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PYC THERAPEUTICS LIMITED TO RAISE UP TO ~\$74.6 MILLION VIA AN ACCELERATED NON-RENOUCEABLE ENTITLEMENT OFFER

- PYC Therapeutics to raise up to approximately \$74.6 million via a 1 for 4 pro-rata accelerated non-renounceable entitlement offer
- New Shares to be issued at A\$0.08 per share, representing a 5.9% discount to the last traded price
- Proceeds from the equity raising will be used to fund progression of the Company's pipeline of first-in-class drug candidates for patients with major unmet needs through critical human data readouts
- Major shareholder Australian Land Pty Ltd, representing ~32.95% of PYC's issued capital, has indicated that they intend to take up their full entitlement - accounting for approximately \$24.6 million of the Entitlement Offer

PERTH, Australia– 14 March 2024

PYC Therapeutics Limited (ASX:PYC) (**PYC** or the **Company**) today announces that it is undertaking a pro-rata accelerated non-renounceable entitlement offer to eligible shareholders on the basis of one (1) new share for every four (4) existing shares held which is intended to raise approximately A\$74.6 million (before costs) (**Entitlement Offer**).

The Entitlement Offer will comprise the issue of up to approximately 933 million new fully paid ordinary shares in PYC (**New Shares**) at an offer price of \$0.08 (**Offer Price**) per New Share, which represents a:

- 5.9% discount to the last traded price of A\$0.085 on 13 March 2024;
- 4.8% discount to the Theoretical Ex-Rights Price (**TERP**)¹ of A\$0.084 per share; and

¹ The theoretical ex-rights price is the theoretical price at which PYC shares should trade immediately after the ex-date for the Entitlement Offer. The TERP is a theoretical calculation only and the actual price at which PYC's shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equal the TERP. TERP is calculated by reference to PYC's closing price of A\$0.085 on 13 March 2024.

- 1.1% discount to the 5-day volume weighted average price of shares up to and including 13 March 2024.

The Entitlement Offer comprises:

- an accelerated institutional component open to eligible institutional shareholders to be conducted from Thursday, 14 March 2024 to Friday, 15 March 2024 (**Institutional Entitlement Offer**); and
- a retail component open to eligible retail shareholders in Australia or New Zealand anticipated to be conducted from Wednesday, 20 March 2024 to Monday, 8 April 2024 (unless extended) (**Retail Entitlement Offer**).

The offer ratio and Offer Price for New Shares under the Retail Entitlement Offer are the same as for the Institutional Entitlement Offer.

The Entitlement Offer is not underwritten and as such there is no guarantee that PYC will raise the intended amount of ~\$74.6 million in which case PYC will need to re-evaluate its fundraising options and/or its projected budget and timeline.

Use of funds

The proceeds from the Entitlement Offer will be used to:

- progress PYC's first blinding eye disease drug candidate into mid and late-stage human trials
- progress PYC's second blinding eye disease drug candidate into early and mid-stage human trials
- progress PYC's polycystic kidney disease drug candidate into human trials
- support progression of the Company's Phelan-McDermid Syndrome drug program and drug discovery activities
- general working capital and Entitlement Offer costs

As outlined above, the Entitlement Offer is not underwritten. If the proceeds from the Entitlement Offer are less than what is required to meet the Company's proposed use of funds, the Company may review its proposed use of funds (including whether to scale back or defer investments) as well as consider alternative funding options.

Commenting on the Entitlement Offer, PYC's CEO, Dr Rohan Hockings said:

"An entitlement offer provides all shareholders with an equal opportunity to contribute to the further progression of PYC's exciting drug development pipeline. The rapidly improving conditions in the biotech sector coupled with the material progress made by the Company have not yet been recognised in PYC's market capitalisation. PYC is seeking to address this by delivering human safety and efficacy data – the currency of our industry – over the coming 12 months alongside progression of ongoing commercialisation activities".

Further details of the Entitlement Offer are set out below.

Entitlement Offer structure

Under the Entitlement Offer, eligible shareholders are invited to subscribe for one (1) New Share for every four (4) existing PYC shares held (**Entitlement**).

The Entitlement Offer is non-renounceable, and Entitlements will not be tradable or otherwise transferable.

Eligible shareholders who do not take up their Entitlement under the Entitlement Offer in full or in part, will not receive any value with respect to those Entitlements not taken up. New Shares issued under the Entitlement Offer will be fully paid and will rank equally with existing PYC shares at the time of issue.

Institutional Entitlement Offer

Eligible institutional shareholders may be invited to participate in the Institutional Entitlement Offer which opens today, Thursday, 14 March 2024 and closes on Friday, 15 March 2024.

Under the Institutional Entitlement Offer, eligible institutional shareholders with a registered address in Australia and New Zealand (**Eligible Institutional Shareholders**) who are invited to participate in the Institutional Entitlement Offer can choose to take up all, or part or none of their Entitlements under the Entitlement Offer.

Shares in the Company have been placed in a trading halt while the Institutional Entitlement Offer is being undertaken. It is expected that the trading halt will end at market open on Monday, 18 March 2024.

New Shares under the Institutional Entitlement Offer are expected to be issued on Wednesday, 20 March 2024. PYC will, upon issue of the New Shares under the Institutional Entitlement Offer, seek quotation of the New Shares on the ASX.

Retail Entitlement Offer

The Retail Entitlement Offer will be conducted at the same offer price and offer ratio as the Institutional Entitlement Offer.

