

NOT FOR RELEASE TO US WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES ASX ANNOUNCEMENT

4 April 2024

Despatch of Retail Entitlement Offer Booklet

Clarity Pharmaceuticals (ASX:CU6) ("Clarity" or "Company") announced on Tuesday, 26 March 2024, a fully underwritten pro rata accelerated non-renounceable entitlement offer ("Entitlement Offer") to eligible shareholders to subscribe for one (1) new fully paid ordinary Clarity share ("New Share") for every thirty three (33) existing fully paid ordinary Clarity shares ("Existing Shares") held as at 7:00pm (Sydney, Australia time) on Thursday, 28 March 2024 ("Record Date") at an issue price of \$2.55 per New Share ("Offer Price") to raise up to approximately \$20 million (before costs).

The Entitlement Offer comprises an institutional entitlement offer ("Institutional Entitlement Offer") and an offer to Eligible Retail Shareholders (as defined below) to participate on the same terms ("Retail Entitlement Offer"). Concurrently with the Entitlement Offer, Clarity also announced a fully underwritten placement to institutional investors at the Offer Price per New Share to raise approximately \$101 million (before costs) ("Placement").

The Company today announces the despatch of the retail offer booklet for the Retail Entitlement Offer ("Retail Offer Booklet") and accompanying personalised Entitlement and Acceptance Form.

The Retail Entitlement Offer opened today (being Thursday, 4 April 2024) and is scheduled to close at 5.00pm (Sydney, Australia time) on Friday, 19 April 2024 ("Retail Entitlement Offer Period").

The Retail Entitlement Offer is expected to raise up to approximately \$11 million (before costs) and is made at the same offer price (i.e. \$2.55) and offer ratio (i.e. 1:33) as the Institutional Entitlement Offer, which closed on Tuesday, 26 March 2024.

Eligible Retail Shareholders (as defined below) should read the Retail Offer Booklet and accompanying personalised Entitlement and Acceptance Form in their entirety and consult with their stockbroker, solicitor, accountant or other professional adviser before making any investment decision.

WHO IS AN ELIGIBLE RETAIL SHAREHOLDER?

The Retail Entitlement Offer is available only to Eligible Retail Shareholders. An Eligible Retail Shareholder is a person who:

- is registered as the holder of Existing Shares at the Record Date; and
- has a registered address on the Clarity register of members which is in Australia or New Zealand; and
- is not in the United States nor acting for the account or benefit of a person in the United States (to the extent such person holds Existing Shares for the account or benefit of such person in the United States); and
- was not invited to participate in the Institutional Entitlement Offer and was not treated as an ineligible institutional shareholder under the Institutional Entitlement Offer (other than as nominee or custodian, in each case in respect of other underlying holdings); and
- is eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer (without any requirement for a prospectus or offer document to be lodged or registered).

RECEIVING THE RETAIL ENTITLEMENT OFFER MATERIALS

Those Eligible Retail Shareholders that have not elected to receive communications electronically will receive a hard copy of the Retail Entitlement Offer letter, together with the Retail Offer Booklet and a personalised Entitlement and Acceptance Form in the post.

Those Eligible Retail Shareholders that have elected to receive communications electronically will receive an email containing the Retail Entitlement Offer letter, together with links to access the Retail Offer Booklet and a personalised Entitlement and Acceptance Form electronically.

All Eligible Retail Shareholders may also access a copy of the Retail Offer Booklet and a personalised Entitlement and Acceptance Form at <https://events.miracle.com/cu6-offer>.

SHAREHOLDER ENQUIRIES

Eligible Retail Shareholders who have questions relating to the Retail Entitlement Offer should call Clarity's share registry, Link Market Services Limited, on 1300 494 861 (within Australia) or + 61 1300 494 861 (from outside Australia) from 8.30am to 5.30pm (Sydney, Australia time) Monday to Friday during the Retail Entitlement Offer Period.

Further information in relation to the Placement and the Entitlement Offer is set out in an investor presentation which Clarity filed with the ASX on Tuesday, 26 March 2024. A copy of the investor presentation is also included in the Retail Offer Booklet. The investor presentation contains important information including key risks and assumptions.

