participate in CHESS. All trading on the ASX will be settled through CHESS. ASX Settlement, a wholly-owned subsidiary of the ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Operating Rules. On behalf of the Company, the Share Registry will operate an electronic issuer sponsored sub-register and an electronic CHESS sub-register. The two sub-registers together make up the Company's principal register of securities.

Under CHESS, the Company will not issue certificates to Shareholders. Rather, holding statements (similar to bank statements) will be sent to Shareholders as soon as practicable after allotment. Holding statements will be sent either by CHESS (for Shareholders who elect to hold Shares on the CHESS sub-register) or by the Company's Share Registry (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). The statements will set out the number of existing Shares (where applicable) and the number of new Shares allotted under this Prospectus and provide details of a Shareholder's holder identification number (for Shareholders who elect to hold Shares on the CHESS sub-register) or Shareholder reference number (for Shareholders who elect to hold their Shares on the issuer sponsored sub-register). Updated holding statements will also be sent to each Shareholder at the end of each month in which there is a transaction on their holding, as required by the Listing Rules.

1.13 ASX LISTING AND OFFICIAL QUOTATION

Within seven days after the date of this Prospectus, the Company will apply to ASX for admission to the Official List and for the Shares, including those offered by this Prospectus, to be granted Official Quotation (apart from any Shares that may be designated by ASX as restricted securities).

If the Shares to be issued under this Prospectus are not admitted to quotation within a period of three months from the date of this Prospectus, the Company will either repay the Application Monies (without interest) as soon as practicable to Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Applications and have their Application Monies refunded to them (without interest).

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may grant Official Quotation is not to be taken in any way as an indication of the merits of the Company or the Shares offered pursuant to this Prospectus.

1.14 APPLICATION MONIES TO BE HELD IN TRUST

Application Monies will be held in trust for Applicants until the allotment of the Shares under the Broker Firm Offer. Any interest that accrues will be retained by the Company.

1.15 ALLOCATION AND ISSUE OF SHARES

The Directors, in conjunction with the Lead Manager, will allocate Shares under the Broker Firm Offer at their sole discretion with a view to ensuring an appropriate Shareholder base for the Company going forward. The Directors have determined that the Lead Manager will provide firm allocations of Shares to Brokers to assist the Company to satisfy the Minimum Subscription condition described in Sections 1.3 and 1.6(a). However, the Broker Firm Offer is not underwritten by the Lead Manager.

1. DETAILS OF OFFERS (continued)

The Lead Manager may consult with the Directors prior to providing a firm allocation of Shares to a Broker, but is not required to do so.

In relation to each firm allocation provided by the Lead Manager to a Broker, the Broker may suggest that the Shares be allocated to clients of that Broker, as determined by that Broker. The suggested allocations will be provided by the Broker to the Lead Manager for review. The Lead Manager (in consultation with the Directors as required) will be ultimately responsible for determining the persons to whom Shares are allocated.

As at the date of this Prospectus, the Directors intend to allocate Shares in accordance with the firm allocations made by the Lead Manager, and the allocations suggested by each Broker. However, the Directors retain the right to reject any Application or allocate to any Applicant fewer Shares than applied for. There is therefore no assurance that any Applicant will be allocated any Shares, or the number of Shares for which it has applied. Where the number of Shares issued is less than the number applied for, surplus Application Monies will be refunded (without interest) as soon as reasonably practicable after the Closing Date.

It is expected that trading of the Shares on the ASX will commence on or about Thursday, 10 June 2021 and dispatch of initial holding statements is expected to occur on or about Thursday, 3 June 2021. It is the responsibility of Applicants to determine their allocation prior to trading in the Shares issued under this Prospectus. Applicants who sell Shares before they receive their holding statements do so at their own risk. The Company, the Share Registry and the Lead Manager disclaim all liability, whether in negligence or otherwise, if you sell Shares before receiving your holding statement.

1.16 RISKS

Prospective investors should be aware that an investment in the Company should be considered highly speculative and involves a number of risks inherent in the various business segments of the Company. Section 4 details the key risk factors which prospective investors should be aware of. It is recommended that prospective investors consider these risks carefully before deciding whether to invest in the Company.

This Prospectus should be read in its entirety as it provides information for prospective investors to decide whether to invest in the Company. If you have any questions about the desirability of, or procedure for, investing in the Company please contact your stockbroker, accountant or other independent adviser.

1.17 OVERSEAS APPLICANTS

(a) General

No action has been taken to register or qualify the Securities, or the Offers in any jurisdiction outside Australia or otherwise to permit a public offering of the Securities in any jurisdiction outside Australia.

The distribution of this Prospectus in jurisdictions outside Australia, except to the extent permitted under this Section 1.17, may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of those restrictions. Any failure to comply with the restrictions may constitute a violation of applicable securities laws.

It is the responsibility of any overseas Applicant to ensure compliance with all laws of any country relevant to his or her Application. The return of a duly completed Application Form will be taken by the Company to constitute a representation and warranty that there has been no breach of such law and that all necessary approvals and consents have been obtained.

This document does not constitute an offer of Securities in any jurisdiction in which it would be unlawful. In particular, this document may not be copied or distributed to any person, and the Securities may not be offered or sold, in any country outside Australia except to the extent permitted below.

1. DETAILS OF OFFERS (continued)

(b) Foreign offer restriction - Notice to Malaysian Applicants

No approval from, or recognition by, the Securities Commission of Malaysia has been or will be obtained in relation to any offer of Shares under this Prospectus. The Shares may not be offered, sold or issued in Malaysia except pursuant to, and to persons prescribed under, Schedules 5 and 6 of the Malaysian Capital Markets and Services Act 2007 (**CMSA**).

If you (or any person for whom you are acquiring the Shares) are in Malaysia, you (and any such person) represent that you are a person prescribed under Schedules 5 and 6 of the CMSA.

1.18 ESCROW ARRANGEMENTS

ASX will classify certain existing Securities on issue in the Company as being subject to the restricted securities provisions of the Listing Rules. Restricted securities would be required to be held in escrow for up to 24 months and would not be able to be sold, mortgaged, pledged, assigned or transferred for that period without the prior approval of ASX. During the period in which these Securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner.

Prior to the Company's Shares being admitted to quotation on the ASX, the Company will enter into escrow deeds with the recipients of any restricted securities in accordance with Chapter 9 of the Listing Rules, and the Company will announce to ASX full details (quantity and duration) of any Securities required to be held in escrow.

As at the date of this Prospectus the Company expects approximately 22,625,750 Shares and 8,300,000 Options to be subject to 24 months escrow and 4,650,000 Shares and Nil Options subject to 12 months escrow.

1.19 UNDERWRITING

The Broker Firm Offer is not underwritten.

1.20 BROKERAGE, COMMISSION AND STAMP DUTY

No brokerage, commission or stamp duty is payable by Applicants on acquisitions of Securities under the Offers.

1.21 WITHDRAWAL

The Directors may at any time decide to withdraw this Prospectus and the Offers, in which case the Company will return all Application Monies (without interest) within 28 days of giving notice of their withdrawal.

1.22 PRIVACY DISCLOSURE

Persons who apply for Securities pursuant to this Prospectus are asked to provide personal information to the Company, either directly or through the Lead Manager, Broker or the Share Registry. The Company, the Lead Manager and the Share Registry collect, hold and use that personal information to assess Applications for Securities, to provide facilities and services to Shareholders, and to carry out various administrative functions. Access to the information collected may be provided to the Company's agents and service providers and to ASX, ASIC and other regulatory bodies on the basis that they deal with such information in accordance with the relevant privacy laws. If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

An Applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

1. DETAILS OF OFFERS (continued)

1.23 PAPER COPIES OF PROSPECTUS

The Company will provide paper copies of this Prospectus (including any supplementary or replacement document) and the Application Form to investors upon request and free of charge. Requests for a paper copy should be directed to the Company Secretary at info@argenica.com.au.

1.24 ENQUIRIES

This Prospectus provides information for potential investors in the Company, and should be read in its entirety. If, after reading this Prospectus, you have any questions about any aspect of an investment in the Company, please contact your stockbroker, accountant or independent financial adviser.

Questions relating to the Offers and the completion of an Application Form can be directed to the Company Secretary at info@argenica.com.au.

2. COMPANY OVERVIEW

2.1 INTRODUCTION

Argenica was incorporated on 20 November 2019 as a proprietary Australian company to undertake the development and commercialisation of a novel drug developed by world-leading researchers at the University of Western Australia (**UWA**) and the Perron Institute for Neurological and Translational Science (**Perron Institute**). The drug, which is based on arginine rich peptides, has neuroprotective properties that can offer protection to the brain following stroke and other acute central nervous system injuries.

2.2 COMPANY AND BUSINESS OVERVIEW

The Company has no subsidiaries. The Company obtained Shareholder approval to become a public company on 6 November 2020 and this came into effect on 17 December 2020.

Argenica's current business is to develop a best in class neuroprotective drug based on the pioneering work of Assoc. Prof. Bruno Meloni and Clinical Prof. Neville Knuckey at UWA and the Perron Institute with its lead neuroprotective peptide drug known as ARG-007. Argenica will initially focus on the use of ARG-007 in the treatment of stroke.

2.3 ARG-007

Argenica is developing ARG-007 to be administered in the field by paramedics to provide neuroprotective treatment prior to a patient's arrival at the hospital. ARG-007 can protect vulnerable brain tissue from dying, which could extend the time available for clot removal by thrombolysis and/or thrombectomy for greatly enhanced clinical recovery outcomes post-stroke.

Argenica has accumulated a comprehensive body of published pre-clinical studies demonstrating efficacy of ARG-007 in multiple models of stroke and other central nervous system (**CNS**) injury models , specifically:

(a) stroke (4 different models) including non-human primates;

(b) traumatic brain injury; and

(c) perinatal hypoxia ischaemia.

For stroke, the most prevalent form is an ischaemic stroke, which is caused by a blockage in the blood supply to the brain, for example from a clot. This blockage causes a deprivation of oxygen leading to death of cells (neurons) in the brain. A key recommendation from the Stroke Treatment Academic Industry Roundtable (STAIR) priorities, which were developed to address the past translational failing in neuroprotective drug development, was to focus on plurifunctional agents that target multiple pathways. Single targets have not previously been effective in providing neuroprotection in stroke patients . That is, the ideal stroke therapeutic needs to target multiple parts of the reduced oxygen (ischaemia) and cell death cascade of events. ARG-007 has a multi-functional mechanism of action (MacDougal et al, 2020), which should enhance its neuroprotective potential and potential for translation into the clinic. It is also a cell penetrating peptide, meaning that the peptide can translocate the cell plasma membrane and deliver the therapeutic agent inside the cell where it's needed. Given that many drugs cannot enter the brain to treat central nervous system disorders, this is an important benefit of ARG-007.

Upon successful completion of the pre-clinical safety and toxicokinetics studies, these same data may be used by the Company as part of any regulatory approval package for new applications of ARG-007, such as traumatic brain injury and perinatal hypoxia ischaemia. Some of the funds raised in the Broker Firm Offer will be used to perform pre-clinical assessment of the most appropriate of these additional applications for ARG-007, however subsequent capital raisings would be required for clinical trials and to add more of these applications in to the Company's pipeline. Investors should be aware that there is no guarantee that ARG-007 would be suitable for such additional applications or that the Company would be able to successfully raise capital to investigate such further developments.

2. COMPANY OVERVIEW (continued)

2.4 PROPOSED DEVELOPMENT AND COMMERCIAL STRATEGY

(a) Typical Drug Development Pathway

The drug development pathway is tightly regulated and involves the sequential demonstration of both safety and efficacy of the compounds. All regulatory agencies have the same objectives and obligations to safeguard public health when assessing the safety, quality, and efficacy of medicines before they are authorised for marketing. Each jurisdiction's regulatory approval authority has its own criteria, but these have generally been harmonised by the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use (ICH), an international non-profit association that brings regulatory authorities and the pharmaceutical industry together to harmonise scientific and technical aspects of drug registration. ARG-007 will comply with the appropriate international standards and guidelines, which are available here: https://www.ich.org/page/ich-guidelines and include quality, safety, efficacy and multidisciplinary guidelines. An illustration of the typical drug development process (FDA regulatory body) is shown below. The Company is completing the pre-clinical Investigational New Drug (**IND**) enabling portion of the process development phase (as shown in Figure 1, below) in anticipation of entering clinical trials that is currently scheduled for the second half of 2021.

Figure 1: Drug Research and Development Process
(Source: Seikagaku Corporation https://www.seikagaku.co.jp/en/development/flow.html)

(b) Proposed Development Pathway

The Company intends to develop ARG-007 through the above regulatory pathways in applications where neuroprotection provides enhanced benefits. The primary target market is stroke. Development of the underlying technology has progressed over the last 6 years from initial concept and proof-of-concept experiments through pre-clinical research. The Company is now poised to begin the human testing phase of product development for its initial target application of acute ischaemic stroke.

The Company intends to initiate its planned clinical program immediately on completion of the Broker Firm Offer, and over 12 months following the completion of the Broker Firm Offer, it intends to gather substantial information towards regulatory approval.

Factors that can influence the timing of regulatory approval include the completion of the pre-clinical safety and toxicokinetics studies, manufacturing and scalability, ARG-007's safety in human volunteers (phase I) and its efficacy in stroke patients (phase II).

2. COMPANY OVERVIEW (continued)

(c) Commercialisation

The path to commercialisation may be affected by numerous factors, including but not limited to the regulatory environment, access to key personnel, access to contract research facilities, researchers, funding, competition and market demands which have the ability to significantly affect the time it takes to reach specific development and commercialisation milestones. Although every drug development pathway is different, in particular for different applications and populations, it is generally considered that the clinical trial process takes approximately 3 to 7 years (Figure 1). Accordingly, the Company considers that it is too premature to provide an indicative timetable as to when commercialisation events are likely to occur.

The Company intends to expand upon its existing and future collaborations and seek to attract potential commercial partners throughout its clinical program.

The Company has identified the US, Europe, China and Japan as its primary target market regions, however other geographic markets may also offer commercial opportunities for the Company's commercialisation endeavours.

The above sets out the Company's intentions as at the date of this Prospectus and the Company will continue to monitor the market and its ongoing operations with a view to identifying other potential revenue sources.

The Company does not expect to generate revenue until the Company has secured regulatory approval for the commercial use of ARG-007 in each jurisdiction or a pharmaceutical company licenses the technology prior to regulatory approval for commercialisation being achieved. Future revenue will likely be dependent on successful development milestones, including clinical validation and regulatory approval.

The Company has contracted with UWA to carry out further research and development of ARG-007 relating to providing efficacy and safety data for the human ethics committee for first in human studies. Further details of the agreement with UWA are contained in Section 7.3.

The Company has engaged Medicilon as its pre-clinical Contract Research Organisation (**CRO**) partner to generate the pharmacokinetic, safety and toxicology data required for human ethics approval for the phase 1 clinical trial in Australia and filing an IND application with both the US FDA and China FDA. Further details of the agreement with Medicilon are in Section 7.2.

The Company also intends to engage third parties for regulatory advice and strategy on ARG-007 as it continues its clinical investigational plans under the planned phase I trial and future phase II trial.

2.5 INTELLECTUAL PROPERTY

The Company executed an Intellectual Property Assignment Agreement (**Assignment Agreement**) with UWA for the IP directly related to the business on 29 January 2020 in consideration for the issue of Shares, further details of which are set out in Section 7.1. The Assignment Agreement does not contain any ongoing royalties or other milestone fee obligations. Under the Assignment Agreement the Company is responsible for filing, prosecution and maintenance of patents and for paying any filing, prosecution and maintenance fees.

The core IP assigned from UWA was developed by Assoc. Prof. Bruno Meloni and Clinical Prof. Neville Knuckey at UWA and the Perron Institute respectively. All prior work had been funded by competitive grants and UWA Pathfinder innovation funds. Refer to Section 4.1(k) and the Intellectual Property Report in Annexure B for details of the chain of title (including potential defects) to the IP prior to the assignment.

The IP position includes core patents that are granted in the EU, China and Japan and are undergoing examination in the US. In the US, the original patent application was progressed as 'composition of matter' claims and a divisional patent application (current application) was also filed to concurrently progress 'method of use' claims. The original application was subsequently abandoned during examination in favour of the claims of the divisional application.

2. COMPANY OVERVIEW (continued)

Jurisdiction	Progress	Number	Protection coverage
Europe	Granted	EU3063168	Exp: 30/10/2034
Japan	Granted	Japan 6495270	Exp: 30/10/2034
China	Granted	ZL2014800719713	Exp: 30/10/2034
US	Pending	US16/041,483	-

The Company will implement patent life extension and new intellectual property strategies. Intellectual property developed by third party contractors will be captured using appropriate contracts.

For further information please see the Intellectual Property Report contained in Annexure B.

2.6 SOURCES OF REVENUE

Investors are cautioned that the Company is generally loss making and is unlikely to generate any material revenue in the near term. The successful development and commercialisation of ARG-007 will require further funding in addition to the Company successfully completing the activities set out in Section 2.7.

The Company intends to generate revenue from the on-sale or licensing of ARG-007, rather than from sales of the product directly to the consumer market. The Company intends to seek a partnership with a suitable pharmaceutical company for later-stage clinical development, sales marketing and distribution. If the Company is able to obtain a successful phase 2A clinical trial, this may potentially lead to a trade sale or licence from a global pharmaceutical company that invests in CNS-related therapies.

2.7 KEY DEPENDENCIES OF THE BUSINESS MODEL

The key factors that the Company will depend on to meet its initial objectives are:

(a) the successful completion of the Broker Firm Offer;

(b) successful scale up of the compound;

(c) successful safety testing; and

(d) a successful phase 1 trial demonstrating no unacceptable adverse events.

Assuming a successful phase 1 trial is completed and subject to securing further funding at the relevant time, the key factors the Company will depend on to meet its ultimate objective of successful commercialisation of ARG-007 include:

(a) successful phase 2 data demonstrating efficacy in a small cohort of patients;

(b) successful phase 3 clinical trial demonstrating efficacy in a large cohort of patients in multiple jurisdictions;

(c) acceptance by the regulatory bodies; and

(d) acceptance by the market.

2.8 DIVIDEND POLICY

The Company does not expect to pay dividends in the near future as its focus will primarily be on growing the existing business.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend upon matters such as the availability of distributable earnings, the operating results and financial condition of the Company, future capital requirements, general business and other factors considered relevant by the Directors. No assurances are given in relation to the payment of dividends, or that any dividends may attach franking credits.

3. INDUSTRY OVERVIEW

3.1 INTRODUCTION

Stroke is one of the leading causes of death and disability worldwide and the economic costs of treatment and post-stroke care are substantial. Although the treatment of acute stroke has been improved considerably, the majority of patients to date are left disabled with a considerable impact on functional independence and quality of life.[1]

Current treatment options remain limited to restoring blood flow through clot removal by endovascular therapy, such as tPA (alteplase) thrombolysis and/or mechanical thrombectomy. However, there are time limits on these therapies, with only 35% of all patients with acute stroke reaching hospital within the critical 4.5-hour time window for endovascular treatment.[2]

Despite considerable research, there are no marketed drugs capable of protecting the brain from the damage to brain cells occurring during a stroke and thereby improving functional recovery following stroke. A neuroprotective treatment could be used in conjunction with endovascular therapy to improve the safety, therapeutic time window and neuroprotective outcomes of standard treatment options.

Therefore, the search for widely applicable and effective neuroprotective drugs for stroke patients remains an urgent, unmet need and priority.

3.2 WHAT IS A STROKE?

Stroke is a serious acute medical emergency caused by sudden impairment in blood supply to the brain, resulting in possible damage to brain tissue.

Strokes can be classified into two major categories: ischemic and haemorrhagic.

