

25 June 2021

ASX Announcement

Facility with Radium Capital for prepayment of forecast R&D Tax Incentive claim

MELBOURNE Australia, 25 June 2021: AdAlta Limited (ASX:1AD), the clinical stage biotechnology company developing novel therapeutic products from its i-body platform, advises that it has executed a non-dilutive funding agreement with Radium Capital (Radium).

The loan facility provides AdAlta with immediate funds equivalent to the majority of its accrued R&D Tax Incentive (RDTI) rebate, initially for the nine-month period ending 31 March 2021. Early access to these funds will help accelerate discovery activities to expand AdAlta's pipeline.

Under the loan facility, AdAlta has the ability to access up to 80% of its accrued RDTI rebate. The eligible RDTI expenditure must be verified by an accounting firm approved by Radium. Interest on facility advances accrue at 14% per annum. Repayment is timed to coincide with receipt of AdAlta's 2021FY RDTI refund, expected by 31 October 2021.

The advance under the facility for the period ending 31 March 2021 is \$1.68million and will be received prior to the end of the 2021 financial year.

Managing Director and CEO, Dr Tim Oldham commented, "This facility is a prudent option to bring forward future cash flows as we progress our transformation to a multi-asset company."

-ENDS-

Authorised for lodgement by:

Tim Oldham
CEO and Managing Director
June 2021

Notes to Editors

About AdAlta

AdAlta Limited is a clinical stage drug development company headquartered in Melbourne, Australia. The Company is using its proprietary i-body technology platform to solve challenging drug targeting problems and generate a promising new class of single domain antibody protein therapeutics with the potential to treat some of today's most challenging medical conditions.

AdAlta is conducting Phase 1 clinical studies for its lead i-body candidate, AD-214. AD-214 is being developed for the treatment of Idiopathic Pulmonary Fibrosis (IPF) and other human fibrotic diseases, for which current therapies are sub-optimal and there is a high unmet medical need.

The Company is also entering collaborative partnerships to advance the development of its i-body platform. It has an agreement with GE Healthcare to discover i-bodies as diagnostic imaging agents against Granzyme B, a biomarker of response to immunology drugs.

AdAlta's strategy is to maximise the products developed using its next generation i-body platform by internally discovering and developing selected i-body enabled product candidates against GPCRs implicated in fibrosis, inflammation and cancer and partnering with other biopharmaceutical companies to develop product candidates against other classes of receptor, in other indications, and in other product formats.

Further information can be found at: <https://adalta.com.au>

For more information, please contact:

Investors - AdAlta

Tim Oldham, CEO & Managing Director
Tel: +61 403 446 665
E: t.oldham@adalta.com.au

Media - AdAlta

IR Department
Tel: +61 411 364 382
E: gabriella.hold@irdepartment.com.au