ADDITIONAL INFORMATION

This announcement has been authorised and approved by the Board of Clarity for lodgement with ASX.

All amounts are in Australian dollars unless otherwise indicated.

On behalf of the board of Clarity Pharmaceuticals Ltd

For more information, please contact:

Clarity Pharmaceuticals
Dr Alan Taylor
Executive Chairperson
ataylor@claritypharm.com

Catherine Strong
Investor/Media Relations
cstrong@citadelmagnus.com
+61 406 759 268

About Clarity Pharmaceuticals

Clarity is a clinical stage radiopharmaceutical company focused on the treatment of serious disease. The Company is a leader in innovative radiopharmaceuticals, developing Targeted Copper Theranostics based on its SAR Technology Platform for the treatment of cancer in children and adults.

www.claritypharmaceuticals.com

IMPORTANT NOTICES

Forward looking statements

This announcement contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Clarity, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Not an offer in the United States

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction where it would be illegal. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. Persons who come into possession of this announcement should observe any such restrictions as any non-compliance could contravene applicable securities laws.

The information in this announcement is of general background and does not purport to be complete. It should be read in conjunction with Clarity's other periodic and continuous disclosure announcements lodged with ASX Limited, which are available at www.asx.com.au

General

This announcement is subject to the same "Disclaimers" that appear on slides 2-5 (inclusive) of the investor presentation released to the ASX on 26 March 2024 with any necessary contextual changes.

Own enquiries

Investors should make and rely upon their own enquiries before deciding to acquire or deal in Clarity securities.

Accelerated Non-renounceable Entitlement Offer

Retail Offer Booklet

Clarity Pharmaceuticals Ltd ACN 143 005 341

Details of a one (1) for thirty three (33) pro rata accelerated non-renounceable entitlement offer of fully paid ordinary shares in Clarity Pharmaceuticals Ltd at an Offer Price of \$2.55 per New Share.

Retail Entitlement Offer closes at 5.00pm (Sydney, Australia time) on Friday, 19 April 2024 (unless extended). Valid Applications must be received before that time.

Applications for New Shares by Eligible Retail Shareholders can only be made by following the instructions on your personalised Entitlement and Acceptance Form.

The Retail Entitlement Offer is fully underwritten by Bell Potter Securities Limited (ACN 006 390 722, AFSL 243480).

Not for release to US wire services or distribution in the United States

This is an important document and requires your immediate attention. It is accompanied by a personalised Entitlement and Acceptance Form.

Eligible Retail Shareholders can access their personalised Entitlement and Acceptance Form from the Retail Entitlement Offer website - <https://events.miracle.com/cu6-offer>.

Both documents should be read in their entirety.

If you do not understand any part of this booklet or are in any doubt as to how to deal with it or your Entitlement, you should consult your financial adviser, accountant or other professional adviser.

If you have any questions please contact your professional adviser or the Share Registry on 1300 494 861 (within Australia) or +61 1300 494 861 (from outside Australia) from 8.30am to 5.30pm (Sydney, Australia time) Monday to Friday during the Retail Entitlement Offer Period.

IMPORTANT INFORMATION

This Retail Offer Booklet is dated 4 April 2024 and relates to the Retail Entitlement Offer which is part of the Entitlement Offer by the Company to raise approximately \$20 million (before costs), of which approximately \$11 million (before costs) is to be raised through the Retail Entitlement Offer.

The Retail Entitlement Offer is made pursuant to section 708AA of the Corporations Act (as notionally modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*) and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*). In general terms, section 708AA permits certain companies to undertake rights issues without being required to use or provide to shareholders a prospectus or other disclosure document. Accordingly, the level of disclosure in this Retail Offer Booklet is significantly less than the level of disclosure required in, and what you would expect in, a prospectus.

This Retail Offer Booklet is not a prospectus or product disclosure statement under the Corporations Act and has not been lodged with ASIC. This Retail Offer Booklet does not contain all of the information which would be required to be disclosed in a prospectus or product disclosure statement. As a result, it is important for you to read and understand the publicly available information on Clarity and the Retail Entitlement Offer prior to deciding whether to accept your Entitlement, including Clarity's announcements on ASX.