Eligible retail shareholders with a registered address in Australia or New Zealand as at 4.00pm (AWST) on Monday, 18 March 2024 (**Record Date**) (**Eligible Retail Shareholders**) will have the opportunity to participate in the Retail Entitlement Offer.

Further information will be sent to Eligible Retail Shareholders in a retail offer book (**Retail Offer Booklet**). The Retail Offer Book will be sent to Eligible Retail Shareholders, along with accompanying personalised entitlement and acceptance forms, on or around Wednesday, 20 March 2024.

The Retail Entitlement Offer is currently expected to close on Monday, 8 April 2024.

Eligible Retail Shareholders can choose to take up all, or part or none of their Entitlement under the Entitlement Offer, on the terms and conditions set out in the Retail Offer Booklet.

New Shares under the Retail Entitlement Offer are expected to be issued on Monday, 15 April 2024. PYC will, upon issue of the New Shares under the Retail Entitlement Offer, seek quotation of the New Shares on the ASX.

Shareholders with a registered address outside Australia or New Zealand on the Record Date are ineligible to participate in the Retail Entitlement Offer.

The directors have reserved the right to place any shortfall within 3 months of close of the Entitlement Offer at the Board's discretion but at a price no less than the Offer Price.

Nominee

The Company has appointed Euroz Hartleys Limited (**Nominee**) to act as a nominee for the purposes of section 615 of the *Corporations Act 2001* (Cth), who will arrange for the sale on ASX (or otherwise) of New Shares under the Entitlement Offer which would otherwise have been available to ineligible shareholders. The Nominee will be required to remit any net proceeds (if any, after deduction of the Offer Price, costs of sale including brokerage and costs) from the sale of those New Shares to those ineligible shareholders. There is no guarantee that any proceeds will be realised from the sale of the entitlements that would otherwise have been offered to ineligible shareholders.

Key shareholder support

As described above, Chairman Alan Tribe via Australian Land has agreed to take up his full entitlement under the Entitlement Offer (representing approximately \$24.6 million). Please refer to PYC's cleansing notice released to ASX today in relation to the potential control effects of the Entitlement Offer.

Indicative Timetable*

Event	Timing (AWST)
Trading halt	Thursday, 14 March 2024
Announcement of Entitlement Offer	Thursday, 14 March 2024
Institutional Entitlement Offer opens	Thursday, 14 March 2024
Institutional Entitlement Offer closes	4.00pm (AWST) Friday, 15 March 2024
Announcement of results of Institutional Entitlement Offer Trading halt lifted, existing securities commence trading	Monday 18 March 2024
Record Date for Entitlement Offer	4.00pm (AWST) on Monday, 18 March 2024
Settlement of New Shares under Institutional Entitlement Offer	Tuesday, 19 March 2024

Quotation of New Shares issued under the Institutional Entitlement Offer and commencement of trading of such securities on the ASX	Wednesday, 20 March 2024
Retail Entitlement Offer Opens (Retail Offer Booklet sent)	Wednesday, 20 March 2024
Last day to extend retail offer close date (if required)	Wednesday, 3 April 2024
Retail Entitlement Offer Closes	Monday, 8 April 2024
Announcement of results of Retail Entitlement Offer	Wednesday, 10 April 2024
Allotment and issue of New Shares under Retail Entitlement Offer	Monday, 15 April 2024
New Shares under Retail Entitlement Offer commence trading on ASX	Tuesday, 16 April 2024
Holding statements sent for New Shares issued under the Retail Entitlement Offer	Wednesday, 17 April 2024

*The timetable above is indicative only and subject to change. The Company reserves the right to alter the dates below in its full discretion and without prior notice, subject to the ASX Listing Rules and the Corporations Act.

This ASX announcement has been authorised for release by the Board of PYC Therapeutics Limited.

About PYC Therapeutics

PYC Therapeutics (ASX: PYC) is a clinical-stage biotechnology company creating a new generation of RNA therapies to change the lives of patients with genetic diseases. The Company utilises its proprietary drug delivery platform to enhance the potency of precision medicines within the rapidly growing and commercially proven RNA therapeutic class. PYC's drug development programs target monogenic diseases – **the indications with the highest likelihood of success in clinical development**².

The Company was the first to progress a drug candidate for a blinding eye disease of childhood into human trials. The Company is progressing a second blinding eye disease (Autosomal Dominant Optic Atrophy) and a third program targeting Polycystic Kidney Disease which are anticipated to commence human trials in mid-2024 and late 2024 respectively.

For more information, visit pyctx.com, or follow us on LinkedIn and Twitter.

² Advancing Human Genetics Research and Drug Discovery through Exome Sequencing of the UK Biobank
<https://doi.org/10.1101/2020.11.02.20222232>

Forward looking statements

Any forward-looking statements in this ASX announcement have been prepared on the basis of a number of assumptions which may prove incorrect and the current intentions, plans, expectations, and beliefs about future events are subject to risks, uncertainties and other factors, many of which are outside the Company's control. Important factors that could cause actual results to differ materially from assumptions or expectations expressed or implied in this ASX announcement include known and unknown risks. Because actual results could differ materially to assumptions made and the Company's current intentions, plans, expectations, and beliefs about the future, you are urged to view all forward-looking statements contained in this ASX announcement with caution. The Company undertakes no obligation to publicly update any forward-looking statement whether as a result of new information, future events or otherwise.

This ASX announcement should not be relied on as a recommendation or forecast by the Company. Nothing in this ASX announcement should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.

This ASX announcement was approved and authorised for release by the Board of PYC Therapeutics Limited

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