

28 February 2018

Mr Sebastian Bednarczyk
Senior Adviser, Listings Compliance (Perth)
ASX, Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Adam

ASX AWARE QUERY

We refer to the Aware Query received from the ASX on 27 February 2018 and respond as follows to the specific questions asked:

1. **Does CYP consider the information in the Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

Yes.

2. **If the answer to question 1 is “no”, please advise the basis for that view.:**
(a) Is the Company relying on Listing Rule 3.1A not to announce under Listing Rule 3.1?

The answer to question 1 is “yes” – therefore not applicable.

3. **When did CYP first become aware of the Primary Evaluation Results (including that the efficacy data following completion of the primary evaluation period represented an improvement above the Initial Results), or any part of it? In answering this question, please state the date and time CYP first became aware.**

CYP first became aware of the complete Primary Evaluation Results at 07:59am on 27 February 2018. At no time prior to the receipt of the Primary Evaluation Results did CYP have information which enabled a determination that the efficacy data represented an improvement above (or a deterioration from) the Initial Results. The final Primary Evaluation Results included data from the last two of seven surviving patients in Cohort A, which CYP had not previously been provided with. During the course of the study, CYP was periodically provided certain clinical information on an individual patient by patient basis. CYP does not believe that individual patient results are material in isolation and do not require disclosure.

4. **If CYP first became aware of the Primary Evaluation Results, before 27 February 2018, did CYP make any announcement which disclosed this information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe CYP was obliged to release the information under Listing Rules 3.1 and 4.1A and what steps CYP took to ensure that the information was released promptly and without delay.**

Not applicable.

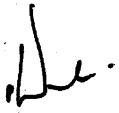
5. **Please confirm that CYP is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.**

We confirm that the Company is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

6. **Please confirm that CYP's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an office of CYP with delegated authority from the board to respond to ASX on disclosure matters.**

Confirmed.

Yours sincerely



Peter Webse
Company Secretary



27 February 2018

Mr Peter Webse
Cynata Therapeutics Limited
Level 3, 62 Lygon Street
CARLTON VIC 3053

By email

Dear Mr Webse

Cynata Therapeutics Limited ("CYP"): Aware Query

ASX Limited ("ASX") refers to the following:

- A. CYP's announcement entitled "Encouraging Early Safety and Efficacy Data in Cynata's Phase 1 Trial of CYP-001 in GvHD; DSMB Recommendation to Initiate Enrolment of Second Patient Cohort" lodged on the ASX Market Announcements Platform ("MAP") and released at 12:17 pm AEDT on 22 January 2018, where CYP advised the progress of clinical trial of its Cymerus™ mesenchymal stem cells ("MSC") product CYP-001, including the following:
- *All eight participants in Cohort A (lower dose cohort) have demonstrated at least a Partial Response (defined as an improvement in the severity of GvHD by at least one grade compared to baseline)*
 - *No treatment-related serious adverse events or safety concerns have been identified*
 - *DSMB recommendation to progress clinical trial to second cohort (Cohort B)*
 - *Patient enrolment in Cohort B (higher dose cohort) now open at seven trial sites in the U.K. and Australia*
- ("Initial Results")
- B. The change in the price of CYP's securities between an opening price of \$0.815 on 7 February 2018 and reaching a high of \$1.08 on 26 February 2018.
- C. CYP's announcement entitled "Excellent Data from Final Preliminary Evaluation Period" lodged on MAP and released on 10:21 am AEDT on 27 February 2018 (the "Announcement") which disclosed completion of the primary evaluation period for the first cohort of patients in the clinical trial of the MSC product CYP-001, including:
- *Efficacy data following completion of the Primary Evaluation Period (100 days) represents an improvement above the initial results announced in January*
 - *Overall survival at Day 100 was 87.5%*
 - *Overall Response rate by Day 100 was 100% (all eight participants showed an improvement in the severity of GvHD by at least one grade compared to baseline)*

- *Complete Response rate by Day 100 was 50% (GvHD signs/symptoms completely resolved in four out of eight patients)*
- *No treatment-related serious adverse events or safety concerns were identified during the Primary Evaluation Period*

(“Primary Evaluation Results”)

- D. The increase in the price and volume of trading in CYP’s securities today, 27 February 2018, including a high of \$1.26 at the time of writing.
- E. Listing Rule 3.1, which requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities.
- F. The definition of “aware” in Chapter 19 of the Listing Rules, which states that:

“an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity”

and section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B* “When does an entity become aware of information”.

- G. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

“3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and

3.1A.3 A reasonable person would not expect the information to be disclosed.”

- H. ASX’s policy position on the concept of “confidentiality”, which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”

Having regard to the above, ASX asks CYP to respond separately to each of the following questions and requests for information:

1. Does CYP consider the information in the Announcement to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. When did CYP first become aware of the Primary Evaluation Results (including that the efficacy data following completion of the primary evaluation period represented an improvement above the Initial Results), or any part of it? In answering this question, please state the date and time CYP first became aware.
4. If CYP first became aware of the Primary Evaluation Results, before 27 February 2018, did CYP make any announcement which disclosed this information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe CYP was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps CYP took to ensure that the information was released promptly and without delay.
5. Please confirm that CYP is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
6. Please confirm that CYP’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of CYP with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than **12:00 pm WST on Wednesday, 28 February 2018**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in CYP’s securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, CYP’s obligation is to disclose the information “immediately”. This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at tradinghaltsperth@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to CYP's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that CYP's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in CYP's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Sebastian Bednarczyk
Senior Adviser, Listings Compliance (Perth)