Eligible Retail Shareholders outside Australia should note that the New Shares are being offered in accordance with the disclosure requirements of the Corporations Act, and those disclosure requirements may differ from the disclosure requirements in jurisdictions outside Australia.

Forward-looking statements

This Retail Offer Booklet contains forward-looking statements which are based on information and assumptions and involve expectations or beliefs regarding future events or results as held at the date of this Retail Offer Booklet.

Forward looking statements include those containing words such as: "anticipate", "believe", "expect", "estimate", "should", "will", "plan", "could", "may", "intends", "guidance", "project", "forecast", "target", "likely", and other similar expressions and include, but are not limited to, statements regarding the conduct, outcome and effects of the Retail Entitlement Offer and the use of proceeds.

All forward-looking statements are made in good faith and have a reasonable basis at the time at which they are made. However, such statements are subject to various risks and uncertainties, many of which are beyond the control of Clarity, which could cause actual results to differ materially from those represented by the forward-looking statements.

Forward-looking statements in this Retail Offer Booklet speak only at the date of this Retail Offer Booklet. Subject to any continuing obligations under applicable law or the Listing Rules, Clarity does not undertake any obligation to publicly update or revise any of the forward-looking statements or advise of any change in events, conditions or circumstances on which any such statement is based. Any representation in this Retail Offer Booklet should not be relied upon as to its accuracy or completeness nor as a recommendation or forecast by Clarity.

Eligibility

Applications for New Shares by Eligible Retail Shareholders can only be made by following the instructions on your personalised Entitlement and Acceptance Form. The instructions on your personalised Entitlement and Acceptance Form set out your Entitlement to participate in the Retail Entitlement Offer.

Certain overseas Shareholders

This Retail Offer Booklet does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Retail Offer Booklet. The Retail Entitlement Offer is not being extended and New Shares will not be issued

to Shareholders that are not Eligible Retail Shareholders.

No cooling-off rights

Cooling-off rights do not apply to an investment in New Shares. You cannot withdraw your Application once it has been delivered.

Notice to nominees and custodians

Nominees and custodians who hold Shares on behalf of overseas residents may not distribute this Retail Offer Booklet, and may not permit any beneficial shareholder to participate in the Retail Entitlement Offer, in any country outside Australia and New Zealand except with the consent of Clarity and then only to beneficial holders resident in certain other countries where Clarity may determine it is lawful and practical to make the Retail Entitlement Offer. Such beneficial shareholders must also otherwise be Eligible Retail Shareholders in order to participate in the Retail Entitlement Offer.

Nominees and custodians are responsible for ensuring that taking up an Entitlement under the Retail Entitlement Offer does not breach regulations in the relevant overseas jurisdiction. Completion of the Application process as set out in the personalised Entitlement and Acceptance Form will be taken by Clarity to constitute a representation that there has been no breach of those regulations. Clarity is not able to advise on any foreign laws. However, any person in the United States or any person that is, or is acting for the account or benefit of, a person in the United States with a holding through a nominee may not participate in the Retail Entitlement Offer, and such nominee or custodian must not take up any Entitlement on behalf of such person or send any materials relating to the Retail Entitlement Offer into the United States or to any person that is, or is acting for the account or benefit of, a person in the United States.

Risk factors

An investment in New Shares should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in Clarity

which are non-exhaustive. Please refer to the 'Risk Factors' section in the Investor Presentation at section 3.2 of this Retail Offer Booklet for further details.

The risks associated with Clarity's business and an investment in Clarity were first set out for the market in its IPO prospectus dated 16 July 2021.

You should consider these risks carefully in light of your personal circumstances, including financial and taxation issues, before making an investment decision in connection with the Retail Entitlement Offer.

Past performance

Investors should note that any past performance information, including past share price performance and pro forma historical information, is provided for illustrative purposes only, and cannot be relied upon as an indicator of (and provides no guarantee or guidance as to) future performance of Clarity, including future financial position or share price performance. The pro forma historical information is not represented as being indicative of Clarity's views on its future financial condition and/or performance.

Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Retail Entitlement Offer which is not contained in this Retail Offer Booklet.

Any information or representation not contained in this Retail Offer Booklet may not be relied on as having been authorised by Clarity in connection with the Retail Entitlement Offer. Except as required by law, and only to the extent so required, neither Clarity nor any other person, warrants or guarantees the future performance of Clarity or any return on any investment made pursuant to the Retail Entitlement Offer.

No financial product advice

The Retail Offer Booklet is not financial product advice, does not purport to contain all the information which you may require in

evaluating a possible acquisition of New Shares, and has been prepared without taking into account your investment objectives, financial situation or needs.

Before deciding whether to apply for New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the information, you have any questions about the Retail Entitlement Offer, you should contact your financial adviser, accountant or other professional adviser. Clarity recommends that independent advice be sought before making a decision in connection with the Retail Entitlement Offer in this Retail Offer Booklet.

For further information regarding the Retail Entitlement Offer, please contact the Share Registry on 1300 494 861 (within Australia) or +61 1300 494 861 (from outside Australia) from 8.30am to 5.30pm (Sydney, Australia time) Monday to Friday during the Retail Entitlement Offer Period.

Clarity website

Any references to documents found at Clarity's website located at <https://www.claritypharmaceuticals.com/> are for convenience only, and none of the documents or other information available on Clarity's website are incorporated herein by reference.

Defined Words and Expressions

Some words and expressions used in this Retail Offer Booklet have defined meanings set out in the Glossary (Section 6).

A reference to time in this Retail Offer Booklet is to Sydney, Australia time, unless otherwise stated.

All financial amounts in this Retail Offer Booklet are in Australian currency, unless otherwise stated.

Trading New Shares

Clarity and the Joint Lead Managers will have no responsibility and disclaim all liability (to the maximum extent permitted

by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by Clarity or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt as to these matters, you should first consult with your stockbroker, accountant or other professional adviser.

Taxation

There will be tax implications associated with participating in the Retail Entitlement Offer and receiving New Shares. Clarity recommends that you consult your professional tax adviser in connection with the Retail Entitlement Offer.

Joint Lead Managers

Neither of the Joint Lead Managers, nor any of their respective affiliates or related bodies corporate (as that term is defined in the Corporations Act), nor any of their respective directors, employees, officers, representatives, agents, partners, consultants, advisers or intermediaries (together the **Joint Lead Manager Parties**), have authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Retail Offer Booklet (or any other materials released by Clarity) and except to the extent referred to in this Retail Offer Booklet, none of them makes or purports to make any statement in this Retail Offer Booklet and there is no statement in this Retail Offer Booklet which is based on any statement made by any of them.

The Joint Lead Managers are full service financial institutions engaged in various activities, which may include trading, financial advisory, investment management, research, hedging, market making, brokerage and other financial and non-financial activities including for which they have received or may receive customary fees and expenses.

The Joint Lead Managers are acting for and providing services to Clarity in relation to

the Offer and will not be acting for or providing services to any Shareholder or potential investors. The Joint Lead Managers have been engaged solely as independent contractors and are acting solely in a contractual relationship on an arm's length basis with Clarity. The engagement of the Joint Lead Managers is not intended to create any fiduciary obligations, agency or other relationship between the Joint Lead Managers and Clarity, Shareholders, or potential investors.

To the maximum extent permitted by law, each of the Joint Lead Manager Parties expressly disclaim all liabilities in respect of, and make no representations regarding, and take no responsibility for, any part of this Retail Offer Booklet other than references to their name and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Retail Offer Booklet.

The Joint Lead Manager Parties may, from time to time, hold interests in the securities of, or earn brokerage, fees or other benefits from, Clarity.