Ischemic stroke: is the most common type of stroke and occurs when blood supply to the brain is blocked, for example by a blood clot. Ischemic strokes may occur when a blood clot forms somewhere in the body and travels through the bloodstream to the brain (embolic), or forms within a blood vessel in the brain as a result of atheroma or vessel disease (thrombotic).

Haemorrhagic stroke: occurs when a blood vessel in the brain leaks or bursts and results in bleeding within the brain tissue (intracerebral haemorrhage) or in the space around the brain (subarachnoid haemorrhage).

It is estimated that more than 85% of strokes are acute ischemic stroke, caused by embolic or thrombotic occlusion of the brain artery.

3.3 STROKE PREVALENCE AND TARGET MARKET SIZE

The information relevant to specific disease conditions and the Company's target markets is historical and not projected information. This Section does not represent any forecast or projection as to future revenue or profitability of the Company or penetration into markets.

(a) Globally

Globally, stroke remains a major cause of death and disability. In 2016, the global lifetime risk of stroke from the age of 25 years onward was approximately 25% among both men and women. [3]

In addition to being a major public health issue, stroke has a tremendous economic impact. According to the Global Burden of Disease (GBD) 2016 study, stroke was the second largest cause of death globally (5·5 million deaths). There were 80·1 million prevalent cases of stroke globally and 13·7 million new stroke cases in 2016. [4]

In 2016, stroke was also the second most common cause of global disability-adjusted life year (DALYs) with 116·4 million DALYs attributable to stroke.[5]

3. INDUSTRY OVERVIEW (continued)

(b) United States

Stroke is the fifth leading cause of death and a leading cause of serious long-term disability in the United States. Each year, approximately 795,000 people suffer a stroke with about 610,000 of these first or new strokes.[6] Someone in the United States has a stroke every 40 seconds and every 4 minutes someone dies of stroke.[7]

The direct costs of stroke in the US is currently estimated to be US$35 billion annually.[8] The indirect costs, including unemployment, missed work days and premature mortality is estimated to add a further cost of US$68.5 billion annually.[9]

(c) Europe

In the European Union, stroke is the second most common cause of death and a leading cause of adult disability. In 2017, there were an estimated 1.12 million cases of incident stroke, 9.53 million prevalent stroke cases, 0.46 million stroke deaths and 7.06 million disability adjusted life years lost. [10]

Stroke is estimated to cost the European Union (EU) economy €45 billion a year: around one-fifth of the overall cost of Cardiovascular Disease (CVD).[11] Of the total cost of stroke in the EU, 44% (€20 billion) is due to direct health care costs, 21% (€9 billion) to productivity losses and 35% (€16 billion) to the informal care of people with stroke.[12]

(d) Australia

Stroke is also one of Australia's biggest killers and a leading cause of disability. There were 27,428 Australians who experienced stroke for the first time in their lives in 2020, which equates to one stroke every 19 minutes.[13] In 2020 it was estimated that 445,087 Australians were living with the effects of stroke.[14] In 2020, the estimated cost of stroke in Australia was $6.2 billion in direct financial impact and a further $26.0 billion in mortality and lost wellbeing.[15]

1. Grefkes and Fink, 2020 Recovery from stroke: current concepts and future perspectives. Neurological Research and Practice.2:17. https://doi.org/10.1186/s42466-020-00060-6.
2. Stroke Foundation. National Stroke Audit – Acute Services Report 2019. Melbourne, Australia; pg 7.
3. 'Global, Regional, and Country-Specific Lifetime Risks of Stroke, 1990 and 2016'. The GBD 2016 Lifetime Risk of Stroke Collaborators *New England Journal of Medicine* (2018); pg 1.
4. *Global, regional, and national burden of stroke, 1990–2016:a systematic analysis for the Global Burden of Disease Study 2016* Lancet Neurol 2019; p13.
5. As above.
6. Stroke Facts, Centres for Disease Control and Prevention (https://www.cdc.gov/stroke/facts.htm).
7. As above.
8. Neuro News (2019) pg 10.
9. As above.
10. Hatem et al 'Burden of Stroke in Europe' American Heart Association (2020); p 3.
11. Wilkins et al (2017). *European Cardiovascular Disease Statistics* 2017. European Heart Network; p 182.
12. As Above.
13. Deloitte Access Economics. 2020. No postcode untouched, Stroke in Australia 2020; p22.

3. INDUSTRY OVERVIEW (continued)

3.4 CURRENT STANDARD OF STROKE TREATMENT

Current treatment options remain limited to restoring blood flow (i.e. alteplase thrombolysis and mechanical thrombectomy).

(a) Mechanical Thrombectomy

Mechanical thrombectomy is a procedure in which an interventional radiologist uses specialised equipment to remove a clot from a patient's artery. Mechanical thrombectomy is indicated for patients with acute ischemic stroke due to a large artery occlusion in the anterior circulation for patients who can be treated within 24 hours of the time last known to be well (i.e., at neurologic baseline), regardless of whether they receive intravenous alteplase for the same ischemic stroke event. Only ~9% of patients presenting in the 6 to 24 hour time window may qualify for mechanical thrombectomy, and only a few stroke centres have sufficient resources and expertise to deliver this therapy.[16]

(b) Thrombolytics

Thrombolytic therapy is the administration of drugs called lytics or 'clot busters' to dissolve blood clots that have acutely (suddenly) blocked major arteries or veins. Current standards of treatment allow for intravenous alteplase up to 4.5 hours in ischaemic stroke. After this time window, the benefit is typically thought to be outweighed by the risk of brain haemorrhage.

3.5 TIME SENSITIVITY

Stroke symptoms typically start suddenly, over seconds to minutes following blockage or bleeding.[17] The symptoms depend on the area of the brain affected. The more extensive the area of brain affected, the more functions are likely to be impacted.

The current treatment scenario is demonstrated in Figure 2. Patients suffering from suspected stroke presenting in the emergency department (ED) initially receive a CT scan to confirm stroke subtype and rule contraindications to alteplase administration. Emergency teams need to confirm the type of stroke the patient is having and the areas of the brain that are affected by the stroke to determine the correct treatments, and with early treatment the extent of permanent damage can be limited. It is necessary to rule out other possible causes of the symptoms, such as a brain tumour or a drug reaction which require different treatments.

Some patients with ischemic stroke can be treated with a medicine that dissolves the blood clot (i.e. intravenous thrombolysis with the drug tissue plasminogen activator/tPA; also known as alteplase). The earlier intravenous thrombolysis is given, the greater the chance of a favourable outcome. It is recommended that intravenous thrombolysis is administered as early as possible, but may be administered up to four-and-a-half hours after the onset of stroke.[(18)] Studies have shown that administration of alteplase within 60 minutes of stroke onset, often referred to as the 'golden hour', significantly improves health outcomes.

14. Deloitte Access Economics. 2020. No postcode untouched, Stroke in Australia 2020; p2.
15. As above.
16. Filho, J 'Mechanical thrombectomy for acute ischemic stroke' (https://www.uptodate.com/contents/mechanical-thrombectomy-for-acute-ischemic-stroke); p1.
17. Joshi, B 'Stroke Diagnostics and Therapeutics: Global Markets' BBC Research (2015) HLC180A, p11.
18. Australian commission on Safety and Quality in Healthcare 'Acute Stroke – the case for Improvement': Sydney: ACSQHC, 2016, p7.

3. INDUSTRY OVERVIEW (continued)

Figure 2: Current stroke treatment senario

ARG-007 is being developed with the objective of treating the patient and providing neuroprotective treatment prior to arriving at the hospital. It has the potential to protect vulnerable brain tissue from dying, extending the time available for clot removal by thrombolysis and/or thrombectomy and decreasing tissue damage and the risk of complications from bleeding and swelling following treatment, for greatly enhanced clinical recovery outcomes post stroke (Figure 3). Furthermore, ARG-007 could also have a valuable role in health care systems with limited access to current stroke therapies.

3.6 NEUROPROTECTION AS A TREATMENT FOLLOWING STROKE

Over 500 products have been investigated for neuroprotective effects, including those from the categories of free radical scavengers, anti-excitotoxic agents (NMDA and AMPA antagonists), apoptosis (programmed cell death) inhibitors, anti-inflammatory agents, anti-oxidants, neurotrophic factors, metal ion chelators, ion channel modulators (calcium, sodium and potassium blockers), neural stem cells and gene therapy. Previous clinical attempts to develop drugs for stroke through targeting single specific processes, such as free radical scavengers, NMDA antagonism and GABAA-α5 receptor antagonists have not been successful in clinical trials. The main reasons for this include inadequate pre-clinical evaluation, differences in study design between experimental and clinical studies, and limited potency because of a single mechanism of action or only modest neuroprotective effect of the agent.

Despite considerable research, there are no marketed treatments capable of protecting the brain from damage following stroke. Therefore, the search for widely applicable and effective neuroprotective agents for diverse patient populations remains an urgent, unmet need.

3. INDUSTRY OVERVIEW (continued)

Lack of successful neuroprotection products in the stroke market has influenced the lack of investment from pharmaceutical companies into this space. Although numerous products have been suspended in development there is an increasing number of biotech companies assessing targeted and non-targeted products in this market.

ARG-007 is being developed with the objective of treating the patient and providing neuroprotective treatment prior to arriving at the hospital. It has the potential to protect vulnerable brain tissue from dying, extending the time available for clot removal by thrombolysis and or thrombectomy for greatly enhanced clinical recovery outcomes post stroke .

Given the increased use of thrombectomy and the first partially successful phase III data for a neuroprotective agent from NoNo Inc, there may be an increased interest in neuroprotection drugs from pharmaceutical companies in the near future.

Figure 3: Treatment scenario with use of neuroprotective at point of care.

3. INDUSTRY OVERVIEW (continued)

3.7 OTHER TARGET MARKETS

(a) Traumatic brain injury

Neuroprotective treatments, such as ARG-007, are also needed in traumatic brain injury (**TBI**).

Brain trauma is a major cause of morbidity and mortality in populations worldwide, usually as a consequence of road traffic accidents, falls, street violence and contact sports . More recently, TBI has become a concern for active military personnel, who may be exposed to blast waves and other combat-related traumatic events .

Survivors of TBI often suffer from lifelong cognitive, physical, behavioural and communicative deficits . Hence TBI is considered a major global health concern with no current FDA-approved drug for its treatment.

The incidence of TBI is estimated to be 939 in 100,000 worldwide with the major causes being falls, vehicle accidents, wars, and sports.[19] The mortality rate of TBI worldwide is estimated to be between 7% and 23% with 90% of TBI-related deaths occurring in developing countries.[20] Additionally, TBI imposes an economic burden on societies where its annual global cost reaches US$400 billion dollars.[21]

Current strategies to minimize the impact of TBI focus on preventative measures, acute neuro-critical care and neurorestorative practices. However, targeting the secondary neuro-damaging processes that follow the primary insult provides an additional and potentially more effective, treatment to complement existing interventions. Therefore, any acute neuroprotective treatment strategy that maximizes preservation of brain tissue provides the best opportunity to improve outcomes following TBI.

With only preventative and rehabilitative measures currently in place, a neuroprotective treatment that can minimise injury and improve outcomes after a TBI is urgently needed. ARG-007 has been shown to reduce the severity of functional deficits in a standard pre-clinical model of TBI.

(b) Perinatal Hypoxia

Perinatal asphyxia is a lack of blood flow or gas exchange to or from the foetus in the period immediately before, during, or after the birth process. ARG-007 as a neuroprotective therapy may also have application in perinatal hypoxia (oxygen deprivation to the brain during birth, HIE) which occurs from 1 to 8 per 1,000 live births in developed countries to as high as 26 per 1,000 live births in underdeveloped countries.[22] Therapeutic hypothermia is now standard of care for infants with moderate to severe HIE, but has not definitively changed outcomes in severe HIE. Placed under temperatures of around 33 °C for around 3 days, clinical settings and resources available in a hospital greatly determine the survival and the extent of injuries of a baby.[23]

19. Ismail H 'Traumatic brain Injury: Oxidative Stress and Novel Anti-Oxidants Such as Mitoquinone and Edaravone' Antioxidants (2020); p2.
20. As above.
21. As above.
22. O'Mara K and Weiss M. (2018) Dexmedetomidine for Sedation of Neonates with HIE Undergoing Therapeutic Hypothermia: A Single-Center Experience. Am J Perinatol Rep 2018; p1.
23. Clinical Guidelines Nursing – Therapeutic hypothermia in the neonate; p1.

3. INDUSTRY OVERVIEW (continued)

3.8 COMPETITORS

There are competitors to the Company based in Australia and internationally that are seeking to develop neuroprotective peptides and other neuroprotective therapeutics with application in stroke care. These companies are at varying stages of development. Based on publicly available information, the Company's main competitors developing neuroprotective therapies for stroke applications are highlighted in the table below:

Name	Therapeutic	Stage of Development	Website
Nono	NA-1	Phase III	https://nonoinc.ca/
Avilex Pharma	AVLX-144	Pre-clinical	http://www.avilexpharma.com/
DiaMedica	DM199	Phase II	https://www.diamedica.com/
Zzbiotech	3K3A-APC	Completed Phase II	http://zzbiotech.com/
Athersys	MultiStem	Phase III	https://www.athersys.com/home/default.aspx
Lumosa Therapeutics	LT3001	Phase II	https://www.lumosa.com.tw/en

3.9 WHAT THIS MEANS FOR THE COMPANY

The Company aims to develop and commercialise ARG-007, targeting key markets in the US, China, Japan, Australia and Europe as a neuroprotective agent for stroke, with utility in first responder, ambulance or remote-hospital settings. Pre-clinical data supports ARG-007 as a 'best-in class' candidate to achieve this end, but there is no certainty that ARG-007 will be successfully commercialised. Risks associated with the Company's business are summarised in Section 4.

The information contained in this Section 3 is provided as an overview of the prevalence of stroke, both globally and in the US, European and Australian target markets. This Section 3 does not represent any forecast or projection as to future revenue or profitability of the Company or penetration into markets.

4. RISK FACTORS

As with any share investment, there are risks involved. This Section identifies the major areas of risk associated with an investment in the Company but should not be taken as an exhaustive list of the potential risk factors to which the Company and its Shareholders are exposed. Potential investors should read the entire Prospectus and consult their professional advisers before deciding whether to apply for Shares.

Any investment in the Company under this Prospectus should be considered highly speculative.

4.1 RISKS SPECIFIC TO THE COMPANY

(a) Limited operating history

The Company is generally loss making and has a limited operating history on which to evaluate its business and prospects and is currently making a loss meaning it is reliant on raising funds from investors to continue to fund its business operations and develop ARG-007. The Company's operations are subject to all of the risks inherent in a recently formed business enterprise. The Company has no significant history of operations and there can be no assurance that the Company will be able to successfully develop or commercialise ARG-007 and attract partners to generate revenues from its existing and proposed products or avoid losses in any future period.

While the Company made a profit before tax of approximately $65,000 in the half year ended 31 December 2020 (**1H21**) due to the receipt of approximately:

(i) $145,000 in contributions towards the Company's research activities from UWA and the Perron Institute pursuant to the IP Assignment Agreement; and

(ii) a $151,075 research and development tax rebate,

which together exceed expenses for 1H21, the Company considers the profit to be a one off event, and expects to be loss making based on its current use of funds and budget.

(b) Future capital requirements

The Company will require further financing in the future, in addition to amounts raised pursuant to the Broker Firm Offer. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price (or Offer Price) or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and this could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern.

The Company may undertake additional offerings of Shares and of Securities convertible into Shares in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, the voting power of the Company's existing shareholders will be diluted.

(c) Uncertainty of clinical development

The Company's ability to commercialise its intellectual property is reliant on its ability to generate clinical data, starting with gaining the necessary approvals to conduct clinical trials. There are numerous regulatory issues to pass before agencies (such as the EMA and FDA) might be prepared to grant permission for ARG-007 to undergo human studies. Further, there is no certainty that ARG-007 will ever receive that permission.

Drug development is a highly risky business with a high failure rate. There are numerous reasons for this, mainly relating to low therapeutic benefit and unacceptable toxicity, with the drug's pre-clinical data failing

4. RISK FACTORS (continued)

to predict those adverse outcomes in humans. While the Company will conduct its clinical programs on the advice of consultants experienced in clinical trial design and regulatory affairs, there is no certainty that the trial design will provide appropriate data or that the data will meet the regulator's benchmark. This may require the Company to conduct further clinical studies, resulting in significant additional cost and delay.

From the commencement of the clinical trial phase, the final drug development path typically takes between 7 to 11 years, depending on the indication.

(d) Technology risk

While the technology has been tested on animal models, there is a risk these models may not translate to human clinical trials. The relevant peptide has been extensively tested in-house and has been provided to animals with no negative effects to date, however there remains a risk that the peptide may be toxic to humans or provoke an adverse immune response and that delivery of the peptide to the relevant area of the brain does not occur as predicted.

(e) Manufacturing risk

There is no certainty that the Company won't encounter difficulties in scale-up. As the Company progresses through the clinical development of ARG-007, the quantity of the therapeutic required will increase as the number of trial participants increase. There is a risk that the Company cannot scale up its manufacturing of ARG-007 or cannot scale up in a cost efficient or timely manner.

(f) Market risk

Initial adoption and ongoing market acceptance of the Company's product is required by clinicians and patients. This may lead to a lack of market uptake.

Lack of market share, if competition is successful or if alternatives arise which decrease the need for the Company's product, may impact commercial success of the Company.

(g) Partnering risk

The Company's success will depend upon its ability to market and license its Intellectual Property Rights and find willing and able commercial partners for the ongoing clinical development and commercialisation of ARG-007. Pharmaceutical company areas of therapeutic interest change over time and ongoing discussions will be required with potential acquirers of the technology.

(h) Regulatory approval risk

Governmental regulatory authorities traditionally set high standards in granting marketing approvals for new drugs. Such drugs need to demonstrate a significant benefit in terms of therapeutic outcome and convenience and cost of use compared to standard therapies. There is no guarantee that the Company's therapeutic candidate, ARG-007 will receive regulatory approval, and it could be at least 5 to 7 years from now before this becomes apparent. Delays or failures in obtaining regulatory approval for ARG-007 would be likely to have serious adverse effects on the value of the Company and consequently, the Company's financial performance and the value of its Securities.

(i) Reimbursement risk

The availability and amount of reimbursement for patients' medical expenses by public and private payers including government agencies, private health insurers and other healthcare payers is critical to market access, and any delay or inability to gain adequate coverage and a full reimbursement price for our product will limit future market acceptance and commercial success.

4. RISK FACTORS (continued)

(j) Uncertainty of commercialisation through a trade sale/license

The Company's current business strategy is early-stage drug development, with the aim of eventually relying on a trade sale or license of its product to a third party with greater resources and expertise to undertake late-stage drug development, regulatory approvals and sales and marketing. There is no certainty that ARG-007 will be of interest to such a third party or, if ARG-007 is of interest to such a third party, that terms can be negotiated that are commercially acceptable to the Company or will adequately realise the value of the product.

(k) Intellectual property risk

The success of the Company will depend in part on the Company's ability to register and (if required) successfully enforce the Patents without infringing the proprietary rights of others. The Company currently has three granted patents (in Japan, China and validated jurisdiction of Europe) and a patent application in examination in the US, to protect its technologies. Patent rights constitute an important component of intellectual property, and provide protection for new, non-obvious and useful inventions for a limited period. Patents may be granted in respect of new or improved products, compositions and processes in almost all areas of current scientific, commercial and industrial activities, including pharmaceuticals. A granted patent in a particular jurisdiction enables the patentee to prevent others from using the claimed invention in that jurisdiction.

However, as with any Patent, there is a risk associated with the existence of prior art which is unknown to the inventors or the patent examiners which may invalidate a patent. While the Company does not believe that it is currently using any third party patent or other intellectual property rights and does not believe that its activities infringe any third party patent or other intellectual property rights, there is a risk that:

(i) granted patents have been secured or are being pursued in certain jurisdictions which could restrict the Company's activities in those jurisdictions; and

(ii) information made public before the priority date of the Patents could affect the validity of those patents if they were subject to scrutiny having regard to novelty and/or inventive step.

