

# MEDIGARD

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## ASX ANNOUNCEMENT

30 April 2020

### ASX Announcement – Company update

#### Key points

- **Project Licence payments and possible termination**
- **Company is assessing other activities and funding arrangements**

The Company currently holds a Licence to develop a treatment for the KT009 product to treat degenerative disk disease with an injectable product ("Licence"). The Company has reached further agreement with the Licensor, Kunovus Pty Ltd ("Kunovus") as follows:

- Certain fees payable in respect of the Licence will be satisfied by the issue of Fully Paid Shares in the Company to nominees of Kunovus rather than payment in cash. The fees of \$150,000, which consist of the final payments for Patent Reimbursement Costs of \$125,000 and one annual Licence fee of \$25,000, will be satisfied by the issue of 16,666,666 fully paid ordinary shares at a notional issue price of \$0.009 (0.9 cents) per share.

The Company had arranged to raise capital to fund operating expenses and progress the KT009 project under its Licence. However, the Covid 19 pandemic effect on capital markets caused that arrangement to be abandoned at a critical time.

Unfortunately, the Company's inability to date to raise funds and progress the KT009 project may result in the Licence being terminated in the near future.

The Company is assessing other potential activities and funding arrangements and will inform the market as they progress.

ENDS

This announcement was authorised by the Board

PATRICIA BOERO  
Company Secretary