Privacy

By completing the personalised Entitlement and Acceptance Form to apply for New Shares, you are providing personal information to Clarity through Clarity's Share Registry, Link Market Services Limited, which is contracted by Clarity to manage Applications. Clarity, and the Share Registry on its behalf, may collect, hold and use that personal information in order to process your Application, service your needs as an investor, provide facilities and services that you request and carry out appropriate administration. If you do not provide the information requested in the personalised Entitlement and Acceptance Form, Clarity and the Share Registry may not be able to process or accept your application. Your personal information may also be provided to Clarity's members, agents and service providers on the basis that they deal with such information in accordance with Clarity's privacy policy. The members, agents and service providers of Clarity may be located outside Australia where your personal information may not receive the same level of protection as that

afforded under Australian law. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

- the Share Registry for ongoing administration of the register of members;
- printers and other companies for the purpose of preparation and distribution of statements and for handling mail;
- market research companies for the purpose of analysing the Shareholder base and for product development and planning; and
- legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering, and advising on, Clarity's issued securities and for associated actions.

The information contained in Clarity's register of members must remain there even if a person ceases to be a Shareholder. Information contained in Clarity's register of members is also used to facilitate dividend payments and corporate communications (including Clarity's financial results, annual reports and other information that Clarity may wish to communicate to its members) and compliance by Clarity with legal and regulatory requirements. An Applicant has a right to gain access to the information that Clarity and the Share Registry hold about that person, subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing or by telephone call to Clarity's registered office or the Share Registry's office, details of which are disclosed in the corporate directory set out in this Retail Offer Booklet.

This Retail Offer Booklet is subject to change without notice

This Retail Offer Booklet is subject to change without notice, and Clarity is not responsible for updating this Retail Offer Booklet. Clarity may in its absolute discretion, but without being under any obligation to do so, update or supplement this Retail Offer Booklet. Any further information will be provided subject to the

terms and conditions contained in this "Important Information" section. Clarity reserves the right to withdraw the Retail Entitlement Offer or vary the timetable for the Retail Entitlement Offer without notice

Receiving the Retail Entitlement Offer materials

Those Eligible Retail Shareholders that have not elected to receive communications electronically will receive a hard copy of this Retail Offer Booklet, together with a letter and a personalised Entitlement and Acceptance Form in the post.

Those Eligible Retail Shareholders that have elected to receive communications electronically will receive an email, together with links to access the Retail Offer Booklet and a personalised Entitlement and Acceptance Form electronically.

All Eligible Retail Shareholders may also access a copy of the Retail Offer Booklet and a personalised Entitlement and Acceptance Form at <https://events.miraqle.com/cu6-offer>.

CORPORATE DIRECTORY

Directors

Dr Alan Taylor	Executive Chairperson
Dr Colin Biggin	CEO & Managing Director
Robert Thomas	Lead Independent Director & Non-Executive Director
Rosanne Robinson	Non-Executive Director
Dr Chris Roberts	Non-Executive Director
Dr Thomas Ramdahl	Non-Executive Director

Company Secretary

Robert Vickery

Principal Place of Business

National Innovation Centre
4 Cornwallis Street
Eveleigh NSW 2015

Registered Office

Clarity Pharmaceuticals Ltd
C/- Company Matters Pty Limited
Level 12, 680 George Street
Sydney, NSW 2000, Australia

Website: <https://www.claritypharmaceuticals.com/>

Share Registry

Link Market Services Limited
Level 12, 680 George Street
Sydney, NSW 2000, Australia
Tel: 1300 554 474 (within Australia)
+61 1300 554 474 (outside Australia)
Email: registrars@linkmarketservices.com.au

**Retail Entitlement Offer website
(to access personalised Entitlement
and Acceptance Form and a copy of
this Retail Offer Booklet)**

<https://events.miraqle.com/cu6-offer>

ASX Listing

The Company is listed on the ASX with the ticker code: CU6

Australian Legal Adviser

Lander & Rogers
Level 19, 123 Pitt Street
Sydney, NSW 2000, Australia

Joint Lead Manager & Sole Underwriter

Bell Potter Securities Limited
Level 29, 101 Collins Street
Melbourne VIC 3000, Australia

Joint Lead Manager

Wilson Corporate Finance
Limited
Level 32, Governor Macquarie
Tower, 1 Farrer Place, Sydney
NSW 2000

INDICATIVE TIMETABLE FOR RETAIL ENTITLEMENT OFFER

Event	Date
Record Date for the Retail Entitlement Offer	7.00pm, 28 March
Retail Entitlement Offer materials dispatched to Eligible Retail Shareholders	4 April
Retail Entitlement Offer opens	4 April
Placement and Institutional Entitlement Offer settlement date	5 April
Issue and quotation of Shares under Placement and Institutional Entitlement Offer	8 April
Retail Entitlement Offer closes (Retail Closing Date)	5:00pm, 19 April
Announcement of results of the Retail Entitlement Offer	24 April
Settlement of New Shares issued under the Retail Entitlement Offer	26 April
Issue of New Shares under the Retail Entitlement Offer	29 April
Quotation of New Shares and trading commences on a normal settlement basis	30 April

All dates are 2024.