To date, to the Company's knowledge, no third party has enforced against the Company, sought to enforce against the Company, or otherwise drawn the Company's attention to any patent or other intellectual property right (registered or otherwise). The Company is also not aware of any prior art that may invalidate its Patents.

It should be noted that the grant of a patent does not guarantee validity of that patent since it may be revoked by a court on the grounds of invalidity at any time during its life. If none of the claims of a granted patent are valid, then the patent is unenforceable.

Further, it should also be noted that the granting of a patent does not guarantee that the patentee has freedom to operate the invention claimed in the patent. It may be that working of a patented invention is prevented by the existence of another patent.

(l) Risk of delays

The Company may experience delays in achieving a number of critical milestones in the development of ARG-007 due to unforeseen delays in contracted works, non-performance or loss of contractors or delay in obtaining regulatory approvals from hospital ethics committees or government agencies for the conduct of pre-clinical and clinical studies. Any material delays may impact adversely upon the Company, including increasing anticipated costs.

The Company also is dependent on its ability to secure sites and patients for the conduct of its clinical trial program. If the Company is unable to engage clinical trial site providers on commercially acceptable terms, or difficulties arise in procuring patients to fill the clinical trials, progress of the Company's clinical program will be delayed.

4. RISK FACTORS (continued)

(m) Dependence on service providers

The Company intends to operate a significant amount of its key activities through a series of contractual relationships with licensees, independent contractors and suppliers. All of the Company's contracts carry a risk that the third parties do not adequately or fully comply with its or their respective contractual rights and obligations. Such failure could lead to termination and/or significant damage to the Company's product development efforts.

(n) Manufacturing / production risk

The Company has not previously manufactured ARG-007 on a large scale. While the small scale manufacture of each of the product has been successful and no potential issues have been identified that could be problematic in scaling up the manufacturing process, such large scale manufacture to the high standards of clinical Good Manufacturing Practice (cGMP) conditions cannot be guaranteed, in which case the Company might not be able to meet the needs of its projected clinical development program. Should difficulties or delays occur in the manufacture and production of the Company's products, the development of the product may be adversely affected. If, for some reason, the product does not meet quality assurance standards, the Company may be obliged to remanufacture the product, resulting in increased cost and delay.

(o) Future market acceptance

Ultimately the Company's clinical drug candidate ARG-007 will need to find acceptance in a competitive marketplace. Market acceptance depends on many factors, including convincing potential consumers, healthcare workers, and commercial partners of the attractiveness of the Company's products and the ability to manufacture products to a sufficient quantity and quality at an acceptable cost. These and other factors may cause the Company's products to not gain market acceptance, which in turn would negatively affect the profitability of the Company.

(p) Liquidity

At Admission, the Company expects to have 73,172,250 Shares on issue. The Company expects approximately 22,625,750 Shares to be subject to 24 months escrow and 4,650,000Shares subject to 12 months escrow in accordance with Chapter 9 of the Listing Rules, which would be equal to approximately 37.3% of the Company's issued capital. This creates a liquidity risk as a large portion of issued capital may not be able to be freely tradable for a period of time. The ability of an investor in the Company to sell their Shares on the ASX will depend on the turnover or liquidity of the Shares at the time of sale. Therefore, investors may not be able to sell their Shares at the time, in the volumes or at the price they desire.

(q) Marketing and promotion risks

The success of the Company will be highly dependent upon the ability of the Company to successfully market its lead therapeutic ARG-007 and any future therapeutics the Company creates or acquires. No assurance can be given that the Company will be able to successfully market ARG-007 or any future products or develop new market opportunities for expansion.

(r) Contract risk

The operations of the Company will require involvement of a number of third parties including suppliers, manufacturers and customers. With respect to these third parties and despite applying best practice in terms of pre-contracting due diligence, the Company is unable to completely avoid the risk of:

(i) financial failure or default by a participant in any joint venture to which the Company may become a party; and

(ii) insolvency, default on performance or delivery by any operators, contractors or service providers.

4. RISK FACTORS (continued)

(s) Third party risks

The Company's strategy for development and commercialisation of ARG-007 is dependent upon entering into various arrangements with corporate partners, licensors, and others and upon the subsequent success of these partners, licensors, and others in performing their obligations and, in some cases, in obtaining regulatory approvals and manufacturing certain products. The development of ARG-007 and/or future product acquisitions involve a high degree of risk, and returns to investors will be dependent upon successful development of ARG-007 or acquisition and commercialisation of additional products.

(t) Competition

The biotechnology and medical technology industries are characterised by rapid and continuous innovation and development. The Company has outlined known competitors that are developing neuroprotective therapies in Section 3.8. The Company may face substantial competition as new and existing companies enter the market and advances in research and technology become available. The Company's expertise and product may be rendered obsolete or uneconomical by advances or entirely difference approaches developed by one or more of its competitors. There is no assurance that the Company will be able to readily anticipate the actions of competitors and/or respond effectively and in a timely manner to them.

If the Company cannot compete successfully, it could lose partners, customers and market share, suffer reduced operating margins and fail to effectively execute its long-term growth strategy. These outcomes could seriously impede the operating and financial performance and prospects of the Company.

(u) Product liability risk

As with all new pharmaceutical and therapeutic products, even should the Company obtain regulatory approval, there is no assurance unforeseen adverse events or manufacturing defects will not arise. Adverse events could expose the Company to product liability claims in litigation, potentially resulting in any regulatory approval (when/if obtained) being removed and damages being awarded against the Company. In such event, the Company's liability may exceed the Company's insurance coverage (if any).

(v) Growth strategy and execution risk

The Company will need to enhance its clinical trial functions, management structure and internal research team and capability to support the clinical development of ARG-007. The ability of the Company to optimally match this investment to the clinical development trajectory, and the speed at which it can achieve clinical trial success may impact operational and financial performance.

To mitigate this risk, the Company will apply funds to increase its clinical trial functions, management structure and research team. There is however no guarantee that any of these risk mitigation measures undertaken by the Company will be successful.

(w) Reliance on key personnel

The Company's operational success will depend substantially on the continuing efforts of its senior executives. The loss of services of one or more senior executives may have an adverse effect on the Company's operations.

(x) Maintenance of key relationships

The Company will rely on relationships with key business partners to enable it to develop and promote ARG-007. A failure to maintain relationships could result in a withdrawal of support, which in turn could impact the Company's financial position and development timeline.

The Company may lose strategic relationships if third parties with whom the Company has arrangements are acquired by or enter into relationships with a competitor (which could cause the company to lose access to necessary resources). The Company's current competitors could become stronger, or new

4. RISK FACTORS (continued)

competitors could form from consolidations. This could cause the Company to lose access to markets or expend greater resources in order to stay competitive.

(y) Personal information collation risk

The Company or its contract research organisation may in the future collect, store and process highly sensitive, highly regulated and confidential information. The provision of secure and reliable information storage and processing services is integral to the business and operations of the Company and its partners.

As the Company has not yet commence undertaking human trials, the Company does not yet have strict policies and procedures for the collection of data. The Company will need to develop such policies prior to collecting sensitive and personal data or ensure that contract research organisations have their own policies. However, even with such policies in place, if the Company's or the contract research organisation's systems or data is compromised for any reason there is a risk that the Company may negatively affected or become involved in legal action due to breaching data confidentiality agreements.

(z) Infectious diseases

The outbreak of the coronavirus disease (COVID-19) is having a material effect on global economic markets. The global economic outlook is facing uncertainty due to the pandemic, which has had and may continue to have a significant impact on capital markets.

The Company's Share price may be adversely affected by the economic uncertainty caused by COVID-19. Further measures to limit the transmission of the virus implemented by governments around the world (such as travel bans and quarantining) may adversely impact the Company's operations and may interrupt the Company carrying out its contractual obligations.

4.2 GENERAL RISKS

(a) General economic climate

Factors such as inflation, currency fluctuations, interest rates, legislative changes, political decisions and industrial disruption have an impact on operating costs. The Company's future income, asset values and share price can be affected by these factors and, in particular, by exchange rate movements.

(b) Policies and legislation

Any material adverse changes in government policies or legislation of Australia any other country that the Company has economic interests may affect the viability and profitability of the Company.

(c) Negative publicity may adversely affect the Share price

Any negative publicity or announcement relating to any of the Company's product, substantial Shareholders, key personnel or activities may adversely affect the stock performance of the Company, whether or not this is justifiable. Examples of such negative publicity or announcements may include involvement in legal or insolvency proceedings, failed attempts in takeovers, joint ventures or other business transactions.

(d) Stock market conditions

As with all stock market investments, there are risks associated with an investment in the Company. Share prices may rise or fall and the price of Shares might trade below or above the Offer Price. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company. Further, the stock market is prone to price and volume fluctuations. There can be no guarantee that trading prices will be sustained. These factors may materially affect the market price of the Shares, regardless of Company's operational performance.

4. RISK FACTORS (continued)

General factors that may affect the market price of Shares include without limitation economic conditions in both Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(e) Force majeure

Force majeure is a term used to refer to an event beyond the control of a party claiming that the event has occurred. Significant catastrophic events – such as war, acts of terrorism, pandemics, loss of power, cyber security breaches or global threats – or natural disasters - such as earthquakes, fire or floods or the outbreak of epidemic disease – could disrupt the Company's operations and impair deployment of its solutions by its customers, interrupt critical functions, reduce demand for the Company's products, prevent customers from honouring their contractual obligations to the Company or otherwise harm the business. To the extent that such disruptions or uncertainties result in delays or cancellations of the deployment of the Company's products and solutions, its business, results of operations and financial condition could be harmed.

(f) Insurance risk

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

(g) Litigation

Legal proceedings may arise from time to time in the course of the business of the Company. As at the date of this Prospectus, there are no material legal proceedings affecting the Company and the Directors are not aware of any legal proceedings pending or threatened against or affecting the Company.

4.3 SPECULATIVE INVESTMENT

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus.

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

5. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

5.1 BOARD OF DIRECTORS

As at the date of this Prospectus, the Board comprises of:

(a) Mr Geoff Pocock – Non-Executive Chairman;
(b) Dr Samantha South – Executive Director;
(c) Mr Terry Budge - Non-Executive Director; and
(d) Ms Liddy McCall - Non-Executive Director.

5.2 DIRECTORS' PROFILES

The names and details of the Directors in office at the date of this Prospectus are:

(a) Mr Geoff Pocock – Non-Executive Chairman B.Sc., LLB

Mr Geoff Pocock is an experienced strategy consultant and commercialisation professional, with over 20 years' experience across the commercialisation process. Mr Pocock's experience has covered technical roles, executive management as well as significant corporate finance and strategy roles with a number of technology commercialisation ventures.

Mr Pocock is the Principal of Polaris Consulting, a specialist boutique commercialisation strategy and executive services advisory business based in Western Australia, which also provides administrative services to businesses. He is also currently an Executive Director of Osteopore Ltd (ASX:OSX) and Non-Executive Director of EMVision Medical Devices Ltd (ASX:EMV) and former Managing Director/Co-Founder of Hazer Group (ASX: HZR).

(b) Dr Samantha South – Executive Director B.Sc. (Hons), MBA, PhD

Dr Samantha South is currently the Senior Commercialisation Officer (Life Sciences) in the Research Development & Innovation office at UWA and has over 12 years' experience in technology transfer in medtech / biotech sector, at the University of Queensland (**UQ**), Queensland University of Technology and the University of Western Australia (**UWA**).

Dr South has extensive background in medical research at Weill Medical College at Cornell University (NY), UQ and The Garvan Institute in CNS research. She was also the Preclinical Manager at TetraQ, a preclinical contract organisation, specialising in central nervous system animal models.

Dr South was the UWA Director on UWA spin-out companies, MiReven Pty Ltd, Eridan Technologies Pty Ltd and OncoRes Medical Pty Ltd and is currently a Director of Rage Biotech Pty Ltd. Dr South is also the WA Ausbiotech Committee Chair and part of the Ausmedtech National Advisory Group and SBE Life Sciences Council.

(c) Mr Terry Budge - Non-Executive Director B.Ecs, FAICD

Mr Terry Budge was a Director of Aspen Group Limited from 6 May 2005 to 23 November 2012. He was also Chancellor of Murdoch University from 2006 to 2013 (appointed to Senate 1 June 2004). Mr Budge holds a Bachelor of Economics from Monash University and is a Graduate of the Advanced Management Program from Harvard Business School. He is also a Graduate and Fellow of the Australian Institute of Company Directors and a Senior Fellow of FINSIA. He is currently a non-executive director and Chairman of the Audit Committee of Westoz Investment Company Ltd (ASX:WIC).

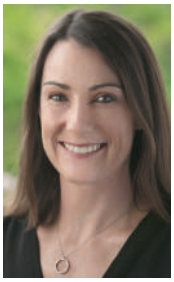
5. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE (continued)

(d) Ms Liddy McCall - Non-Executive Director LLB, B.Juris, B.Com (Hons), GAICD

Ms Liddy McCall co-founded early state venture fund, Yuuwa Capital LP and has over 20 years' experience as a founder, investor and in management of early stage startups. Her prior experience includes co-founder of iCeutica Inc group, Dimerix Limited (ASX:DXB) and Argus Biomedical Pty Ltd. Previously, Ms McCall was an Associate Director, Macquarie Bank focusing on mergers and acquisitions. Ms McCall has been admitted as a barrister and solicitor in various Australian jurisdictions. Ms McCall is on the Board of various companies including ASX listed AdAlta Limited (ASX:1AD), and unlisted companies, Agworld Pty Ltd, Nexgen Plants Pty Ltd, The Tailor Made Spirits Company Limited and Super Trans Medical Limited.

5.3 KEY MANAGEMENT PERSONNEL

(a) Dr Liz Dallimore – CEO B.Sc. (Hons), MBA, PhD



Dr Liz Dallimore is a research & development, innovation and commercialisation specialist with over 20 years' experience across Australia and the UK. Prior to joining Argenica Therapeutics, Dr Dallimore was the Director of the WA Data Science Innovation Hub, tasked with working across WA businesses to establish innovative data science projects. Dr Dallimore has also held senior roles in management consulting across Australia, most recently as KPMG's National Director of Research Engagement and Commercialisation. Prior to this she held senior roles with Ernst & Young and PricewaterhouseCoopers.

Dr Dallimore is a co-founder of medical device company Inspiring Holdings, sits on the AusBiotech WA Committee and is a non-executive Director of NERA, a Federal Government Growth Centre. Dr Dallimore has a PhD in Neuroscience jointly completed at Oxford University and the University of Western Australia and has worked as a neuroscientist at the Australian Neuromuscular Research Institute (now Perron Institute). In 2020, Dr Dallimore was recognised at one of Western Australia's Top Women in Tech.

(b) Ms Emma Waldon - Chief Financial Officer & Company Secretary

Ms Waldon has diverse accounting, capital markets and corporate governance experience in Australia and the UK and is currently Company Secretary of EMVision Medical Devices Ltd (ASX:EMV) and a number of unlisted companies. Ms Waldon was Company Secretary of Hazer Group Limited (ASX: HZR).

Ms Waldon was a director of Moko Social Media Ltd (ASX:MKB) when voluntary administrators were appointed to the company on 31 May 2017.

(c) Assoc. Prof. Bruno Meloni – Chief Scientific Officer

Assoc. Prof. Meloni has over 25 years' experience as a research scientist, the last 20 in the field of stroke/cerebral ischaemia. His research in the stroke/cerebral ischaemia field has focussed on understanding the mechanisms associated with ischaemic brain injury, the identification of potential neuroprotective targets and the development of new therapies. Assoc. Prof. Meloni has experience with designing preclinical stroke trials, and the use of peptides as neuroprotective agents. Assoc. Prof. Meloni is the head of stroke laboratory research at UWA and the Perron Institute.

5. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE (continued)

5.4 CLINICAL ADVISORY MEMBERS

(a) Dr David Blacker – Chairman of the Clinical Advisory Committee

Professor David Blacker is an acute stroke clinician/neurologist who has previous experience initiating neuroprotection clinical stroke trials in Western Australia and being the local Principal Investigator of a number of national and international acute and secondary prevention stroke studies. Prof. Blacker is the Perron Institute Medical Director and consultant neurologist and stroke physician.

(b) Assoc. Prof. Paul Bailey – Member of the Clinical Advisory Committee

Assoc. Prof. Paul Bailey is Medical Director for St John Western Australia. Assoc. Prof. Bailey is Perth based, completing his medical degree at the University of Western Australia in 1992, and becoming a Fellow of the Australasian College for Emergency Medicine in 2000. He completed a Biochemistry / Physiology laboratory PhD in 2007 - investigating the functional and structural characteristics of Australian jellyfish venom. More recently Assoc. Assoc. Prof. Bailey's research focus has been in the areas of out of hospital cardiac arrest, anaphylaxis, emergency department systems and trauma - with 29 papers published in the scientific literature since 2015. In early 2020, Assoc. Prof. Bailey successfully completed the AICD's Company Directors course. Assoc. Prof. Bailey and his team are active participants in the WA Stroke Advisory Group - which has transformed the clinical approach to stroke patients in the prehospital environment in WA.

(c) Prof. Geoffrey Donnan – Member of the Clinical Advisory Committee

Professor Geoffrey Donnan AO is Professor of Neurology at The University of Melbourne and former Director of The Florey Institute of Neuroscience and Mental Health. His research interest is clinical stroke management. He was co-founder, with Prof. Stephen Davis, of the Australian Stroke Trials Network (ASTN) within which there have been conducted numerous investigator driven and other stroke trials. The first of these was the Australian Streptokinase Trial (ASK). He has since been involved in numerous clinical trials of therapy as Chair, Co-chair or Steering Committee member. These include ECASSII and more recently EPITHET. He is currently Co-chair of the EXTEND group of trials, including the recently published EXTEND IA trial of thrombectomy in acute ischaemic stroke. The EXTEND trial itself, in which thrombolysis was safely and effectively given out to 9 hours, was also recently published, again with Prof. Davis. He was a co-founder of Neurosciences Trials Australia and has a major interest in the imaging of the ischaemic penumbra. The interface between basic sciences and clinical stroke medicine has been a research focus and, in collaboration with Messrs Malcolm Macleod and David Howells, has adapted the meta-analysis technique to assess therapies in animal stroke models. He was Editor-in-Chief of the International Journal of Stroke and is Past President of the World Stroke Organization. In 2012 he was appointed an Officer of the Order of Australia for his distinguished service to neurology and research contributions and is the recipient of a number of international awards including the American Stroke Association William Feinberg Award (2007), the World Stroke Organization Leadership Award (2012), Karolinska Institute Award (2012) and Wepfer Award of the European Stroke Congress for excellence in stroke research (2014).

(d) Dr Tim Phillips

Dr Tim Phillips is an Interventional Neuroradiologist with 15 years' experience, currently working at the Neurological Intervention and Imaging Service of Western Australia (NIIS WA) and the Perth Children's Hospital. Prior to returning to Perth he undertook post-specialist fellowship training at the Royal Melbourne Hospital, The Royal London Hospital, Queens Hospital Romford, The National Hospital for Neurology and Neurosurgery, and Great Ormond Street Hospital.

5. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE (continued)

5.5 INTERESTS OF DIRECTORS

No Director of the Company (or entity in which they are a partner or director) has, or has had in the two years before the date of this Prospectus, any interests in:

(a) the formation or promotion of the Company; or

(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; or

(c) the Offers, and

no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to:

(d) any Director to induce him or her to become, or to qualify as, a Director; or

(e) any Director of the Company for services which he or she (or an entity in which they are a partner or director) has provided in connection with the formation or promotion of the Company or the Offers,

except as disclosed in this Prospectus.

