



Market Announcement

10 June 2020

AFT Pharmaceuticals Limited (ASX: AFP) – Trading Halt

Description

The securities of AFT Pharmaceuticals Limited ('AFP') will be placed in trading halt at the request of AFP, pending it releasing an announcement. Unless ASX decides otherwise, the securities will remain in trading halt until the earlier of the commencement of normal trading on Friday, 12 June 2020 or when the announcement is released to the market.

Issued by

Corey Lian

Adviser, Listings Compliance (Sydney)



10 June 2020

To: ASX Limited
20 Bridge Street
Sydney NSW 2000
AUSTRALIA

NZX Limited
11 Cable Street
Wellington
NEW ZEALAND

Request for trading halt: AFT Pharmaceuticals Limited (ASX Code: AFP, NZX Code: AFT)

AFT requests a trading halt to be applied to its securities under ASX Listing Rule 17.1 and NZX Listing Rule 9.9.1(a) and sets out below details of the request as per the rules of each of ASX and NZX.

We would like the trading halt to commence from the commencement of trading on 10 June 2020. Please do not announce the trading halt (or the application for a trading halt) before 10 June 2020.

Reasons for trading halt: AFT proposes to announce details of a capital raising comprising a placement of shares in AFT (“**Placement**”) and a share purchase plan (“**SPP**”). Alongside the Placement, AFT’s two largest shareholders propose to sell shares in AFT held by them and their associates amounting to approximately 16% of the shares in AFT in aggregate (these sell downs and the Placement together being the “**Initial Offer**”, and the Initial Offer and the SPP together being the “**Offer**”). The Initial Offer will be fully underwritten. AFT is requesting this trading halt so that a bookbuild process may be undertaken for the Initial Offer. The size of the bookbuild will not be known until completion of the process.

AFT considers that the trading halt is necessary and appropriate because the market will, following the announcement of the Offer on 10 June 2020, be informed of the Placement and the bookbuild, the outcome of which will not be known or advised to the market until the completion of the bookbuild. The bookbuild will involve the bookrunners/underwriters and, potentially, AFT engaging with potential purchasers of the relevant AFT shares and there is a possibility that those purchasers will have different information (being details of how the bookbuild is progressing) during the bookbuild process.

How long we want the trading halt to last: AFT requests that the trading halt remain in place until the commencement of trading on NZX and ASX on 12 June 2020 or until any earlier announcement stating the outcome of the Placement.

The event we expect to happen that will end the trading halt: Announcement of the outcome of the Placement.

Other information necessary to inform the market about the trading halt or that ASX or NZX have requested: Immediately before the bookbuild, it is proposed that AFT will release an announcement, a “cleansing” notice and an investor presentation in connection with the proposed Offer.

All participants in the bookbuild are bound by confidentiality obligations and have agreed not to contravene the insider trading laws contained in the Financial Markets Conduct Act 2013 (NZ) or the Corporations Act 2001 (Cth).

Information to include in any market memorandum relating to the halt: AFT has sought the trading halt to facilitate an orderly market for its securities while the bookbuild for the placement component of a capital raising is undertaken.

We confirm that we are not aware of any reason why the trading halt should not be granted.

Yours sincerely,

A handwritten signature in purple ink, appearing to read 'Malcolm Tubby', is positioned above the typed name.

Malcolm Tubby

Chief Financial Officer