The above timetable is indicative only (except where historical) and subject to change. All times and dates refer to Sydney, Australia time. Subject to the Listing Rules, Clarity in conjunction with the Joint Lead Managers reserves the right to vary any or all of these dates, including the Retail Closing Date, without prior notice or consultation with you. Any extension of the Retail Closing Date will have a consequential effect on the anticipated date for issue of the New Shares under the Retail Entitlement Offer. The Directors also reserve the right not to proceed with the whole or part of any of the Entitlement Offer at any time prior to allotment. In that event, the relevant Application Monies will be returned without interest.

The commencement of quotation of New Shares is subject to approval by ASX.

Chairperson's Letter

Dear Shareholder,

On behalf of the Board, I am pleased to offer you this opportunity to increase your investment in Clarity Pharmaceuticals Ltd (**Clarity** or **Company**) through participation in this one (1) for thirty three (33) pro rata accelerated non-renounceable entitlement offer of new fully paid ordinary shares in Clarity (**New Shares**) at an offer price of \$2.55 (**Offer Price**) per New Share (**Entitlement Offer**).

Entitlement Offer and Use of Proceeds

The Entitlement Offer forms part of the underwritten equity raising announced by the Company on Tuesday, 26 March 2024. The Entitlement Offer is being conducted in conjunction with a placement of ordinary shares to professional and sophisticated investors (**Placement**) to raise in aggregate approximately \$20 million (before costs) under the Entitlement Offer. The Placement and Entitlement Offer (together the **Offer**) is fully underwritten by Bell Potter Securities Limited, which is also acting as joint lead manager to the Capital Raising with Wilsons Corporate Finance Limited.

New Shares issued under the Offer will rank pari passu with existing Shares from their date of issue.

It is intended that the proceeds of the Offer will be used to advance Clarity's clinical portfolio and strengthen its balance sheet.

The Entitlement Offer comprises:

- an institutional component (**Institutional Entitlement Offer**); and
- a retail component (**Retail Entitlement Offer**).

As announced to ASX on Thursday, 28 March 2024, the Company raised approximately \$101 million (before costs) under the Placement and \$9 million (before costs) under the Institutional Entitlement Offer. The Shares issued under the Institutional Entitlement Offer and Placement are expected to commence trading on 8 April 2024.

Retail Entitlement Offer

It is expected that approximately \$11 million (before costs) will be raised through the Retail Entitlement Offer. Under the Retail Entitlement Offer, Eligible Retail Shareholders are entitled to subscribe for one (1) New Share for every thirty three (33) Existing Shares held as at 7.00pm (Sydney, Australia time) on 28 March 2024 (**Record Date**).

The number of New Shares for which you are entitled to subscribe under the Retail Entitlement Offer (**Retail Entitlement**) is set out in your personalised Entitlement and Acceptance Form that accompanies this Retail Offer Booklet. Eligible Retail Shareholders can access their personalised Entitlement and Acceptance Form from the Retail Entitlement Offer website - <https://events.miraqle.com/cu6-offer>.

The Offer Price represents a:

- 10.5% discount to the last closing price of \$2.85;
- 12.5% discount to the 5-day volume weighted average price of \$2.915; and
- 9.1% discount to the Theoretical Ex-Rights Price (TERP) of \$2.804.

The Offer Price under the Retail Entitlement Offer is the same as under the Institutional Entitlement Offer and Placement.

The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on ASX or otherwise transferable. This means that Eligible Retail Shareholders who do not take up their full Entitlement will not receive any payment or value for those Entitlements not taken up and their percentage holding in the Company will be reduced.