5.6 DISCLOSURE OF DIRECTORS

No Director has been the subject of any disciplinary action, criminal conviction, personal bankruptcy or disqualification in Australia or elsewhere in the last 10 years which is relevant or material to the performance of their duties as a Director or which is relevant to an investor's decision as to whether to subscribe for Shares. No Director has been an officer of a company that has entered into any form of external administration as a result of insolvency during the time that they were an officer, or within a 12 month period after they ceased to be an officer.

5.7 SECURITY HOLDINGS OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

The Directors, key management personnel and their related entities have the following interests in Securities as at the date of this Prospectus:

Director/Key Management Personnel	Shares	% of Shares	Options	% of Options
Mr Geoff Pocock[1]	4,377,000	11.6	500,000	7.0
Dr Liz Dallimore[2]	-	-	2,500,000	35.2
Dr Samantha South[3]	2,000,000	5.3	1,000,000	14.1
Mr Terry Budge[4]	205,000	0.5	500,000	7.0
Ms Liddy McCall[5]	125,000	0.3	500,000	7.0
Ms Emma Waldon[6]	1,025,000	2.7	500,000	7.0
Assoc. Prof. Bruno Meloni	1,277,000	3.4	350,000	4.9
TOTAL	**9,009,000**	**23.8**	**5,850,000**	**82.2**

NOTES:

The entities in which the securities of the Directors and Key Management are held are:

1. Mr Geoff Pocock – Oofy Prosser Pty Ltd <Drones Family A/C>;
2. Dr Liz Dallimore – Lewis Macdonald Dawson and Elizabeth Jane Dawson <Dawson Family A/C>;
3. Dr Samantha South – Shane Michael Colley <Fiery King Investment A/C>;
4. Mr Terry Budge – T & L Budge Holdings Pty Ltd <T & L Budge Super Fund A/C>;
5. Ms Liddy McCall – Stilla Pty Ltd <McChite Superannuation Fund A/C> (Shares) and Toroha Pty Ltd <White Family A/C> (Options); and
6. Ms Emma Waldon – Busso Holdings Pty Ltd <BEW>.

5. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE (continued)

Based on the intentions of the Directors and key management personnel at the date of this Prospectus in relation to the Offers, the Directors, key management personnel and their related entities will have the following interests in Securities on Admission:

Director/Key Management Personnel	Shares	% of Shares	Options	% of Options
Mr Geoff Pocock[1]	4,377,000	6.0	500,000	6.0
Dr Liz Dallimore[2]	-	-	2,500,000	30.1
Dr Samantha South[3]	2,000,000	2.7	1,000,000	12.0
Mr Terry Budge[4]	205,000	0.3	500,000	6.0
Ms Liddy McCall[5]	125,000	0.2	500,000	6.0
Ms Emma Waldon[6]	1,025,000	1.4	500,000	6.0
Assoc. Prof. Bruno Meloni	1,277,000	1.7	350,000	4.2
TOTAL	**9,009,000**	**12.3**	**5,850,000**	**70.5**

NOTES:
The entities in which the securities of the Directors and Key Management are held are:
1. Mr Geoff Pocock – Oofy Prosser Pty Ltd <Drones Family A/C>;
2. Dr Liz Dallimore – Lewis Macdonald Dawson and Elizabeth Jane Dawson <Dawson Family A/C>;
3. Dr Samantha South – Shane Michael Colley <Fiery King Investment A/C>;
4. Mr Terry Budge – T & L Budge Holdings Pty Ltd <T & L Budge Super Fund A/C>;
5. Ms Liddy McCall – Stilla Pty Ltd <McChite Superannuation Fund A/C> (Shares) and Toroha Pty Ltd <White Family A/C> (Options); and
6. Ms Emma Waldon – Busso Holdings Pty Ltd <BEW>.

5.8 REMUNERATION OF DIRECTORS

As at the date of this Prospectus, Directors have received the following remuneration since incorporation of the Company.

Director	Remuneration (A$)
Mr Geoff Pocock	Nil
Dr Samantha South	37,735 (including superannuation)
Mr Terry Budge	Nil
Ms Liddy McCall	Nil

5.9 RELATED PARTY TRANSACTIONS

The Company has entered into the following related party transactions on arms' length terms:

(a) Executive and Administrateive Services Agreement (as varied) with Polaris Consulting (an entity controlled by Mr Geoff Pocock in his capacity as a director and shareholder of Polaris Consulting) (see Section 7.5 for details);

(b) executive services agreement with Dr Liz Dallimore, Dr Samantha South and Ms Emma Waldon (see Sections 7.5, 7.10 and 7.11 for details);

(c) letters of appointment with each of its Non-Executive Directors, Mr Terry Budge and Ms Liddy McCall on standard terms and Mr Geoff Pocock as Chairman (refer Section 7.12 for details); and

(d) deeds of indemnity, insurance and access with each of its Directors on standard terms (refer Section 7.13) for details).

At the date of this Prospectus, no other material transactions with related parties and Directors' interests exist that the Directors are aware of, other than those disclosed in the Prospectus.

5. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE (continued)

5.10 ASX CORPORATE GOVERNANCE COUNCIL PRINCIPLES AND RECOMMENDATIONS

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the Company's policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted the 4th edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current Board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are detailed below. The Company's full Corporate Governance Plan is intended to be made available in a dedicated corporate governance information section of the Company's website at www.argenica.com.au.

(a) Board of Directors

The Board is responsible for the corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. Clearly articulating the division of responsibilities between the Board and management will help manage expectations and avoid misunderstandings about their respective roles and accountabilities.

In general, the Board assumes (amongst others) the following responsibilities:

(i) providing leadership and setting the strategic objectives of the Company;

(ii) appointing and when necessary replacing the Executive Directors;

(iii) approving the appointment and when necessary replacement, of other senior executives;

(iv) undertaking appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director;

(v) overseeing management's implementation of the Company's strategic objectives and its performance generally;

(vi) approving operating budgets and major capital expenditure;

(vii) overseeing the integrity of the Company's accounting and corporate reporting systems including the external audit;

(viii) overseeing the Company's process for making timely and balanced disclosure of all material information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities;

(ix) ensuring that the Company has in place an appropriate risk management framework and setting the risk appetite within which the Board expects management to operate; and

(x) monitoring the effectiveness of the Company's governance practices.

The Company is committed to ensuring that appropriate checks are undertaken before the appointment of a Director and has in place written agreements with each Director which detail the terms of their appointment.

(b) Composition of the Board

Election of Board members is substantially the province of the Shareholders in general meeting. The Board currently consists of one Executive Director (being Samantha South) and three Non-Executive Directors

5. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE (continued)

(being Geoff Pocock, Terry Budge and Liddy McCall). As the Company's activities develop in size, nature and scope, the composition of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

(c) Identification and management of risk

The Board's collective experience will assist in the identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

(d) Ethical standards

The Board is committed to the establishment and maintenance of appropriate ethical standards.

(e) Independent professional advice

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

(f) Remuneration arrangements

The remuneration of any Executive Director will be decided by a Nomination and Remuneration Committee established by the Board. The members of this committee are Ms Liddy McCall, Mr Terry Budge and Mr Geoff Pocock. The Committee consists of three Non-Executive Directors, including two independent Directors, namely Ms Liddy McCall and Mr Terry Budge.

In addition, subject to any necessary Shareholder approval, a Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director (eg non-cash performance incentives such as options).

Directors are also entitled to be paid reasonable travel and other expenses incurred by them in the course of the performance of their duties as Directors.

The Nomination and Remuneration Committee reviews and approves the Company's nomination and remuneration policy in order to ensure that the Company is able to attract and retain executives and Directors who will create value for Shareholders, having regard to the amount considered to be commensurate for an entity of the Company's size and level of activity as well as the relevant Directors' time, commitment and responsibility.

The Nomination and Remuneration Committee is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

(g) Securities trading policy

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (ie Directors and, if applicable, any employees reporting directly to the Executive Directors). The policy generally provides that the written acknowledgement of the Chairman (or the Board in the case of the Chairman) must be obtained prior to trading.

(h) Diversity policy

The Board values diversity and recognises the benefits it can bring to the organisation's ability to achieve its goals. Accordingly, the Company has set in place a diversity policy. This policy outlines the Company's diversity objectives in relation to gender, age, cultural background and ethnicity.

Given the current size of the Company, the Board has determined that the benefits of the initiatives recommended by the ASX Corporate Governance Council are disproportionate to the costs involved in

implementing such strategies including compliance with the requirement for the Company to set and report against measurable objectives for achieving gender diversity.

(i) Audit and risk

The Board has established an Audit and Risk Management Committee to review and monitor financial, audit and risk management processes and reporting. The members of this committee are Mr Terry Budge, Ms Liddy McCall and Mr Geoff Pocock. The Committee consists of three Non-Executive Directors, including two independent Directors, namely Mr Terry Budge and Ms Liddy McCall.

The duties assigned to the Audit and Risk Management Committee under the written terms of reference for that committee include but are not limited to, monitoring and reviewing any matters of significance affecting financial reporting and compliance, the integrity of the Company's financial reporting, the Company's internal financial control system and risk management systems and the external audit function.

(j) External audit

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

(k) Social media policy

The Board has adopted a social media policy to regulate the use of social media by people associated with the Company or its subsidiaries to preserve the Company's reputation and integrity. The policy outlines requirements for compliance with confidentiality, governance, legal, privacy and regulatory parameters when using social media to conduct Company business.

(l) Whistleblower policy

The Board has adopted a whistleblower protection policy to ensure concerns regarding unacceptable conduct including breaches of the Company's code of conduct can be raised on a confidential basis, without fear of reprisal, dismissal or discriminatory treatment. The purpose of this policy is to promote responsible whistle blowing about issues where the interests of others, including the public, or of the organisation itself are at risk.

(m) Anti-bribery and anti-corruption policy

The Board has a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings. The Board has adopted an anti-bribery and anti-corruption policy for the purpose of setting out the responsibilities in observing and upholding the Company's position on bribery and corruption provide information and guidance to those working for the Company on how to recognise and deal with bribery and corruption issues.

5. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE (continued)

5.11 DEPARTURES FROM RECOMMENDATIONS

Following admission to the Official List, the Company will be required to report any departures from the Recommendations in its annual financial report.

The Company's compliance with and departures from the Recommendations as at the date of this Prospectus are detailed in the table below.

PRINCIPLE AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 1: Lay Solid Foundations for Management and Oversight		
Recommendation 1.5 A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of the board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: 1) the measurable objectives set for that period to achieve gender diversity; 2) the entity's progress towards achieving them, and 3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined 'senior executive' for these purposes); or (B) if the entity is a 'relevant employer' under the Workplace Gender Equality Act, the entity's most recent 'Gender Equality Indicators', as defined in and published under that Act. If the entity was in the S&P/ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	**Partially**	The Company has adopted a Diversity Policy, however, given the current size of the Company, the Board has determined that the benefits of the initiatives recommended by the ASX Corporate Governance Council are disproportionate to the costs involved in implementing such strategies, including compliance with the requirement for the Company to set and report against measurable objectives for achieving gender diversity. The Board will drive the Company's diversity strategies on an informal basis and will apply the initiatives contained in its Diversity Policy to the extent that the Board considers relevant and necessary. The Company's Diversity Policy is available on the Company's website. For each reporting period, the Company will include in the annual report each year relevant information about the Company's diversity practices to the extent required by its Diversity Policy. The Company is not in the S&P/ASX 300 Index.
Principle 2: Structure the Board to be Effective and Add Value		
Recommendation 2.2 A listed entity should have and disclose a board skill matrix setting out the mix of skills the board currently has or is looking to achieve in its membership.	**Partially**	The Board reviews capabilities, technical skills and personal attributes of its Directors. It reviews the Board's composition against those attributes and recommends any changes in Board composition that may be required. The Company has not disclosed a Board skill matrix.

5. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE (continued)

PRINCIPLE AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 2: Structure the Board to be Effective and Add Value (continued)		
Recommendation 2.4 A majority of the board of a listed entity should be independent directors.	**No**	The Board has formed the view that, given the size and nature of the business of the Company, the current Board structure is appropriate for the Company at its current stage of development.
Recommendation 2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	**Partially**	The Board has formed the view, given the size and nature of the business of the Company, and the knowledge and experience Geoff Pocock brings to the Company, that Geoff Pocock is the most appropriate person to hold the position of Chairman of the Company even though he is not independent by reason of being a substantial Shareholder. The Chairman is not the same person as the CEO of the entity.
Principle 3: Instil a Culture of Acting Lawfully, Ethically and Responsibly		
Recommendation 3.1 A listed entity should articulate and disclose its values	**No**	The Company has not articulated and disclosed its values at this point in time.

6. FINANCIAL INFORMATION

6.1 INTRODUCTION

The financial information contained in this Section 6 includes statutory and pro forma financial information for the period from 20 November 2019 to 30 June 2020 and for the half-year ended 31 December 2020.

The financial information in this Section comprises the following:

(a) statutory historical statement of profit and loss for the period from 20 November 2019 to 30 June 2020 and for the half-year ended 31 December 2020 (**1H21**), (**Statutory Historical Profit and Loss**);

(b) statutory historical statement of cash flows for the period from 20 November 2019 to 30 June 2020 and for the half-year ended 31 December 2020 (**Statutory Historical Cash Flows**); and

(c) statutory historical statement of financial position as at 31 December 2020 (**Statutory Historical Statement of Financial Position**),

(referred to in this Section as the Statutory Historical Financial Information), and

(d) pro forma statement of financial position as at 31 December 2020 (**Pro Forma Statement of Financial Position**).

(together referred to as the **Financial Information**).

Information provided in this Section 6 should be read in conjunction with the risk factors outlined in Section 4, the Investigating Accountant's Report attached at Annexure A and the other information provided in this Prospectus.

6.2 BASIS OF PREPARATION AND PRESENTATION OF THE FINANCIAL INFORMATION

(a) Overview

The statutory historical financial statements of the Company for the period from 20 November 2019 to 30 June 2020 have been audited by RSM Australia Partners and the 1H21 financial statements have been reviewed by RSM Australia Partners.

RSM Australia Partners issued an unmodified audit opinion on the financial statements for the period from 20 November 2019 to 30 June 2020 and an unmodified review conclusion on the 1H21 financial statements.

The Financial Information has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) and the Corporations Act, as appropriate for for-profit oriented entities. The Financial Information also complies with the recognition and measurement principles of International Financial Reporting Standards as issued by the International Accounting Standards Board (**IASB**).

The Financial Information is presented in an abbreviated form insofar as it does not include all the disclosures and notes required in an annual financial report prepared in accordance with Australian Accounting Standards and other mandatory reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

The Directors are responsible for the preparation and inclusion of the Financial Information in the Prospectus. The Financial Information has been reviewed and reported on by RSM Corporate Australia Pty Ltd (**RSM**) as set out in the Independent Limited Assurance Report attached at Annexure A. Investors should note the scope and limitations of the Independent Limited Assurance Report (refer to Annexure A).

Investors should note that past performance is not an indication of future performance.

(b) Preparation of the Historical and Pro Forma Financial Information

The Statutory Historical Financial Information has been extracted from the audited statutory financial statements of the Company for the period from 20 November 2019 to 30 June 2020 and the reviewed financial statements for the half-year ended 31 December 2020.

6. FINANCIAL INFORMATION (continued)

The Pro Forma Historical Financial Information has been prepared for the purpose of inclusion in this Prospectus. The Pro Forma Historical Statement of Financial Position as at 31 December 2020 is based on the reviewed financial statements of the Company at that date adjusted to reflect the impact of certain subsequent events, the Broker Firm Offer and the Lead Manager Offer and other transactions associated with the Offers, as if those events and transactions had occurred as at 31 December 2020.

6.3 STATUTORY HISTORICAL PROFIT AND LOSS

Table 1 below sets out the Statutory Historical Profit and Loss for the period from 20 November 2019 to 30 June 2020 and for the half-year ended 31 December 2020.

Table 1: Statement of profit or loss

	20 Nov 2019 to 30 Jun 2020 Audited $	1H21 Reviewed $
Revenue		
Other income	249	296,147
Expenses		
Administration and corporate expenses	(20,574)	(69,312)
Employee expenses	-	(16,496)
Research and development costs	(332,986)	(129,103)
Patent costs	(30,092)	(15,929)
Finance costs	-	(10)
Profit / (Loss) before income tax expense	**(383,403)**	**65,297**
Income tax expense	-	(54)
Profit / (Loss) after income tax expense for the period	**(383,403)**	**65,243**

6. FINANCIAL INFORMATION (continued)

6.4 STATUTORY HISTORICAL CASH FLOWS

Table 2 below sets out the Statutory Historical Cash Flows for the period from 20 November 2019 to 30 June 2020 and for the half-year ended 31 December 2020.

Table 2: Statutory Historical Cash Flows

	20 Nov 2019 to 30 Jun 2020 Audited $	1H21 Reviewed $
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	-	145,000
Payments to suppliers and employees (inclusive of GST)	(58,964)	(553,134)
Interest received	249	72
Interest and other finance costs paid	-	(10)
Withholding tax	(101)	101
Income tax paid	-	(54)
Research and development tax rebate received	-	151,075
Net cash used in operating activities	**(58,816)**	**(256,950)**
Cash flows from investing activities		
Net cash used in investing activities	-	-
Cash flows from financing activities		
Proceeds from issue of shares	400,800	1,136,500
Net cash from financing activities	**400,800**	**1,136,500**
Net increase in cash and cash equivalents	**341,984**	**879,550**
Cash and cash equivalents at beginning of the period	-	**341,984**
Cash and cash equivalents at the end of the period	**341,984**	**1,221,534**

6.5 GENERAL FACTORS AFFECTING THE OPERATING RESULTS OF THE COMPANY

Below is a discussion of the main factors which affected the Company's operations and historical financial performance in the period from 20 November 2019 to 30 June 2020 and the half-year ended 31 December 2020. The discussion of these general factors is intended to provide a summary only and does not detail all factors that affected the Company's historical operating and financial performance.

The profit for the Company after providing for income tax for the half-year ended 31 December 2020 amounted to $65,243 and followed a loss after providing for income tax of $383,403 for the period from 20 November 2019 to 30 June 2020.

Revenue during the half-year ended 31 December 2020 included $145,000 in contributions toward the Company's research activities from UWA and the Perron Institute pursuant to the IP Assignment Agreement, a $151,075 R&D tax incentive rebate and $72 in interest income. Revenue for the period from 20 November 2019 to 30 June 2020 consisted of $249 in interest income only.

Operating expenses during both the half-year ended 31 December 2020 and period from 20 November 2019 to 30 June 2020 principally related to research and development costs of a neuroprotective therapeutic drug, patent costs and administration expenses. Operating cash outflows for the half-year ended 31 December 2020 were $256,950 (20 November 2019 to 30 June 2020: $58,816). Financing cash inflows for the half-year ended 31 December 2020 were $1,136,500 from the issue of 11,872,250 Shares in the Company at a range of issue prices. Financing cash

6. FINANCIAL INFORMATION (continued)

inflows for the period from 20 November 2019 to 30 June 2020 were $400,800 from the issue of 16,000,000 Shares in the Company at a range of issue prices.

The Company had a net asset position at 31 December 2020 of $1,220,140 (30 June 2020: $18,397). The net asset position included $1,221,534 of cash and cash equivalents and a $1,000 intangible asset being intellectual property associated with a neuroprotective therapeutic drug. In February 2020, 10,000,000 ordinary shares were issued to the Intellectual Property vendors pursuant to an Assignment of Intellectual Property Agreement with the UWA and the Perron Institute to assign the Intellectual Property associated with a neuroprotective therapeutic drug to the Company, at an issue price of $0.0001 per share and a total transaction value of $1,000.

The impact of the Coronavirus (COVID-19) pandemic is ongoing. It had no significant impact on the Company during the period covered by the financial information.

