

3 February 2022

ASX Announcement

\$1.25 million raised in Entitlement Offer

Highlights

- \$1.25 million raised in Entitlement Offer
- Total of \$5.0 million raised across Placement and Entitlement Offer
- Total funds raised support further progress of four AdAlta programs and now provide strategic flexibility to optimise licensing partnerships as new data becomes available

MELBOURNE Australia, 3 February 2022: AdAlta Limited (ASX:1AD), the clinical stage biotechnology company developing novel therapeutic products from its i-body platform, advises that its previously announced (December 2021) Entitlement Offer raised \$1.25 million before costs bringing the total funds raised through the December 2021 Placement and this Entitlement Offer to \$5.0 million.

AdAlta Chair, Dr Paul MacLeman commented on the announcement, saying:

“The funds raised in the recently completed Placement and Entitlement Offer support progress of AdAlta’s four existing programs. We are moving into a strong period of news flow, anticipating important results for our lead fibrosis product AD-214, as well as results from our Carina Biotech and GE Healthcare collaborations over the next six months. This funding expands the strategic options available to the Company for continued development and partnering of both AD-214 and the i-body platform. We are grateful to our existing shareholders who contributed strongly to the Entitlement Offer.”

On 15 December 2021, AdAlta announced the placement of 51,369,863 fully paid ordinary shares in the Company with institutional and sophisticated investors at a price of \$0.073 per share to raise \$3.75 million before costs (**Placement**) and the launch of a non-renounceable rights offer to Eligible Shareholders to acquire one new share for every eight shares held at the same price of \$0.073 per share to raise up to \$2.2 million before costs (**Offer** or **Entitlement Offer**). The Entitlement Offer was further detailed in an Offer Booklet announced to the ASX on 23 December 2021. The Entitlement Offer closed on 31 January 2022.

The Company has received strong support from Eligible Shareholders with valid applications for 17,169,940 Entitlement Shares and Additional Shares under the Top-Up Facility. All applications for Additional Shares were accepted in full.

The new Entitlement Shares (including Additional Shares) taken up by Eligible Shareholders are expected to be issued on 7 February 2022. Trading in these shares is expected to commence on normal settlement terms on 8 February 2022 and will rank equally with existing shares on issue. Shareholder approval is not required for the issue of any of these shares.

The total funds raised, before costs, under the Placement and Entitlement Offer is \$5.0 million.

The results of the Placement and Entitlement Offer are:

| | Number of shares | Funds raised before costs |
|--|-------------------------|----------------------------------|
| Shares on issue prior to the Placement | 245,644,943 | |
| Placement <i>(as announced on 15 December 2021)</i> | | |
| Shares issued under Placement | 51,369,863 | \$3,750,000 |
| Shares on issue prior to the Entitlement Offer | 297,014,806 | |
| Entitlement Offer | | |
| Entitlement Shares taken up (including Additional Shares) | 17,169,940 | \$1,253,411 |
| Total shares on issue after Placement and Entitlement Offer | 314,184,746 | \$5,003,411 |

Authorised for lodgement by:

Tim Oldham
CEO and Managing Director
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Notes to editor

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.

The i-body technology mimics the shape and stability of a unique and versatile antigen binding domain that was discovered initially in sharks and then developed as a human protein. The result is a range of unique proteins capable of interacting with high selectivity, specificity and affinity with previously difficult to access targets such as G-protein coupled receptors (GPCRs) that are implicated in many serious diseases. i-bodies are the first fully human single domain antibody scaffold and the first based on the shark motif to reach clinical trials.

AdAlta has completed Phase I clinical studies for its lead i-body candidate, AD-214, that 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 co-develop i-bodies as diagnostic imaging agents against Granzyme B, a biomarker of response to immuno-oncology drugs, a program now in preclinical development. It also has a collaboration with Carina Biotech to co-develop precision engineered, i-body enabled CAR-T cell therapies to bring new hope to patients with cancer.

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>

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