

ASX RELEASE

14 October 2014

Pre-quotation disclosure

Anatara Lifesciences Limited (**Anatara or Company**) initial public offer made under the prospectus dated 4 September 2014 (**Prospectus**) closed successfully on 3 October 2014 with all shares offered being fully subscribed. Anatara has 37,750,000 shares on issue following the Offer.

Quotation of 20,023,905 of Anatara's shares (being those shares not subject to ASX mandatory escrow) is expected to occur at 11:00am (Sydney time) on Thursday 16 October 2014 (ASX code: ANR).

Shareholdings

As required by the ASX information form and checklist, the following information is **attached** as pre-quotation disclosure:

- (a) Distribution schedule; and
- (b) Top 20 shareholders list.

Appendix 1A and Information Form and Checklist

Appendix 1A and the Information Form and Checklist are **attached** as pre-quotation disclosure.

Prospectus

Anatara's Prospectus is **attached** as pre-quotation disclosure.

Constitution

Anatara's Constitution is **attached** as pre-quotation disclosure.

Financial information

The audited financial reports for the years ended 30 June 2012, 30 June 2013 and 30 June 2014 are **attached** as pre-quotation disclosure.

Use of proceeds of the Offer

Ancillary to the commitments listed on page 106 of the Prospectus, the Company has identified the following specific commitments for the purposes of ASX Listing Rule 1.3.2(b):

Description	Allocation of funds
Detach Australia launch (see section 2.4 of the Prospectus)	\$333,980
Partnering and grant activities	\$204,250

Chief Scientific Officer salary	\$285,000
Project manager salary	\$110,000

Employee Share Option Plan

As stated in the Prospectus at section 8.10, options can be issued to eligible participants under the Company's Employee Share Option Plan (**ESOP**).

The Company must apply for official quotation of any shares issued on exercise of any options under the ESOP.

Eligible Participants

Persons who are eligible to participate in the ESOP are full-time and part-time employees, executives, Directors and consultants of the Company or any of its subsidiaries who the Board designates as being eligible.

Offers under the ESOP

Options offered by the Company under the ESOP must:

- (a) be for no consideration;
- (b) be in writing; and
- (c) specify:
 - (i) the number of options for which the eligible participant may apply;
 - (ii) the period within which the options may be exercised;
 - (iii) any conditions to be satisfied before exercise;
 - (iv) the option expiry date (as determined by the Board); and
 - (v) the exercise price for the options.

Summary of terms

Once Shares are allotted upon exercise of the options, the participant will hold the Shares free of restrictions. The Shares will rank for dividends declared on or after the date of issue but will carry no right to receive any dividend before the date of issue.

Should the Company undergo a reorganisation or reconstruction of capital or any other such change, the terms of the options will be correspondingly changed to the extent necessary to comply with the Listing Rules.

In the event of a change of control, the Board shall have discretion to deal with the options, including allowing accelerated vesting or the issue of options in the substituted corporation.

A holder of options is not entitled to participate in a new issue of Shares or other securities made by the Company to Shareholders merely because he or she holds options.

The ESOP will be administered by the Board which has an absolute discretion to determine appropriate procedures for its administration and resolve questions of fact or interpretation and formulate special terms and conditions (subject to the Listing Rules) in addition to those set out in the ESOP.

The ESOP may be terminated or suspended at any time by the board. The ESOP may be amended at any time by the Board except where the amendment reduces the rights of the holders of options.

The options are not transferable or assignable without the prior written approval of the Board.

At the date of the Prospectus, no options have been offered under the ESOP. The Company has capacity to issue up to 5% of the issued share capital of the Company as options.

Securities Trading Policy

Anatara's Securities Trading Policy is **attached** as pre-quotation disclosure.

Restricted securities

As stated in the Prospectus at section 8.7, the existing shareholders have entered into both mandatory restriction deeds and voluntary restriction deeds with the Company, restricting them from dealing in the shares held by them at the date of the Prospectus, until 8 May 2015 or the date which is 24 months from the date of the Company's listing on the ASX (as applicable to the relevant shareholder).

The total number of restricted shares held by existing shareholders is 21,096,095. Anatara confirms that the following shares are subject to escrow for the following periods:

Type of escrow	Number of shares	Escrow period
ASX mandatory	4,980,000	For 12 months commencing on 8 May 2014 (until 8 May 2015)
Voluntary	3,190,000	
ASX mandatory	12,746,095	For 24 months commencing on the date of listing of Anatara
Voluntary	180,000	

Subdivision of shares

On 11 September 2014, in accordance with section 254H *Corporations Act 2001* (Cth), a special resolution was passed at a general meeting of shareholders to approve the subdivision of 4,750,000 fully paid ordinary shares on issue in the Company on a 1:5 basis into 23,750,000 fully paid ordinary shares.

All share numbers set out in the Prospectus and in this pre-quotation disclosure reflect this subdivision.

Yours sincerely



Dr Mel Bridges
Chairman