6.6 STATUTORY AND PRO FORMA HISTORICAL STATEMENT OF FINANCIAL POSITION

(a) Overview

Table 3 below sets out the pro forma adjustments that have been made to the reviewed Statutory Historical Statement of Financial Position for the Company at 31 December 2020 in order to prepare the Pro Forma Statement of Financial Position for the Company. These adjustments (including the $7,000,000 (before costs) raised under the Broker Firm Offer, transaction expenses and other material transactions) reflect the impact of the changes in capital structure that will take place pursuant to the Offers under this Prospectus, as if they had occurred or were in place as at 31 December 2020.

Table 3: Statutory and Pro Forma Historical Statement of Financial Position

$'000	Reviewed 31 Dec 2020	Unaudited Subsequent events	Unaudited Pro forma adjustments	Unaudited Pro forma 31 Dec 2020
Cash and cash equivalents	1,221,534	-	6,245,000	7,466,534
Trade and other receivables	49,819	-	-	49,819
Other current assets	6,207	-	(6,127)	80
Total current assets	**1,277,560**	**-**	**6,238,873**	**7,516,433**
Intangible assets	1,000	-	-	1,000
Total non-current assets	**1,000**	**-**	**-**	**1,000**
Total Assets	**1,278,560**	**-**	**6,238,873**	**7,517,433**
Trade and other payables	(58,420)	-	-	(58,420)
Total current liabilities	**(58,420)**	**-**	**-**	**(58,420)**
Total liabilities	**(58,420)**	**-**	**-**	**(58,420)**
Net assets	**1,220,140**	**-**	**6,238,873**	**7,459,013**
Equity				
Issued capital	1,538,300	-	6,282,314	7,820,614
Reserves	-	15,663	141,346	157,009
Accumulated losses	(318,160)	(15,663)	(184,787)	(518,260)
Total equity	**1,220,140**	**-**	**6,238,873**	**7,459,013**

Adjustments adopted in compiling the Pro Forma Historical Statement of Financial Position.

6. FINANCIAL INFORMATION (continued)

The Pro Forma Historical Statement of Financial Position has been adjusted to reflect the following event which occurred subsequent to 31 December 2020:

(i) On 14 April 2021 the Company issued 250,000 Options to investor and media engagement consultant Spring Sydney Pty Ltd, each convertible into one Share and at an exercise price of $0.30 and expiring on 30 September 2024, in accordance with the terms of the Spring Services Agreement (see Section 7.7).

The Pro Forma Historical Statement of Financial Position has been adjusted to reflect the following pro forma transactions which are yet to occur, but are proposed to occur immediately before or following completion of the Offer:

(i) the issue of 35,000,000 Shares at $0.20 each to raise $7,000,000 (before costs), under the Broker Firm Offer;

(ii) the payment of cash costs of $755,000 related to the Offers;

(iii) expensing of transaction costs of $6,127 recorded as a prepayment as at 31 December 2020 on completion of the Offers; and

(iv) the issue of 300,000 Shares and 1,200,000 Options to the Lead Manager (or its nominees) in part consideration for capital raising services provided to the Company. These Options will have an exercise price of $0.30 per Option and an expiry date of 30 September 2024.

The Lead Manager Options have been valued at $141,346 using the Black-Scholes model and assuming a stock price of $0.20, a risk-free interest rate of 0.13% and volatility of 100%.

6.7 LIQUIDITY AND CAPITAL RESOURCES

The Board believes that the funds raised from the Broker Firm Offer will provide the Company with sufficient working capital to achieve its stated objectives as detailed in Section 1.4.

The use of further equity funding or Share placements will be considered by the Board where it is appropriate to accelerate a specific project or strategy.

Based on the intended use of funds detailed in Section 1.7, the amounts raised pursuant to the Broker Firm Offer will provide the Company sufficient funding for only two years' operations. The Company may require further financing in the future. See Section 4.1(b) for further details about the risks associated with the Company's future capital requirements.

6.8 SUMMARY OF KEY ACCOUNTING POLICIES

A summary of key accounting policies which have been adopted in preparation of the Financial Information is set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(a) **Basis of preparation**

The Financial Information has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) and the Corporations Act, as appropriate for for-profit oriented entities. The Financial Information also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board (**IASB**).

(b) **Historical cost convention**

The Financial Information has been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

6. FINANCIAL INFORMATION (continued)

(c) **Critical accounting estimates**

The preparation of the Financial Information requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed herein.

(d) **Foreign currency translation**

The Financial Information is presented in Australian dollars, which is the Company's functional and presentation currency. Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(e) **Revenue recognition**

The Company recognises revenue as follows:

(i) Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

(ii) Interest

Interest revenue is recognised as interest accrues using the effective interest method.

(iii) R&D Rebate

Research and development tax incentive income is recognised at a point in time when it is received or when the right to receive payment is established.

(f) **Income tax**

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

(i) When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

(ii) When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets is reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

(g) **Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(h) **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

(i) **Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally

due for settlement within 30 days. The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue. Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(j) **Intangible assets**

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

(k) **Research and development**

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Company is able to use or sell the asset; the Company has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit.

(l) **Impairment of non-financial assets**

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(m) **Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial period and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(n) **Employee benefits**

(i) Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

(iii) Share-based payments

The Company provides benefits in the form of share-based payments, whereby persons render services in exchange for shares or rights over shares ('equity settled transactions'). The Company does not provide cash settled share-based payments.

The cost of equity-settled transactions is measured at fair value on grant date. Fair value is independently determined using an option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Company receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the period in which the service conditions are fulfilled, ending on the date on which the relevant persons become fully entitled to the award (the 'vesting period'). The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

All changes in the liability are recognised in profit or loss. Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Company or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Company or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

(o) **Issued capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(p) **Goods and Services Tax (GST) and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

(q) **New Accounting Standards and Interpretations not yet mandatory or early adopted**

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(r) **Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial period are discussed below.

(i) Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

(ii) Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

6.9 CONTINGENT ASSETS AND LIABILITIES

The Company had no material contingent assets or liabilities as at 31 December 2020.

7. MATERIAL CONTRACTS

The Directors consider that certain contracts entered into by the Company are material to the Company or are of such a nature that an investor may wish to have particulars of them when making an assessment as to whether to apply for Securities under the Prospectus. The provisions of such material contracts are summarised in this Section

7.1 INTELLECTUAL PROPERTY ASSIGNMENT AGREEMENT

The Company executed an assignment of intellectual property agreement (**Intellectual Property Assignment Agreement**) with UWA on 29 January 2020. Pursuant to the Intellectual Property Assignment Agreement UWA assigned all of their rights, title and interest in and to the IP.

In consideration for the assignment of intellectual property, the Company issued founder equity in the Company comprising 10,000,000 Shares. The founder equity Shares were allocated between UWA, the inventors of the intellectual property and the Perron Institute.

Pursuant to the Intellectual Property Assignment Agreement, the Company agreed to use its best endeavours to raise a minimum of $400,000 through the issue of at least 8,000,000 Shares at a price of $0.05 per Share (**Seed Capital Raise**). The Seed Capital Raise was successfully completed in February 2020. In the event that the Company:

(a) was unable to complete the Seed Capital Raise by 1 December 2021;

(b) elects not to continue with the development and commercialisation of the IP; or

(c) undergoes an insolvency event prior to 1 December 2021,

the Company immediately assigns all rights, title and interest in the intellectual property to UWA for nominal consideration.

On completion of the Seed Capital Raise, the Intellectual Property Assignment Agreement provides that the Company shall enter into a research agreement with UWA where UWA shall undertake the necessary research for demonstration of key technical milestones for the furtherance of the project. Details of the research services agreement with UWA are set out in Section 7.3.

The Intellectual Property Assignment Agreement also provides that the Perron Institute will provide $85,000 cash (excluding GST) and UWA will provide $60,000 cash (excluding GST) to the Company for use in the Company research activities which have now been received.

7.2 MASTER CONTRACT SERVICES AGREEMENT – MEDICILON PRE-CLINICAL RESEARCH

The Company has entered into a master contract services agreement with Medicilon Pre-clinical Research (Shanghai) LLC (**Medicilon**) dated 11 November 2020 (**Effective Date**) (**Medicilon Agreement**).

Pursuant to the Medicilon Agreement the Company has engaged Medicilon to provide certain pre-clinical contract services. Under the Medicilon Agreement the parties may agree a statement of work (**Statement of Work**) which details information relating to the specific services to be provided by Medicilon and the consideration paid by the Company for those services.

At the date of this Prospectus, one Statement of Work dated 11 December 2020 has been executed between the parties. Under this Statement of Work, Medicilon was contracted to perform pharmacokinetics services for total consideration of $24,422.

The Medicilon Agreement will expire on the later of:

(a) two years from the Effective Date; or

(b) the completion of all services under the last Statement of Work executed by the parties prior to the second anniversary of the Effective Date.

7. MATERIAL CONTRACTS (continued)

The Medicilon Agreement may be extended by mutual agreement of the parties or earlier terminated by:

(a) the Company: immediately at any time upon written notice to Medicilon in the event of a breach of the Medicilon Agreement which cannot be cured or at any time upon 30 days' prior written notice to Medicilon; or

(b) Medicilon: upon 30 days' prior written notice to the Company if the Company breaches the Medicilon Agreement or any Statement of Work and fails to cure the breach during the notice period.

7.3 RESEARCH SERVICES AGREEMENT – UNIVERSITY OF WESTERN AUSTRALIA

The Company has entered into a research services agreement with the University of Western Australia (**UWA**), dated 1 April 2020 (**UWA Agreement**).

The UWA Agreement sets out the terms under which UWA will provide in vivo efficacy, in vitro stability, bioanalysis and toxicity assessment services (**Services**) to the Company including:

(a) to assess whether ARG-007 retains neuroprotective activity when co-administered with alteplase (tPA);

(b) manufacturing of non-GMP material for immunogenicity assessment;

(c) in vitro immunogenicity assessment;

(d) bioanalysis development and validation; and

(e) in vitro genotoxicity assessment.

The Services are to be completed in accordance with project delivery milestones in the timeframes set out below:

(a) (Project Report 1): 3 months from commencement

Outlining the results from the bioanalysis exploratory results and in vitro immunogenicity assessment.

(b) (Project Report 2): 5 months from commencement

Outlining the results from the study assessing whether ARG-007 retains neuroprotective activity when co-administered with alteplase (tPA) in rats, bioanalysis validation results, in vitro genotoxicity assessment and first 3 months of stability testing.

(c) (Project Report 3): Up to 25 months from commencement

Outlining the results from the stability testing.

As at the date of this Prospectus, the Services are up to project 2. Pursuant to the UWA Agreement, the Company is obliged to make payments for the Services on project commencement (60%), project report 1 being accepted by the Company (20%) and project report 2 being accepted by the Company (20%). The total fee (excluding GST) payable by the Company for the Services is $533,643. The Company has paid $426,915 of the total fee as at the date of this Prospectus.

The completion date of the UWA Agreement is 1 December 2022. The UWA Agreement also includes general conditions which are considered standard for agreements of this nature.

7.4 LEAD MANAGER MANDATE

The Company has entered into a mandate agreement with Alto dated 11 March 2021, to act as Lead Manager in relation to the Broker Firm Offer (**Lead Manager Mandate**).

In consideration for the provision of the Lead Manager services in relation to the Broker Firm Offer, the Company has agreed to pay Alto:

(a) a fee of 6% (comprising of a 1% management fee and 5% capital raising fee) of all funds raised through the Broker Firm Offer;

7. MATERIAL CONTRACTS (continued)

(b) a success fee comprising of 300,000 Shares and 1,200,000 unquoted Options with an exercise price of $0.30 each and an expiry date of 30 September 2024; and

(c) a lead manager fee of $50,000 payable on Admission.

The Lead Manager Mandate contains additional clauses (including confidentiality and intellectual property) that are considered standard for an agreement of this nature.

Please see Section 1.8 for further information regarding the Lead Manager's interest in the Broker Firm Offer.

7.5 EXECUTIVE AND ADMINISTRATIVE SERVICES AGREEMENT – POLARIS CONSULTING

The Company has entered into an executive and administrative services agreement with Polaris Consulting dated 1 May 2020 (**Polaris Agreement**). The Polaris Agreement was subsequently varied on 7 October 2020 and 23 February 2021 (**Varied Polaris Agreements**).

Pursuant to the Polaris Agreement, the Company engaged Polaris Consulting to provide executive and administrative services support including:

(a) providing office space for the Company to carry out its business;

(b) executive management, strategic advisory, analytical support and transaction support; and

(c) Company secretarial and accounting support up to 1 October 2020 (these services were provided by the Company's Chief Financial Officer, Ms Emma Waldon).

In consideration for the provision of the corporate services under the Polaris Agreement, the Company has agreed to pay:

(a) an appointment fee of $2,000;

(b) a retainer of $2,000 per month (plus GST) for a maximum period of 6 months;

(c) a retainer of $5,000 per month (plus GST) from 1 October 2021 for a maximum of eight months or until the Company has completed an IPO transaction or equivalent. This retainer increases to $7,500 per month (plus GST) upon the Company completing a capital raising of at least $400,000; and

(d) a transaction success fee of $30,000 upon Admission of the Company.

Under the Polaris Agreement, the Company has already paid $53,500 for services provided by Polaris Consulting.

Under the Varied Polaris Agreement, the Company has engaged Polaris to provide office space, including associated office costs such as internet, strata services and utility bills, for the Company to carry out its business. The Company will pay Polaris a monthly fee of $3,000 for the duration the Varied Polaris Agreement remains valid.

In addition, Polaris may provide consulting, executive management and analytical support services to the Company. Where Polaris provides such services, the Company has agreed to pay Polaris a discounted day rate based on industry standard consulting rates for executive services.

The Polaris Agreement and the Varied Polaris Agreement may be terminated by either the Company or Polaris giving 30 days' written notice to the other party in addition to other provisions considered standard for agreements of this nature.

Mr Geoff Pocock, Non-executive Director and Chairman of the Company, is a director and shareholder of Polaris Consulting. See Section 7.12(a) for details relating to the terms of Mr Pocock's engagement with the Company as Non-executive Director and Chairman.

7. MATERIAL CONTRACTS (continued)

7.6 CONSULTANCY AGREEMENT – ASSOC. PROF. BRUNO MELONI

The Company entered into a consultancy agreement with Assoc. Prof. Bruno Meloni (**Meloni**) on 22 February 2021 (**Meloni Agreement**).

Pursuant to the Meloni Agreement, Meloni will act as the Company's Chief Scientific Officer and is responsible for (amongst other things):

(a) providing scientific expertise, review, input and reporting on matters including (but not limited to) review of competitor technology or advances, technical or product development matters, technical papers and regulatory submissions;

(b) liaising with clinicians and medical practitioners, consultants, subcontractors and service providers;

(c) providing support in writing grant proposals; and

(d) advising and/or supporting the Company in gaining access to key scientific advisors and research partners.

The Meloni Agreement commences from the date of Admission and continues until it is terminated in accordance with its terms.

Pursuant to the Meloni Agreement, Meloni is entitled to receive $40,000 per annum (inclusive of superannuation) from the date of Admission. In addition, the Company has issued Meloni 350,000 Options, exercisable at $0.30 each, expiring on 30 September 2024 and otherwise on the terms set out in Section 8.2.

The Company or Meloni may terminate the Meloni Agreement by giving one month's written notice to the other party. The Company may terminate the Meloni Agreement without notice if Meloni engages in serious misconduct or commits a material breach.

The Meloni Agreement also contains additional provisions (including confidentiality and intellectual property) considered standard for agreements of this nature.

7.7 SPRING SERVICES AGREEMENT

The Company entered into a services agreement with Spring Sydney Pty Limited (**Spring**) on 16 March 2021 pursuant to which Spring will provide investor and media engagement services (Spring Service Agreement).

Upon Admission, Spring will be paid a fee of $6,000 per month (exclusive of GST) in consideration for the performance of the services and be issued 250,000 Options in the Company exercisable at $0.30 each, expiring on 30 September 2024.

The Spring Services Agreement can be terminated by either party providing 4 weeks' written notice to the other party. The Spring Services Agreement contains additional provisions considered standard for agreements of this nature.

7.8 CLINICAL ADVISORY COMMITTEE AGREEMENTS

The Company has entered into agreements with each member of the clinical advisory committee. Pursuant to the terms of the Clinical Advisory Agreement, each member will be entitled to a sitting fee of $10,000 per annum and will be issued 250,000 Options exercisable at $0.30 each, expiring on 30 September 2024 and otherwise on the terms set out in Section 8.2.

Pursuant to each member's Clinical Advisory Agreement, each member must at all times act in accordance with the clinical advisory committee charter.

The Clinical Advisory Committee Agreements also contain additional provisions considered standard for agreements of this nature including confidentiality and return of property on termination.

7. MATERIAL CONTRACTS (continued)

7.9 EXECUTIVE SERVICES AGREEMENT - DR LIZ DALLIMORE

The Company has entered into an executive employment agreement with Dr Liz Dallimore dated 21 March 2021, pursuant to which Dr Dallimore serves as Chief Executive Officer of the Company (**Dallimore Agreement**).

Pursuant to the Dallimore Agreement, Dr Dallimore is responsible for (amongst other things):

(a) leading the development of the Company's short and long-term strategy;

(b) developing the Company's budget and ensuring the Company has adequate capital reserves to achieve key milestones;

(c) communicating, on behalf of the Company, with shareholders, investors and other capital market participants, government entities and the public as required;

(d) evaluating new opportunities that could potentially augment the Company's technology assets or otherwise add value to the Company; and

(e) assessing potential risks to the Company and its operations and ensuring they are monitored and mitigated where possible.

Under the Dallimore Agreement, Dr Dallimore is entitled to receive $220,000 (excluding superannuation) from Admission of the Company to the ASX until termination. In addition, the Company has issued Dr Dallimore (or her nominees) 2,500,000 Options in the Company with an exercise price of $0.30 each and an expiry date of 30 September 2024 and otherwise on the terms set out in Section 8.2.

The Board may, in its absolute discretion invite Dr Dallimore to participate in bonus and/or other incentive schemes in the Company that it may implement from time to time, subject to compliance with the Corporations Act and Listing Rules.

The Dallimore Agreement is for an indefinite term, continuing until terminated by either the Company or Dr Dallimore giving not less than 3 months' written notice of termination (or shorter periods in limited circumstances).

Dr Dallimore is also subject to restrictions in relation to the use of confidential information during and after her employment with the Company and being directly or indirectly involved in a competing business during her employment and for a period of 6 months, after her employment with the Company ceases, on terms which are otherwise considered standard for agreements of this nature.

The Dallimore Agreement contains additional provisions considered standard for agreements of this nature.

7.10 EXECUTIVE SERVICES AGREEMENT - DR SAMANTHA SOUTH

The Company has entered into an executive employment agreement with Dr Samantha South dated 19 October 2020 pursuant to which Dr South serves as Executive Director and Chief Operating Officer of the Company commencing on 22 October 2020 (**South Agreement**).

Pursuant to the South Agreement, Dr South will be engaged from the commencement date until Admission on 40% of her full-time employment and be paid a salary of $160,000 (exclusive of superannuation) per annum. From Admission until termination of the South Agreement, Dr South will be engaged on 100% of her full-time employment and be paid a salary of $180,000 (exclusive of superannuation). In addition, the Company has issued Dr South (or her nominees) 1,000,000 Options in the Company at an exercise price of $0.30 each with an expiry date of 30 September 2024 and otherwise on the terms set out in Section 8.2.

Dr South is responsible for (amongst other things):

(a) building, leading and managing the Company's development team;

(b) managing relationships with UWA and other Universities and institutions;

(c) coordinating, facilitating and motivating the efforts of individual, team and other resources associated with the Company's development and commercialisation activity;

(d) liaising with clinicians and medical practitioners, consultants and service providers; and

(e) providing general support to the Company's Chief Executive Officer and keeping the Company fully informed of all material developments in or relevant to the Company's affairs within the scope of her duties.

The Board may, in its absolute discretion invite Dr South to participate in bonus and/or other incentive schemes in the Company that it may implement from time to time, subject to compliance with the Corporations Act and Listing Rules.

