

ASX Limited
Market Announcements Office

Update on Listed Options and Federal Court Application

Melbourne, Australia, 14 July 2022: [Avecho Biotechnology Limited](#) (ASX:AVE, "Avecho", or "the Company") refers to its request for suspension of trading in its listed options (ASX:AVEO) dated 8 June 2022 ("Listed Options").

On 16 February 2021, Avecho issued 229,999,999 shares and 115,000,000 options with an exercise price of \$0.035 each and expiring on 31 December 2023 ("Placement Options") pursuant to a placement to sophisticated and institutional investors. Avecho issued a further 7,500,000 options, on the same terms, to Peak Asset Management (or their nominees) as part payment for their services as Lead Manager for the Placement ("Broker Options"). Together, the Placement Options and Broker Options form the Listed Options.

Avecho became aware that the Listed Options were inadvertently issued without disclosure and accordingly any sale of the Listed Options in the 12 month period after their issue were in breach of section 707(3) of the *Corporations Act 2001* (Cth) ("On-Sale Provisions"). Avecho notes that the On-Sale Provisions do not apply after 12 months from the date of issue, namely from 16 February 2022.

Avecho applied to the Federal Court of Australia on 11 July 2022 to seek declaratory relief and ancillary orders relating to the prior trading of the Listed Options, including in summary orders to the effect that:

- (a) any prior sale of the Listed Options is not invalid by reason of any failure to lodge a cleansing prospectus or for breach of sections 707(3) or 727(1) of the *Corporations Act 2001* (Cth); and
- (b) any person to whom the Listed Options were issued, and who have in turn sold the Listed Options, is relieved in whole from any civil liability in respect of any failure to lodge a cleansing prospectus or for breach of sections 707(3) or 727(1) of the *Corporations Act 2001* (Cth).

Avecho is pleased to confirm that it has been successful in seeking the orders and a copy of the orders is attached to this announcement.

Avecho has requested for trading in the Listed Options to be immediately reinstated.

- ENDS -

This announcement is authorised for release by the Board of Directors of Avecho Biotechnology Limited.

Investor + General Enquiries

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Company Secretary
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About Avecho

Avecho Biotechnology Limited develops and commercialises innovative Human and Animal Health products using its proprietary drug delivery system called Tocopheryl Phosphate Mixture (**TPM®**). TPM® is derived from Vitamin E using unique, proprietary and patented processes and is proven to enhance the solubility and oral, dermal and transdermal absorption of drugs and nutrients.

Avecho's major projects include delivering TPM® enhanced injectable, oral and topical products for the human health market and is also developing TPM® to enhance the feed efficiency and health of livestock.



Federal Court of Australia

District Registry: Queensland

Division: General

No: QUD240/2022

IN THE MATTER OF AVECHO BIOTECHNOLOGY LIMITED ACN 056 482 403

AVECHO BIOTECHNOLOGY LIMITED ACN 056 482 403

Applicant

ORDER

JUDGE: JUSTICE DOWNES

DATE OF ORDER: 14 July 2022

WHERE MADE: Brisbane

THE COURT ORDERS THAT:

1. Pursuant to section 1322(4)(a) of the *Corporations Act 2001* (Cth) (**Act**), it is declared that any offer for sale, or sale of, the 122,500,000 listed options which were listed on 16 February 2021 (**Listed Options**) after their issue is not invalid by reason of:
 - (a) any failure to lodge a prospectus under section 713 of the Act to exempt the sellers from the obligation of disclosure under the Act; or
 - (b) the sellers' consequential failure to comply with sections 707(3) or 727(1) of the Act.
2. Pursuant to section 1322(4)(c) of the Act, any person who has sold any of the Listed Options until the date of this order is relieved in whole from any civil liability in respect of any:
 - (a) failure to lodge a prospectus under section 713 of the Act exempting the sellers from the obligation of disclosure under the Act; or
 - (b) consequent failure to comply with sections 707(3) or 727(1) of the Act.
3. As soon as is reasonably practical after the date of this order, the Applicant is to:



- (a) serve a sealed copy of this order:
 - (i) on the Australian Securities and Investments Commission;
 - (ii) on the Australian Securities Exchange (**ASX**); and
 - (iii) by post to each person to whom the Listed Options were issued at the address given by each person for recording on the Applicant's register of holders; and
 - (b) publish an announcement to the ASX including the sealed copy of this order; and
 - (c) place a copy of this order on its own website to remain there for at least 28 days.
4. For a period of 28 days from the date of publication of this order on the ASX website, any person who claims to have suffered substantial injustice or is likely to suffer substantial injustice by the making of any or all of these orders has liberty to apply to vary or discharge them within that period.
5. There is no orders as to costs.

Date that entry is stamped: 14 July 2022

Sia Lagos
Registrar