The South Agreement is for an indefinite term, continuing until terminated by either the Company or Dr South giving not less than 3 months' written notice of termination (or shorter periods in limited circumstances).

Dr South is also subject to restrictions in relation to the use of confidential information during and after her employment with the Company and being directly or indirectly involved in a competing business during her employment and for a period of up to 6 months, after her employment with the Company ceases, on terms which are otherwise considered standard for agreements of this nature.

The South Agreement contains additional provisions considered standard for agreements of this nature.

7.11 INDEPENDENT CONTRACTOR AGREEMENT - MS EMMA WALDON

The Company has entered into an independent contractor agreement with Ms Emma Waldon dated 1 March 2021, pursuant to which Ms Waldon will provide company secretary and financial controller services to the Company (**Waldon Agreement**).

Pursuant to the Waldon Agreement, Ms Waldon is responsible for (amongst other things) completing, compiling, recording and lodging documents and records in relation to company secretary and financial matters.

Under the Waldon Agreement, Ms Waldon is entitled to receive:

(a) $10,000 (excluding GST) per month from the date of Admission of the Company; and

(b) $30,000 upon the successful admission of the Company.

In addition, the Company has issued Ms Waldon (or her nominees) 500,000 Options with an exercise price of $0.30 each with an expiry date of 30 September 2024 and otherwise on the terms set out in Section 8.2.

The Board may, in its absolute discretion invite Ms Waldon to participate in bonus and/or other incentive schemes in the Company that it may implement from time to time, subject to compliance with the Corporations Act and Listing Rules.

The Waldon Agreement is for an indefinite term, continuing until terminated by either the Company or Ms Waldon giving not less than 1 month's written notice of termination (or shorter periods in limited circumstances, including serious or persistent breaches of the Waldon Agreement or a party to the Waldon Agreement becoming bankrupt or going into liquidation).

Ms Waldon is also subject to restrictions in relation to the use of confidential information during and after her employment with the Company and enticing away any person or organisation who is a client, employee, customer or Contractor of the Company for a period of 12 months, after her employment with the Company ceases, on terms which are otherwise considered standard for agreements of this nature.

The Waldon Agreement contains additional provisions considered standard for agreements of this nature.

7. MATERIAL CONTRACTS (continued)

7.12 LETTERS OF APPOINTMENT

(a) Non-Executive Director Letter of Appointment - Mr Geoff Pocock

The Company has entered into a Non-Executive Director and Chairman letter agreement with Geoff Pocock dated 10 March 2021, pursuant to which the Company has agreed to pay Mr Pocock $72,000 per annum (excluding statutory superannuation) for services provided to the Company as Non-Executive Director and Chairman.

In addition, the Company has issued Mr Pocock (or his nominee) 500,000 Options on the terms and conditions set out in Section 8.2.

The agreement contains additional provisions considered standard for agreements of this nature.

(b) Non-Executive Director Letter of Appointments - Mr Terry Budge and Ms Liddy McCall

The Company has entered into separate non-executive Director letter agreements with Terry Budge (dated 21 January 2021) and Liddy McCall (dated 12 December 2020), pursuant to which each of Mr Budge and Ms McCall have consented to be appointed as a Director by Board resolution. Pursuant to these letter agreements, the Company has agreed to pay the Non-Executive Directors each a Director's fee of $30,000 per annum (excluding statutory superannuation) for services provided to the Company as Non-Executive Directors and issue 500,000 Options each on the terms and conditions set out in Section 8.2.

The agreement contains additional provisions considered standard for agreements of this nature.

7.13 DEEDS OF INDEMNITY, INSURANCE AND ACCESS

The Company is party to a deed of indemnity, insurance and access with each of the Directors and the Company Secretary. Under these deeds, the Company indemnifies the relevant Director/Company Secretary to the extent permitted by law against any liability arising as a result of the Director or officer acting as a director or officer of the Company. The Company is also required to maintain insurance policies for the benefit of the relevant Director or officer and must allow the Directors and officers to inspect board papers in certain circumstances. The deeds are considered standard for documents of this nature.

8. ADDITIONAL INFORMATION

8.1 RIGHTS ATTACHING TO SHARES

A summary of the rights attaching to the Shares is detailed below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from the Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to the Shares in any specific circumstances, the Shareholder should seek legal advice.

(a) **(Ranking of Shares):** At the date of this Prospectus, all Shares are of the same class and rank equally in all respects. Specifically, the Shares issued pursuant to this Prospectus will rank equally with existing Shares.

(b) **(Voting rights):** Subject to any rights or restrictions, at general meetings:
   (i) every Shareholder present and entitled to vote may vote in person or by attorney, proxy or representative;
   (ii) has one vote on a show of hands; and
   (iii) has one vote for every Share held, upon a poll.

(c) **(Dividend rights):** Shareholders will be entitled to dividends, distributed among members in proportion to the capital paid up, from the date of payment. No dividend carries interest against the Company and the declaration of Directors as to the amount to be distributed is conclusive.

   Shareholders may be paid interim dividends or bonuses at the discretion of the Directors. The Company must not pay a dividend unless the Company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend.

(d) **(Variation of rights):** The rights attaching to the Shares may only be varied by the consent in writing of the holders of three-quarters of the Shares, or with the sanction of a special resolution passed at a general meeting.

(e) **(Transfer of Shares):** Shares can be transferred upon delivery of a proper instrument of transfer to the Company or by a transfer in accordance with the ASX Settlement Operating Rules. The instrument of transfer must be in writing, in the approved form, and signed by the transferor and the transferee. Until the transferee has been registered, the transferor is deemed to remain the holder, even after signing the instrument of transfer.

   In some circumstances, the Directors may refuse to register a transfer if upon registration the transferee will hold less than a marketable parcel. The Board may refuse to register a transfer of Shares upon which the Company has a lien.

(f) **(General meetings):** Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

   The Directors may convene a general meeting at their discretion. General meetings shall also be convened on requisition as provided for by the Corporations Act.

(g) **(Unmarketable parcels)**: The Company's Constitution provides for the sale of unmarketable parcels subject to any applicable laws and provided a notice is given to the minority Shareholders stating that the Company intends to sell their relevant Shares unless an exemption notice is received by a specified date.

(h) **(Rights on winding up):** If the Company is wound up, the liquidator may with the sanction of special resolution, divide the assets of the Company amongst members as the liquidator sees fit. If the assets are insufficient to repay the whole of the paid up capital of members, they will be distributed in such a way that the losses borne by members are in proportion to the capital paid up.

(i) **(Restricted Securities):** A holder of Restricted Securities (as defined in the Listing Rules) must comply with the requirements imposed by the Listing Rules in respect of Restricted Securities.

8. ADDITIONAL INFORMATION (continued)

8.2 RIGHTS ATTACHING TO OPTIONS

The following terms and conditions apply to the Options:

(a) **(Entitlement):** Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **(Issue Price):** No cash consideration is payable for the issue of the Options.

(c) **(Exercise Price):** The Options have an exercise price of $0.30 per Option (**Exercise Price**). If the holder is an employee, Director, adviser or consultant to the Company at the time of exercise, the holder may elect, in lieu of providing payment of the Exercise Price for the number of Options specified in a Notice of Exercise, that on exercise of those Options the Company will transfer or allot to the holder that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Options (with the number of Shares rounded down to the nearest whole Share). Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the fifteen (15) trading days immediately preceding that given date.

(d) **(Expiry Date):** The Options expire on 30 September 2024 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(e) **(Vesting Terms):** The following Options issued are subject to vesting conditions that are yet to be satisfied, as set out below:

Holder	Vesting Condition
Dr Liz Dallimore	1,250,000 Options vest upon Dr Dallimore being engaged as an employee for a continuous period of 6 months from the date of Admission; and 1,250,000 Options vest upon Dr Dallimore being engaged as an employee for a continuous period of 18 months from the date of Admission.
Mr Geoff Pocock	250,000 Options vest upon Mr Pocock continuing to serve as a Director or otherwise as an advisor or similar role for a continuous period of 6 months from the date of Admission; and 250,000 Options vest upon Mr Pocock continuing to serve as a Director or otherwise as an advisor or similar role for a continuous period of 18 months from the date of Admission.
Dr Samantha South	500,000 Options vest upon Dr South continuing to serve as a Director of the Company or otherwise as an advisor or similar role for a continuous period of 6 months from the date of Admission; and 500,000 Options vest upon Dr South continuing to serve as a Director of the Company or otherwise as an advisor or similar role for a continuous period of 18 months from the date of Admission.
Mr Terry Budge	250,000 Options vest upon Mr Budge continuing to serve as a Director or otherwise as an advisor or similar role for a continuous period of 6 months from the date of Admission; and 250,000 Options vest upon Mr Budge continuing to serve as a Director or otherwise as an advisor or similar role for a continuous period of 18 months from the date of Admission.
Ms Liddy McCall	250,000 Options vest upon Ms McCall continuing to serve as a Director or otherwise as an advisor or similar role for a continuous period of 6 months from the date of Admission; and 250,000 Options vest upon Ms McCall continuing to serve as a Director or otherwise as an advisor or similar role for a continuous period of 18 months from the date of Admission.
Ms Emma Waldon	250,000 Options vest upon Ms Waldon continuing to serve as a contractor or otherwise as an advisor or similar role for a continuous period of 6 months from the date of Admission; and 250,000 Options vest upon Ms Waldon continuing to serve as a contractor or otherwise as an advisor or similar role for a continuous period of 18 months from the date of Admission.

8. ADDITIONAL INFORMATION (continued)

Holder	Vesting Condition
Assoc. Prof. Bruno Meloni	175,000 Options will vest on Assoc. Prof Meloni continuing to serve as a consultant, advisor or similar role for a continuous period of 6 months from the date of Admission; and 175,000 Options will vest on Assoc. Prof Meloni continuing to serve as a consultant, advisor or similar role for a continuous period of 18 months from the date of Admission.
Dr David Blacker **Mr Paul Bailey** **Prof. Geoffrey Donnan** **Dr Tim Phillips**	125,000 Options each will vest on continuing service as a consultant, advisor or similar role for a continuous period of 6 months from Admission. 125,000 Options each will vest on continuing service as a consultant, advisor or similar role for a continuous period of 18 months from Admission.

(f) **(Exercise Period):** The Options are exercisable at any time and from time to time on or prior to the Expiry Date.

(g) **(Quotation of the Options):** The Company will not apply for quotation of the Options on ASX.

(h) **(Transferability of the Options):** The Options are not transferable, except with the prior written approval of the Company.

(i) **(Notice of Exercise):** The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(j) **(Timing of issue of Shares on exercise):** Within 5 Business Days the Company will:

(i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and

(iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

(k) **(Restrictions on transfer of Shares):** If the Company is required but unable to give ASX a notice under paragraph 8.2(j)(ii), or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of Options may not be traded and will be subject to a holding lock until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

(l) **(Shares issued on exercise):** Shares issued on exercise of the Options will rank equally with the then Shares of the Company.

(m) **(Quotation of Shares on exercise):** If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.

8. ADDITIONAL INFORMATION (continued)

(n) **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

(o) **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(p) **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

(i) the number of Shares which must be issued on the exercise of an Option will be 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 the bonus issue; and

(ii) no change will be made to the Exercise Price.

8.3 SUMMARY OF THE PLAN

The Board of the Company has adopted an employee securities incentive plan, a summary of which is set out below. The full terms of the Plan may be inspected at the registered office of the Company during normal business hours. It is intended that both the Executive and Non-Executive Directors will participate in the Plan. No securities have been issued under this Plan.

(a) Eligible Participant

'Eligible Participant' means a person that:

(i) is an 'eligible participant' (as that term is defined in ASIC Class Order 14/1000) in relation to the Company or an Associated Body Corporate (as that term is defined in ASIC Class Order 14/1000); and

(ii) has been determined by the Board to be eligible to participate in the Plan from time to time.

(b) Maximum allocation

(i) The Company must not make an offer of Securities under the Plan where the total number of Plan Shares that may be issued, or acquired upon exercise of Plan Convertible Securities offered, when aggregated with the number of Shares issued or that may be issued as a result of offers made under the Plan at any time during the previous 3 year period would exceed 5% of the total number of Shares on issue at the date of the offer.

(ii) The maximum number of equity securities proposed to be issued under the Plan for the purposes of the Listing Rule 7.2 Exception 13 is 15,000,000 (**ASX Limit**), meaning that the Company may issue up to the ASX Limit under the Plan, without seeking Shareholder Approval and without reducing its placement capacity under Listing Rule 7.1. If there is a reorganisation of the issued Share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the ASX Limit will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

(c) Purpose

The purpose of the Plan is to:

(i) assist in the reward, retention and motivation of Eligible Participants;

(ii) link the reward of Eligible Participants to Shareholder value creation; and

8. ADDITIONAL INFORMATION (continued)

(iii) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities.

(d) Plan administration

The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion.

(e) Eligibility, invitation and application

The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides. On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

(f) Grant of Securities

The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required.

(g) Terms of Convertible Securities

Each Convertible Security represents a right to acquire one or more Shares, subject to the terms and conditions of the Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over, collateralise a margin loan against, utilise for the purposes of short selling, enter into a Derivative with reference to, or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them. For the avoidance of doubt, a Participant includes any contractor or consultant to a member of the Group.

(h) Vesting of Convertible Securities

Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse.

(i) Exercise of Convertible Securities and cashless exercise

To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation. At the time of exercise of the Convertible Securities, subject to Board approval at that time, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the

8. ADDITIONAL INFORMATION (continued)

positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

'Market Value' means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.

(j) Delivery of Shares on exercise of Convertible Securities

As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.

(k) Forfeiture of Convertible Securities

Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the Board determines that a Participant has acted fraudulently or dishonestly, acted negligently, acted in contravention of a certain Group policy or wilfully breached his or her duties to the Group (including but not limited to breaching a material term of an employment, executive services or consultancy agreement), the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the Board otherwise determines, or as otherwise set out in the Plan rules:

(i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and

(ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.

(l) Change of control

If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.

(m) Rights attaching to Plan Shares

All Shares issued or transferred to a Participant upon the valid exercise of a Convertible Security (Plan Shares) will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

8. ADDITIONAL INFORMATION (continued)

(n) Disposal restrictions on Plan Shares

If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not:

(i) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or

(ii) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

(o) Adjustment of Convertible Securities

If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

(p) Participation in new issues

There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities.

(q) Amendment of Plan

Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

(r) Plan duration

The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

8. ADDITIONAL INFORMATION (continued)

8.4 EFFECTS OF THE OFFERS ON CONTROL AND SUBSTANTIAL SHAREHOLDERS

Those Shareholders holding an interest in 5% or more of the Shares on issue as at the date of this Prospectus are as follows.

Name	Number of Shares	% of Shares
UWA	3,953,000	10.4
Perron Institute	3,550,000	9.4
Geoff Pocock and associates	4,377,000	11.6
Dr Sam South and associates	2,000,000	5.3

Based on the information known as at the date of this Prospectus, on Admission the following persons will have an interest in 5% or more of the Shares on issue:

Name	Number of Shares	% of Shares
UWA	3,953,000	5.4
Perron Institute	3,550,000	4.9
Geoff Pocock and associates	4,377,000	6.0

8.5 INTERESTS OF PROMOTERS, EXPERTS AND ADVISERS

(a) No interest except as disclosed

Other than as set out below or elsewhere in this Prospectus, no persons or entity named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus holds at the date of this Prospectus, or held at any time during the last 2 years, any interest in:

(i) the formation or promotion of the Company;

(ii) property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or the Offers; or

(iii) the Offers,

and the Company has not paid any amount or provided any benefit, or agreed to do so, to any of those persons for services rendered by them in connection with the formation or promotion of the Company or the Offers.

(b) Share registry

Link Market Services has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to the processing of Applications received pursuant to this Prospectus, and will be paid for these services on standard industry terms and conditions.

(c) Auditor

RSM Australia Partners have been appointed to act as auditor to the Company. The Company estimates it will pay RSM Australia Partners a total of $12,000 (excluding GST) for these services.

During the 24 months preceding lodgement of this Prospectus with ASIC, RSM Australia Partners have been paid approximately $6,000 (excluding GST) for these services.

8. ADDITIONAL INFORMATION (continued)

(d) Corporate Lawyers

HWL Ebsworth Lawyers (HWLE) has acted as the Australian solicitors to the Company in relation to the Offers. The Company estimates it will pay HWLE $100,000 (excluding GST) for these services.

During the 24 months preceding lodgement of this Prospectus with ASIC, HWLE has provided legal services to the Company, the total value of these services was $15,387 (excluding GST). These services were in respect of the Company's general corporate matters.

(e) Investigating Accountant

RSM Corporate Australia Pty Ltd has acted as Investigating Accountant and has prepared the Investigating Accountant's Report which is included in Annexure A of this Prospectus. The Company estimates it will pay RSM Corporate Australia Pty Ltd a total of $12,000 (excluding GST) for these services.

During the 24 months preceding lodgement of this Prospectus with ASIC, RSM Corporate Australia Pty Ltd has not provided any other services to the Company.

(f) Lead Manager

Alto has acted as the Lead Manager to the Broker Firm Offer. Details of the payments to be made to the Lead Manager are set out in Sections 1.8 and 7.4. During the 24 months preceding lodgement of this Prospectus with ASIC, the Lead Manager or its nominee has been issued 381,750 Shares as capital raising fees on previous placements by the Company.

(g) Intellectual Property Report

Wrays has prepared the intellectual property report contained in Annexure B. The Company estimates it will pay Wrays a total of $5,000 (excluding GST) for these services. During the 24 months preceding lodgement of this Prospectus with ASIC, Wrays have been paid approximately $3,163 (excluding GST) for these services and approximately $63,791 (excluding GST) for other legal services.

8.6 CONSENTS

(a) Each of the parties referred to below:

(i) does not make the Offers;

(ii) does not make, or purport to make, any statement that is included in this Prospectus, or a statement on which a statement made in this Prospectus is based, other than as specified below or elsewhere in this Prospectus;

(iii) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with the consent of that party as specified below; and

(iv) has given and has not, prior to the lodgement of this Prospectus with ASIC, withdrawn its consent to the inclusion of the statements in this Prospectus that are specified below in the form and context in which the statements appear.

(b) Share Registry

Link Market Services has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as Share Registry of the Company in the form and context in which it is named.

8. ADDITIONAL INFORMATION (continued)

(c) Auditor

RSM Australia Partners has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as auditor of the Company in the form and context in which it is named.

(d) Corporate Lawyers

HWL Ebsworth Lawyers has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the corporate legal adviser to the Company in the form and context in which it is named.

(e) Investigating Accountant

RSM Corporate Australia Pty Ltd has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Investigating Accountant to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Investigating Accountant's Report in the form and context in which it is included.

(f) Lead Manager

Alto has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the Lead Manager to the Broker Firm Offer in the form and context in which it is named.

(g) Intellectual Property Expert

Wrays has given, and has not withdrawn prior to the lodgement of this Prospectus with ASIC, its written consent to being named in this Prospectus as the authors of the Intellectual Property Report to the Company in the form and context in which it is named and has given and not withdrawn its consent to the inclusion of the Intellectual Property Report in the form and context in which it is included.

8.7 EXPENSES OF OFFERS

The total approximate expenses of the Offers payable by the Company are:

	$
ASIC Lodgement Fee	3,206
ASX Quotation Fee	80,000
Legal Fees	100,000
Intellectual Property Expert Fees	5,000
Investigating Accountant Fees	12,000
Lead Manager Success Fee	50,000
Capital Raising Fee[1]	420,000
Management Transaction Success Fees	60,000
Share Registry Fees	10,000
Prospectus Design and Printing	10,000
Other administrative and miscellaneous expenses	4,794
Total[2]	**755,000**

NOTES:

1. Details of the payments to be made to the Lead Manager are set out in Section 7.4.
2. Approximately $20,864 of these expenses have already been paid by the Company out of existing cash reserves.

8. ADDITIONAL INFORMATION (continued)

8.8 CONTINUOUS DISCLOSURE OBLIGATIONSS

Following Admission, the Company will be a 'disclosing entity' (as defined in section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Securities (unless a relevant exception to disclosure applies). Price sensitive information will be publicly released through ASX before it is otherwise disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to ASX. In addition, the Company will post this information on its website after ASX confirms that an announcement has been made, with the aim of making the information readily accessible to the widest audience.

8.9 LITIGATION

So far as the Directors are aware, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Company is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company.

8.10 ELECTRONIC PROSPECTUS

Pursuant to Regulatory Guide 107, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an Electronic Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of Securities in response to an electronic application form, subject to compliance with certain provisions. If you have received this Prospectus as an Electronic Prospectus please ensure that you have received the entire Prospectus accompanied by the relevant Application Form. If you have not, please email the Company and the Company will send to you, for free, either a hard copy or a further electronic copy of this Prospectus or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the relevant electronic Application Form, it was not provided together with the Electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application Monies received will be dealt with in accordance with section 722 of the Corporations Act.

8.11 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Company:

(a) this Prospectus;

(b) the Constitution; and

(c) the consents referred to in Section 8.6 of this Prospectus.

8.12 STATEMENT OF DIRECTORS

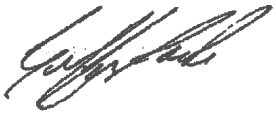
The Directors report that after due enquiries by them, in their opinion, since the date of the financial statements in the financial information in Section 6 and Annexure A, there have not been any circumstances that have arisen or that have materially affected or will materially affect the assets and liabilities, financial position, profits or losses or prospects of the Company, other than as disclosed in this Prospectus.

9. AUTHORISATION

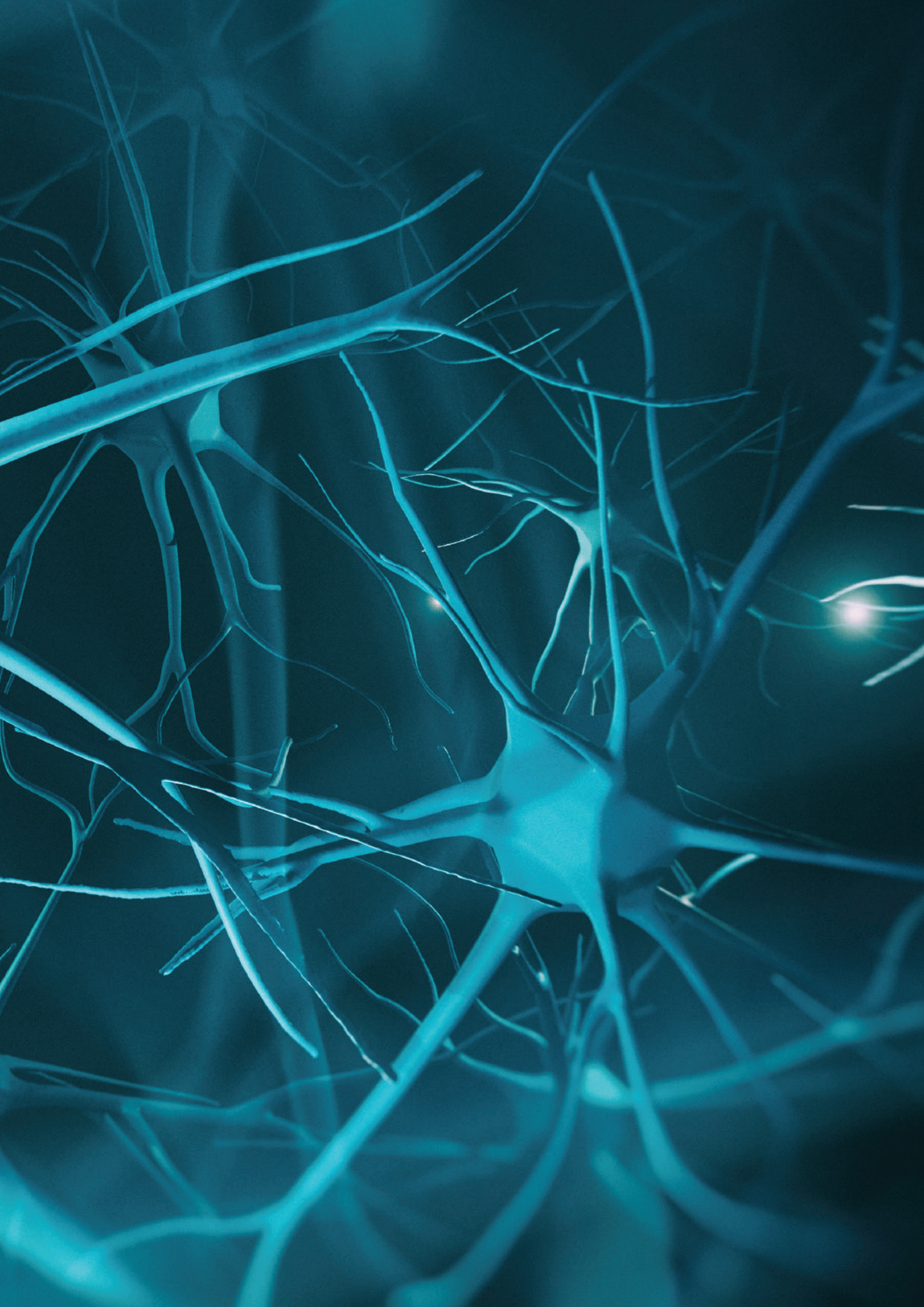
The Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company by:



Geoff Pocock
Non-Executive Chairman
Dated: 23 April 2021



10. GLOSSARY OF TERMS

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

Term	Definition
A$ or $	means Australian dollars.
Admission	means admission of the Company to the Official List, following completion of the Offers.
Alto	means ACNS Capital Markets Pty Ltd trading as Alto Capital (ABN 93 088 503 208) (AFSL: 279099).
Annexure	means an annexure to this Prospectus.
Applicant	means a person who submits an Application Form.
Application	means a valid application for Securities pursuant to this Prospectus.
Application Forms	means the application forms attached to this Prospectus.
Application Monies	means application monies for Shares under the Broker Firm Offer received and banked by the Company.
Argenica	means Argenica Therapeutics Limited (ACN 637 578 753).
ASIC	means the Australian Securities and Investments Commission.
Assignment Agreement	has the meaning given in Section 2.5.
Associated Bodies Corporate	has the meaning given to that term in ASIC Class Order 14/1000.
ASX	means ASX Limited (ACN 008 624 691) or, where the context requires, the financial market operated by it.
ASX Settlement	means ASX Settlement Pty Limited (ACN 008 504 532).
ASX Settlement Rules	means ASX Settlement Operating Rules of ASX Settlement.
Board	means the board of Directors of the Company.
Broker	any ASX participating organisation selected by the Lead Manager and the Company to act as a broker to the Broker Firm Offer.
Broker Firm Offer	means the offer by the Company, pursuant to this Prospectus, of 35,000,000 Shares at the Offer Price to raise $7,000,000 (before costs).
CEO	means chief executive officer.
CFO	means chief financial officer.
CHESS	means the Clearing House Electronic Subregister System operated by ASX Settlement.
Closing Date	means the date that the Offer closes which is 5.00pm (WST) on 21 May 2021 or such other time and date as the Board determines.
CNS	means central nervous system.
Company or Argenica	means Argenica Therapeutics Limited (ACN 637 578 753).
Constitution	means the constitution of the Company.
Corporations Act	means the Corporations Act 2001 (Cth).
CSO	means Chief Scientific Officer.
Dallimore Agreement	has the meaning given in Section 7.8.
Directors	means the directors of the Company.
Electronic Prospectus	means the electronic copy of this Prospectus located at the Company's website, www.argenica.com.au.
Exposure Period	means the period of seven days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than seven days pursuant to section 727(3) of the Corporations Act.
FDA	means the United States Food and Drug Administration.
First Provisional Patent Application	means Australian Provisional Patent Application Nr. 2013904197 entitled 'Neuroprotective peptides', filed 30 October 2013.
Group	means the Company and each of its Associated Bodies Corporate.

10. GLOSSARY OF TERMS (continued)

Continued...

Term	Definition
GST	means Goods and Services Tax.
IND	means Investigational New Drug.
Indicative Timetable	means the indicative timetable for the Offers on page viii of this Prospectus.
Intellectual Property Expert or Wrays	means Wrays Pty Ltd (ACN 136 975 552).
Intellectual Property Report	means the report contained in Annexure B.
International Patent	means Patents that are granted in the EU, China and Japan and in examination in the US.
Investigating Accountant	means RSM Corporate Australia Pty Ltd (ACN 050 508 024).
Investigating Accountant's Report	means the report contained in Annexure A.
IP	means the bundle of intellectual property recently acquired by the Company from UWA pursuant to the Intellectual Property Assignment Agreement dated 29 January 2020 (as further described in Section 7.1), including PCT Patent Application PCT/AU2014/050326 entitled "Neuroprotective peptides" filed on 30 October 2014 (PCT), which claimed priority from the First Provisional Patent Application and the Second Provisional Patent Application.
IPO	means initial public offer.
Issue Date	means the date, as determined by the Directors, on which the Securities offered under this Prospectus are allotted, which is anticipated to be the date identified in the Indicative Timetable.
Lead Manager or Alto	means ACNS Capital Markets Pty Ltd trading as Alto Capital (ABN 93 088 503 208) (AFSL: 279099).
Lead Manager Offer	means the offer of up to 300,000 Shares and 1,200,000 Options to the Lead Manager (or its nominees) in part consideration for capital raising services provided to the Company.
Lead Manager Mandate	has the meaning given in Section 7.4.
Listing Rules	means the listing rules of ASX.
Minimum Subscription	means the raising of $7,000,000 (before costs) pursuant to the Broker Firm Offer.
Offer Period	means the period of time commencing on the Opening Date and ending on the Closing Date.
Offer Price	means $0.20 per Share under the Broker Firm Offer.
Offers	means the Broker Firm Offer and the Lead Manager Offer.
Official List	means the official list of ASX.
Official Quotation	means official quotation by ASX in accordance with the Listing Rules.
Opening Date	means the date specified as the opening date in the Indicative Timetable.
Option	means an option to acquire a Share.
Optionholder	means a holder of one or more Options.
Patents	means the patents and patent applications described in further detail in the Intellectual Property Report in Annexure B and including the First Provisional Patent Application, the Second Provisional Patent Application and the PCT.
PCT	means PCT Patent Application PCT/AU2014/050326 entitled 'Neuroprotective peptides' filed on 30 October 2014.
Perron Institute	means the Perron Institute for Neurological and Translational Science.
Plan	means the Company's Employee Securities Incentive Plan.
Plan Shares	means Shares issued under the Plan.

10. GLOSSARY OF TERMS (continued)

Continued...

Term	Definition
Polaris Consulting	means Polaris Consulting (WA) Pty Ltd (ACN 123 832 137).
Prospectus	means this prospectus dated 23 April 2021.
Relevant Interest	has the meaning given in the Corporations Act.
Second Provisional Patent Application	means Australian Provisional Patent Application Nr. 2014902319 entitled 'Neuroprotective peptides' filed 17 June 2014.
Section	means a section of this Prospectus.
Securities	means any securities, including Shares, Options or performance rights, issued or granted by the Company.
Share	means a fully paid ordinary share in the capital of the Company.
Share Registry	means Link Market Services Limited (ACN 083 214 537).
Shareholder	means a holder of one or more Shares.
South Agreement	has the meaning give in Section 7.10.
TGA	means the Australian Therapeutic Goods Administration.
UWA	means the University of Western Australia.
Waldon Agreement	has the meaning give in Section 7.11.
WST	means Western Standard Time, being the time in Perth, Western Australia.

ANNEXURE **A:**
Investigating Accountant's Report

RSM Corporate Australia Pty Ltd

Level 32, Exchange Tower,
2 The Esplanade Perth WA 6000

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www.rsm.com.au

21 April 2021

The Directors
Argenica Therapeutics Limited
Suite 2, 29 The Avenue
NEDLANDS WA 6009

Dear Directors

Independent Limited Assurance Report on the Statutory and Pro Forma Historical Financial Information of Argenica Therapeutics Limited

Introduction

We have been engaged by Argenica Therapeutics Limited (the "Company") to report on the historical and pro forma financial information of the Company for the period from 20 November 2019 to 30 June 2020 and the six months ended 31 December 2020 ("1H21"), for inclusion in a prospectus (the "Prospectus") of the Company to be dated on or about 21 April 2021. The Prospectus is in connection with the Company's initial public offering and listing on the Australian Securities Exchange ("ASX"), pursuant to which the Company is offering 35 million ordinary shares at an issue price of $0.20 per share, to raise $7 million before costs (the "Offer").

Expressions and terms defined in the Prospectus have the same meaning in this report.

The future prospects of the Company, other than the preparation of the Pro Forma Historical Financial Information, are not addressed in this Report.

Background

Argenica Therapeutics Limited is an unlisted public company which was incorporated on 20 November 2019. The Company is involved in the development of novel stroke therapeutics providing protection for brain cells which could otherwise be irreparably damaged by stroke, based on research undertaken by leading researchers at the University of Western Australia and the Perron Institute for Neurological and Translational Science. The Company has raised $1.5 million in capital to date and is now seeking to raise additional capital through a public offer in order fund further development and other costs.

Scope

Historical Financial Information

You have requested RSM to review the following historical financial information of the Company included in Section 6 of the Prospectus:

- the statutory historical statement of profit and loss of the Company for the period from 20 November 2019 to 30 June 2020 and for the six months ended 31 December 2020, as set out in Section 6.3 of the Prospectus;
- the statutory historical statement of cash flows of the Company for the period from 20 November 2019 to 30 June 2020 and for the six months ended 31 December 2020, as set out in Section 6.4 of the Prospectus; and
- the statutory historical statement of financial position of the Company as at 31 December 2020, as set out in Section 6.6 of the Prospectus.

(together the "Statutory Historical Financial Information").

The Statutory Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies.

The Statutory Historical Financial Information has been extracted from:

- the general purpose financial statements of the Company for the period from 20 November 2019, its date of incorporation, to 30 June 2020, which were audited by RSM Australia Partners in accordance with Australian Auditing Standards and the *Corporations Act 2001,* and on which RSM Australia Partners issued an unmodified audit opinion; and
- the general purpose interim financial statements of the Company for the half-year ended 31 December 2020, which were reviewed by RSM Australia Partners in accordance with Australian Auditing Standards applicable to review engagements, and on which RSM Australia Partners issued an unmodified review conclusion.

Pro Forma Historical Financial Information

You have requested RSM to review the Company's pro forma historical statement of financial position as at 31 December 2020, including the pro forma adjustments applied to the Statutory Historical Financial Information of the Company to illustrate the subsequent events and transactions related to the Offer as if they had occurred at 31 December 2020 (the "Pro Forma Historical Financial Information"), as set out in Section 6.6(a) of the Prospectus.

The Pro Forma Historical Financial Information has been compiled by the Company on the basis of the Statutory Historical Financial Information, after adjusting for the pro forma adjustments described in Section 6.6(b) of the Prospectus.

The stated basis of preparation of the Pro Forma Historical Financial Information is the recognition and measurement principles contained in Australian Accounting Standards applied to the Statutory Historical Financial Information of the Company, and the events or transactions to which the pro forma adjustments relate, as described in Section 6.6(b) of the Prospectus. The Pro Forma Historical Financial Information has been prepared as if those events or transactions had occurred as at 31 December 2020.

Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position.

The Statutory Historical Financial Information and the Pro Forma Historical Financial Information are presented in an abbreviated form, insofar as they do not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

RSM

Directors' responsibility

The Directors of the Company are responsible for the preparation of the Statutory Historical Financial Information and the Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Statutory Historical Financial Information and included in the Pro Forma Historical Financial Information.

This includes responsibility for such internal controls as the Directors determine are necessary to enable the preparation of Statutory and Pro Forma Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Statutory Historical Financial Information and the Pro Forma Historical Financial Information, based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information.*

A limited assurance review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance review engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the Statutory Historical Financial Information or the Pro Forma Historical Financial Information.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the Statutory Historical Financial Information.

Our procedures included:

- a consistency check of the application of the stated basis of preparation, as described in the proposed public document, to the Statutory Historical Financial Information and the Pro Forma Historical Financial Information;
- a review of the auditor's workpapers relating to the audited/reviewed financial statements of the Company;
- consideration of the pro forma adjustments described in Section 6.6(b) of the Prospectus;
- a review of Company's workpapers, accounting records and other documents;
- performance of analytical procedures applied to the Statutory Historical Financial Information and the Pro Forma Historical Financial Information; and
- enquiry of directors, management and others in relation to the Statutory and Pro Forma Historical Financial Information.

Conclusions

Statutory Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Statutory Historical Financial Information, as set out in Sections 6.3, 6.4 and 6.6 of the Prospectus, and comprising:

- the statutory historical statement of profit and loss of the Company for the period from 20 November 2019 to 30 June 2020 and for the six months ended 31 December 2020;
- the statutory historical statement of cash flows of the Company for the period from 20 November 2019 to 30 June 2020 and for the six months ended 31 December 2020; and
- the statutory historical statement of financial position of the Company as at 31 December 2020,

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 6.2 of the Prospectus.

Pro Forma Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information, and comprising the pro forma statement of financial position of the Company as at 31 December 2020, is not presented fairly in all material respects, in accordance with the stated basis of preparation, as described in Section 6.2 of the Prospectus.

Restriction on Use

Without modifying our conclusions, we draw attention to the purpose of the Financial Information, being for inclusion in the Prospectus. As a result, the Financial Information may not be suitable for use for another purpose.

Consent and Liability

RSM Corporate Australia Pty Ltd has consented to the inclusion of this limited assurance report in the Prospectus in the form and context in which it is included. RSM Corporate Australia Pty Ltd has not authorised the issue of the Prospectus. Accordingly, we make no representation regarding, and take no responsibility for, any other documents or material in, or omissions from, the Prospectus.

Disclosure of Interest

RSM Corporate Australia Pty Ltd does not have any interest in the outcome of the Offer, other than the preparation of this report, for which normal professional fees will be received.

RSM Australia Partners is the auditor of the Company.

Yours faithfully

JUSTIN AUDCENT
Director

ANNEXURE **B:**
Intellectual Property Report

WRAYS

INTELLECTUAL PROPERTY REPORT

Our Ref: 287062

19 April 2021

The Directors
Argenica Therapeutics Limited
Unit 2, 29 the Avenue
Nedlands 6009
Dear Directors

This Report has been prepared for inclusion in a Prospectus required for lodgement at the Australian Securities and Investments Commission for the purpose of raising funds through the issue of securities.

1.0 Executive Summary

Section 2 identifies the Argenica Therapeutics Limited intellectual property (hereinafter 'IP') portfolio, including all patent families which list Argenica Pty Ltd as the patentee or applicant.
Sections 3 and 4 provide information on patent procedures and protection.
Section 5 addresses Argenica's trade secrets.
Sections 6 and 7 outline the limitations of this Report and presents our statement of independence.

2.0 The Argenica Patents and Applications

Argenica currently has a number of granted patents and a patent application to protect its technologies and data.

The status summary of patents and patent applications provided in this Report is correct to the best of our knowledge after conducting reasonable due diligence and research, at the date of this Report.

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Sydney
Melbourne
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Adelaide
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2.1 Background

The information in this Report is current as at 19 April 2021.

This Report summarises the status of patents and patent applications.

In compiling this Report, the filing particulars have been confirmed and the current status ascertained. The patents and patent applications set out in this Section are currently in force, although they are subject to the payment of periodic (mainly annual) fees to maintain them in force.

Patent rights constitute an important component of intellectual property, and provide protection for new, non-obvious and useful inventions for a limited period. Patents may be granted in respect of new or improved products, compositions and processes in almost all areas of current scientific, commercial and industrial activities, including pharmaceuticals. A granted patent in a particular jurisdiction enables the patentee to prevent others from using the claimed invention in that jurisdiction.

We are instructed that Argenica Therapeutics Pty Ltd is the previous name for Argenica Therapeutics Limited. Argenica Therapeutics Pty Ltd is listed as the patentee on a number of granted patents and is the applicant in respect of one pending patent application. These are discussed in detail below.

2.2 Argenica Patents and Applications

All Argenica patents and applications claim priority from the same two Australian provisional patent applications:

1. AU2013904197, filed 30 October 2013 naming Bruno Meloni as the inventor and filed in the name of the following applicants.
    a. The Minister for Health, incorporated as the board of Sir Charles Gairdner Hospital;
    b. Australian Neuro-muscular Research Institute; and
    c. Bruno Meloni;
2. AU2014902319, filed 17 June 2014, naming Bruno Meloni as the inventor and filed in the name of the following applicants.
    a. The Minister for Health, incorporated as the board of Sir Charles Gairdner

Hospital;
b. Australian Neuro-muscular Research Institute; and
c. Bruno Meloni.

All Argenica patents and applications are derived from International Patent Application PCT/AU2014/050326, published on 7 May 2015 as WO 2015/061856, naming Bruno Meloni as inventor and the University of Western Australia as the sole applicant. International Patent Application PCT/AU2014/050326 was filed on 30 October 2014, one year from the earliest filed of the two Australian provisional patent applications mentioned above and within the deadline for claiming priority under the provisions of the Paris Convention.

The scope of the monopoly rights afforded by a granted patent is substantially determined by the scope of its broadest (independent) claims. Each of the Argenica patents and applications, including the broadest claims, is reported below.

2.2.1 Japan

Title: Pharmaceutical compositions containing neuroprotective peptides.
Number: 6495270 (Application 2016-527328).
Patentee: Argenica Therapeutics Pty Ltd.
Date Granted: 15 March 2019.
Approximate expiry date: 30 October 2034.
Inventors: Bruno Meloni.
Next renewal: 15 March 2022.

Broadest (independent) claims

1. A pharmaceutical composition containing an isolated peptide of 12 to 32 amino acid residues in length as an active ingredient for the treatment or prevention of neural injury, wherein the isolated peptide is a polyarginine polypeptide.

12. Use of an isolated peptide of 12 to 32 amino acid residues in length wherein the isolated peptide is a polyarginine polypeptide, in the manufacture of a pharmaceutical composition for the treatment or prevention of neural injury.

2.2.2 Europe (validated jurisdictions)

Title: Neuroprotective peptides.
Number: 3063168
Validated jurisdictions:
Belgium.
Denmark
France
Germany
Ireland
Italy
Netherlands
Spain
Sweden
Switzerland
United Kingdom
Patentee: Argenica Therapeutics Pty Ltd.
Date Granted: 24 July 2020.
Approximate expiry date: 30 October 2034.
Inventors: Bruno Meloni.
Next renewal: 30 October 2021.

Broadest (independent) claims

1. An isolated peptide of 12 to 32 amino acid residues in length for use in the treatment or prevention of neural injury, wherein the isolated polypeptide is a polyarginine polypeptide.

2.2.3 China

Title: Neuroprotective peptides.
Number: ZL2014800719713.
Patentee: Argenica Therapeutics Pty Ltd.
Date Granted: 24 July 2020.
Approximate expiry date: 30 October 2034.
Inventors: Bruno Meloni.
Next renewal: 30 October 2021.

Broadest (independent) claims

1. Use of an isolated peptide of 12 to 18 amino acid residues in length for the manufacture of a medicament for the treatment or prevention of neural injury, wherein the isolated peptide is a polyarginine polypeptide.

2.2.4 The United States of America

Title:	Neuroprotective peptides.
Number:	Application 16/041,483
Patentee:	Argenica Therapeutics Pty Ltd.
Date Granted:	Not yet granted.
Expiry date:	Not yet finalised.
Inventors:	Bruno Meloni.
Next renewal:	n/a.

Argenica's US patent application is currently under examination by the United States Patent and Trade Mark Office (USPTO), so the scope of the claims of any patent that may ultimately be granted on the application is not final. As such, we have not reproduced the pending claim in this Report. Argenica's pending application is related to Argenica's original United States Patent Application 14/392,392, which Argenica elected to abandon during examination in favour of the claims of the current application. Argenica may elect to file further US patent applications related to United States Patent Application 16/041,483 during the examination process.

2.2.5 Potential for future intellectual property rights

We are instructed that Argenica plans to, *inter alia*, research pharmaceutical formulations and investigate dosage regimens for the polyarginine peptides the subject of the claims of the patents and patent application described in this section. Subject to the requirements for patentability discussed in Section 3 below, this research and investigation has the potential to generate further intellectual property rights relevant to the commercialisation of the invention described in the patents and patent application discussed in this section.

3.0 Patent Protection and the Requirements for Patentability

Patent rights constitute an important component of intellectual property, and provide protection for new, non-obvious and useful inventions for a limited period. Patents may be granted in respect of new or improved products, compositions and processes in almost all areas of current scientific, commercial and industrial activities, including pharmaceuticals.

Patent rights are essentially national rather than trans-national and a patent must be obtained in each country where protection of an invention is required. A fundamental requirement of the patent system is that the invention be 'new' at the time of lodging a patent application. Newness in this sense is judged in relation to what was publicly known or used at the date of the application. Another requirement is for a distinct inventive advance over what was previously known. This means that valid patent protection cannot be obtained for obvious developments.

Pursuant to the Paris Convention, the filing of an initial patent application in, for example, Australia establishes a priority date for the invention in Australia and all other countries that are a party to this Convention, including countries such as the United States, Canada, New Zealand, Europe and Japan. The usual steps towards obtaining a patent in Australia and other countries in respect of an invention begin by filing a provisional application. The filing of a provisional application establishes the priority date in respect of the invention disclosed in the provisional specification.

Within twelve months from the date of the filing of the provisional application, a complete application must be lodged otherwise the provisional application, which remains pending for only one year, ceases to exist, along with the priority date set thereby. Thus, if no application is filed within one year of the provisional application, the priority date is no longer valid. Within the one year pendency of the provisional application, in order to obtain protection in other countries, the applicant may file separate national patent applications in each of the countries in which protection is required. Alternatively, the applicant may file a single international application under the provisions of the Patent Cooperation Treaty (generally referred to as a 'PCT' application or an 'International' application) in which it is possible to designate countries or regions in which protection is required. The International application itself does not mature into a worldwide patent, but at the end of the international phase, steps can be taken to file the application into any or all of the countries or regions designated in the original International application.

Regional patent applications, such as a European regional application, may also be filed. A European application may designate any or all countries that are a party to the European Patent Convention. The European patent application is processed centrally and in a single language and, if ultimately successful, can mature into a granted European patent, which must then be validated in each country in which protection is sought, some of which require translation into that country's native language. The term 'European patent' thus actually constitutes a bundle of national patent rights, each of which can be enforced separately through national courts.

In Australia and most other countries, patent rights may be kept in force for a period of 20 years from the date of filing of the complete application on which the patent is granted, and while the patent is in force the owner has the exclusive right to exploit the invention.

4.0 Potential Limitation of Patent Protection

In most countries, a patent application is subjected to examination for novelty and obviousness (and other grounds) before a patent is granted. There can be no assurance that the United States patent application set out in Section 2.2 will result in the grant of a patent, or that the scope of protection provided by any granted patent will be identical to the scope of the application as originally filed or that the granted patent will effectively block competition. Furthermore, the scope of protection provided by a granted patent in one jurisdiction frequently differs from that provided by a granted patent in another jurisdiction, due to differences in examination between countries and regions and scope of available protection.

It should be noted that the grant of a patent does not guarantee validity of that patent since it may be revoked by a court on the grounds of invalidity at any time during its life. If none of the claims of a granted patent are valid, then the patent is unenforceable. For example, relevant prior disclosures may be discovered that were not raised during examination, which may limit the scope of patent protection sought, perhaps to a very narrow field. In the preparation of this report, we have not assessed the validity of the granted patents or the likelihood that the pending applications will grant with commercially effective patent claims.

Further, it should also be noted that the granting of a patent does not guarantee that the patentee has freedom to operate the invention claimed in the patent. It may be that working of a patented invention is prevented by the existence of another patent. In the preparation of

this report, we have not assessed whether or not the commercialisation of the Argenica technology embodied by the patents and application listed in Section 2.2, will infringe third party patent rights.

5.0 Argenica Trade Secrets

Argenica undertakes considerable research and development activity. This activity gives rise to a pool of knowledge, some of which provides a basis for formalised protection (such as patents) and some of which is retained confidentially for internal use to aid subsequent development activities (such as trade secrets). Argenica has trade secrets that extends beyond the formalised patent protection described above. We are instructed that Argenica takes steps to prevent leakage of trade secrets through a combination of:

- Taking active steps within the organisation to ensure that trade secrets and know-how are treated and managed as highly confidential information;
- Maintaining a database to document, record and control the storage, transfer and release of trade secrets;
- Incorporating confidentiality clauses into employment agreements to ensure the information stays within Argenica; and
- Entering into confidentiality agreements with potential collaborators, contractors, partners and other third parties prior to any disclosure of detailed technical information.

6.0 Disclaimer and Limitations

The Report is not to be construed as a legal opinion as to the registrability of patent applications. It should also be appreciated that the Report is not a patent validity opinion. No conclusions on the validity of the Argenica Patent Portfolio should be made from this Report. Moreover, the Report does not provide any guarantee that the subject inventions may be commercially exploited without risk of infringement of earlier patents.

The searches conducted for this Report and the results of which are in part relied upon in this Report, have been substantially computer based and as such, would have been limited in terms of the time periods and the geographical areas covered. . All searches are subject to the accuracy and scope of the records searched as well as to the indexing and classification

of those records. Moreover, any search strategy will inevitably involve some compromise between scope and cost.

It should be noted that our search results are largely dependent upon the accuracy with which the patent office databases have been established and maintained. Note that this search cannot be taken as an indication as to whether the invention(s) infringe any patents or patent applications in force in Australia or in any other country. An infringement search in respect of Australia would require an exhaustive search of Australian Patent Office records, and an infringement search for any other country would require a similar search of that country's patent records.

Examination reports in one country not binding in other countries

In most countries, patent applications undergo an independent search and examination by the local Patent Office, the results of which are not binding in other jurisdictions. Similarly, international PCT search and examination reports are not binding on national patent applications during subsequent examination in the national phase. Such reports should therefore be regarded as indicative only and not determinative of patentability. It should also be appreciated that the grant of a patent in one country provides no guarantee that patents will grant in other jurisdictions.

Scope of claims may vary during examination

It is often necessary during the examination of a patent application to define the invention more specifically by amendment of the claims, so as to distinguish relevant prior art. As a result of this process, there may be variations in the claims between countries, reflecting in part the different examination procedures and threshold requirements for patentability, according to national laws. Whilst this is a relatively standard procedure, in certain circumstances, such amendments may affect the scope and hence the commercial significance of the resultant patent protection.

Proprietorship

This report does not assess the validity of Argenica's claim to title to the patents or patent application listed in Section 2.2.

7.0 Statement of Independence

Wrays, established in 1920, is an Australian patent attorney practice, proudly representing a significant number of Australian and international businesses.

This is an independent report. When considering this Report, it should be noted that:

1. The involvement of Wrays in the preparation of the Prospectus limited solely to the preparation of this Report.
2. Wrays and the writer have no interest in Argenica. However, Wrays will be paid normal commercial fees for the preparation of this Report and those fees are not contingent upon the outcome of the Prospectus.
3. The giving of our consent to the inclusion of this Report in the Prospectus should not be taken as an endorsement by Wrays of Argenica or the technologies covered by the patents and application which is the subject of the Report, nor a recommendation by Wrays of the merits of any investment in Argenica.
4. Wrays gives no assurance or guarantee whatsoever in respect of the future success or financial returns associated with the acquiring the shares being offered pursuant to this Prospectus.

We have given our consent to the issue of the Prospectus with this Report appearing therein.

Yours sincerely
WRAYS

Todd Shand
Principal

DETACH HERE

ARGENICA THERAPEUTICS LIMITED
ACN 637 578 753

Broker Code | Adviser Code

Broker Firm Offer Application Form

This is an Application Form for Shares in Argenica Therapeutics Limited (**Company**) under the Broker Firm Offer on the terms set out in the Prospectus lodged with the Australian Securities and Investments Commission on 23 April 2021 (or any other supplementary or replacement prospectus) (**Prospectus**). You may apply for a minimum of $2,000 Shares and multiples of $500 thereafter. This Application Form and your cheque or bank draft must be received by your Broker by the deadline set out in their offer to you.

If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. The Prospectus contains information relevant to a decision to invest in Shares and you should read the entire Prospectus carefully before applying for Shares. By applying under the Broker Firm Offer, you make the acknowledgments, declarations, representations and warranties set out in the Prospectus. Defined terms in the Prospectus have the same meaning in this Application Form. The Corporations Act 2001 (Cth) prohibits any person from passing on this Application Form (whether in paper or electronic form) unless it is attached to or accompanied by a complete and unaltered copy of the Prospectus (whether in paper or electronic form).

A Shares applied for ___,___,___ at Price per Share **A$0.20** **B** Application Monies A$ ___,___,___.___

(minimum $2,000, thereafter in multiples of $500)

PLEASE COMPLETE YOUR DETAILS BELOW (refer overleaf for correct forms of registrable names)

C

Applicant #1
Surname/Company Name

Title | First Name | Middle Name

Joint Applicant #2
Surname

Title | First Name | Middle Name

Designated account e.g. <Super Fund> (or Joint Applicant #3)

D

TFN/ABN/Exemption Code
First Applicant | Joint Applicant #2 | Joint Applicant #3

TFN/ABN type – if NOT an individual, please mark the appropriate box ☐ Company ☐ Partnership ☐ Trust ☐ Super Fund

PLEASE COMPLETE ADDRESS DETAILS

E

PO Box/RMB/Locked Bag/Care of (c/-)/Property name/Building name (if applicable)

Unit Number/Level | Street Number | Street Name

Suburb/City or Town | State | Postcode

Email address (only for purpose of electronic communication of shareholder information)

F

CHESS HIN
X

If you have a Broker Sponsored account and would like your securities to be allocated to this account, it is important that you enter your HIN at this step. Failure to do so will result in your securities being allocated to a new Issuer Sponsored account. You will not be able to change this until after the stock exchange listing takes place and you will need to request your broker to do this for you.

G

Telephone Number where you can be contacted during Business Hours | Contact Name (PRINT)

Cheques or bank drafts should be drawn up according to the instructions given by your Broker.

H

Cheque or Bank Draft Number | BSB ___-___ | Account Number

Total Amount A$ ___,___,___.___

LODGEMENT INSTRUCTIONS

You must return your application so it is received by your Broker by the deadline set out in their offer to you.

AGN BRO001

Your Guide to the Application Form

DETACH HERE

Please complete all relevant white sections of the Application Form in BLOCK LETTERS, using black or blue ink. These instructions are cross-referenced to each section of the form.

The Shares to which this Application Form relates are Argenica Therapeutics Limited ("AGN") Shares. Further details about the Shares are contained in the Prospectus dated 23 April 2021 issued by Argenica Therapeutics Limited. The Prospectus will expire no later than 13 months after date of issue. While the Prospectus is current, Argenica Therapeutics Limited will send paper copies of the Prospectus, any supplementary document and the Application Form, free of charge on request.

The Australian Securities and Investments Commission requires that a person who provides access to an electronic application form must provide access, by the same means and at the same time, to the relevant Prospectus. This Application Form is included in the Prospectus. By lodging the Application Form, the Applicant agrees that this Application for Shares in Argenica Therapeutics Limited is upon and subject to the terms of the Prospectus and the Constitution of Argenica Therapeutics Limited, agrees to take any number of Shares that may be issued to the Applicant(s) pursuant to the Prospectus and declares that all details and statements made are complete and accurate.

The Prospectus contains important information about investing in the Shares. You should read the Prospectus before applying for Shares.

A Insert the number of Shares you wish to apply for. The Application must be for a minimum of $2,000 Shares and thereafter in multiples of $500. You may be issued all of the Shares applied for or a lesser number.

B Insert the relevant amount of Application Monies. To calculate your Application Monies, multiply the number of Shares applied for by the issue price. Amounts should be in Australian dollars. Please make sure the amount of your cheque or bank draft equals this amount.

C Write the full name you wish to appear on the register of Shares. This must be either your own name or the name of a company. Up to three joint Applicants may register. You should refer to the table below for the correct registrable title.

D Enter your Tax File Number (TFN) or exemption category. Business enterprises may alternatively quote their Australian Business Number (ABN). Where applicable, please enter the TFN or ABN for each joint Applicant. Collection of TFN(s) and ABN(s) is authorised by taxation laws. Quotation of TFN(s) and ABN(s) is not compulsory and will not affect your Application. However, if these are not provided, Argenica Therapeutics Limited will be required to deduct tax at the highest marginal rate of tax (including the Medicare Levy) from payments.

E Please enter your postal address for all correspondence. All communications to you from Argenica Therapeutics Limited and the Share Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.

F If you are already a CHESS participant or sponsored by a CHESS participant, write your Holder Identification Number (HIN) here. If the name or address recorded on CHESS for this HIN is different to the details given on this form, your Shares will be issued to Argenica Therapeutics Limited's issuer sponsored subregister.

G Please enter your telephone number(s), area code and contact name in case we need to contact you in relation to your Application.

H Please complete the details of your cheque or bank draft in this section. The total amount of your cheque or bank draft should agree with the amount shown in section B.

If you receive a firm allocation of Shares from your Broker make your cheque payable to your Broker in accordance with their instructions.

CORRECT FORMS OF REGISTRABLE NAMES

Note that ONLY legal entities are allowed to hold Shares. Applications must be in the name(s) of natural persons or companies. At least one full given name and the surname is required for each natural person. The name of the beneficiary or any other non-registrable name may be included by way of an account designation if completed exactly as described in the examples of correct forms below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual Use given names in full, not initials	Mrs Katherine Clare Edwards	K C Edwards
Company Use Company's full title, not abbreviations	Liz Biz Pty Ltd	Liz Biz P/L or Liz Biz Co.
Joint Holdings Use full and complete names	Mr Peter Paul Tranche & Ms Mary Orlando Tranche	Peter Paul & Mary Tranche
Trusts Use the trustee(s) personal name(s)	Mrs Alessandra Herbert Smith <Alessandra Smith A/C>	Alessandra Smith Family Trust
Deceased Estates Use the executor(s) personal name(s)	Ms Sophia Garnet Post & Mr Alexander Traverse Post <Est Harold Post A/C>	Estate of late Harold Post or Harold Post Deceased
Minor (a person under the age of 18 years) Use the name of a responsible adult with an appropriate designation	Mrs Sally Hamilton <Henry Hamilton>	Master Henry Hamilton
Partnerships Use the partners' personal names	Mr Frederick Samuel Smith & Mr Samuel Lawrence Smith <Fred Smith & Son A/C>	Fred Smith & Son
Long Names	Mr Hugh Adrian John Smith-Jones	Mr Hugh A J Smith Jones
Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s)	Mr Alistair Edward Lilley <Vintage Wine Club A/C>	Vintage Wine Club
Superannuation Funds Use the name of the trustee of the fund	XYZ Pty Ltd <Super Fund A/C>	XYZ Pty Ltd Superannuation Fund

Put the name(s) of any joint Applicant(s) and/or account description using < > as indicated above in designated spaces at section C on the Application Form.

ARGENICA THERAPEUTICS

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29 The Avenue
Nedlands
WA 6009
T: + 61 8 9329 3396
E: info@argenica.com.au

argenica.com.au