Further information

You should read the entirety of this Retail Offer Booklet carefully before deciding whether to participate in the Retail Entitlement Offer.

The Retail Offer Booklet contains important information, including:

- the Investor Presentation released to ASX on 26 March 2024, which provides information on the Company, the Entitlement Offer and key risks for you to consider; and
- instructions on how to apply, detailing how to participate in the Retail Entitlement Offer if you choose to do so, and a timetable of key dates; and
- instructions on how to take up all or part of your Entitlement via BPAY® or by EFT.

A personalised Entitlement and Acceptance Form which details your Entitlement, to be completed in accordance with the instructions in this Retail Offer Booklet, accompanies this Retail Offer Booklet. Please refer to Section 2 of this Retail Offer Booklet for further information on how to take up your Entitlement. Eligible Retail Shareholders can access their personalised Entitlement and Acceptance Form from the Retail Entitlement Offer website - <https://events.miraqle.com/cu6-offer>.

An investment in the Company and the New Shares is speculative and subject to a range of risks, which are more fully detailed in the 'Risk Factors' section of the Investor Presentation at Section 3.2 of this Retail Offer Booklet. If any of these risks or other material risks eventuate, it will likely have a material adverse impact on the Company's future financial performance and position.

The Retail Entitlement Offer is scheduled to close at 5.00pm (Sydney, Australia time) on Friday, 19 April 2024.

If you decide to take this opportunity to increase your investment in Clarity by taking up part or all of your Entitlement, you need to ensure that you have completed your Application by paying the Offer Price multiplied by the number of New Shares you are applying for (**Application Monies**) by BPAY® or, where applicable, EFT before **5.00pm (Sydney, Australia time) on Friday, 19 April 2024 (Retail Closing Date)** in the manner described in this Retail Offer Booklet.

If you have any questions, please call the Share Registry on Tel: 1300 554 474 (within Australia) +61 1300 554 474 (from outside Australia) between 8.30am and 5.30pm (Sydney, Australia time) Monday to Friday until the Retail Closing Date.

On behalf of the Board, I encourage you to consider this opportunity to increase your investment in the Company and would like to thank you for considering the Retail Entitlement Offer. We greatly appreciate your continued support.

Yours sincerely



Dr Alan Taylor
Executive Chairman
Clarity Pharmaceuticals Ltd

1. DETAILS OF THE ENTITLEMENT OFFER

1.1 The Entitlement Offer

Eligible Retail Shareholders are being offered the opportunity to subscribe for one (1) New Share for every thirty three (33) Existing Shares held at 7.00pm (Sydney, Australia time) on 28 March 2024 (**Record Date**), at the Offer Price of \$2.55 per New Share. The Company proposes to raise approximately \$11 million (before costs) under the Retail Entitlement Offer through the issue of approximately 4.3 million New Shares.

New Shares issued pursuant to the Retail Entitlement Offer will be fully paid and will rank equally with Shares on issue at that time. Where fractions arise in the calculation of an Entitlement, they have been rounded up to the next whole number of New Shares.

Please consider the Retail Entitlement Offer in light of your particular investment objectives and circumstances. Please consult with your stockbroker, accountant, financial adviser, taxation adviser or other independent professional adviser if you have any queries or are uncertain about any aspects of the Retail Entitlement Offer.

An investment in New Shares is subject to investment and other known and unknown risks, some of which are beyond the control of the Company, including possible loss of income and principal invested. Refer to the 'Risk Factors' in the Investor Presentation set out in Section 3.2 for further details on some material risks associated with an investment in the Company. The Company does not guarantee any particular rate of return or the performance of the Company, nor does it guarantee the repayment of capital or any particular tax treatment.

The Entitlement Offer comprises three key parts:

- (a) The Institutional Entitlement Offer under which Eligible Institutional Shareholders were invited to take up all or part of their Entitlement.
- (b) The Institutional Bookbuild under which Shares attributable to the Entitlements not taken up by Eligible Institutional Shareholders, or which would have been offered to Ineligible Institutional Shareholders if they had been entitled to participate in the Institutional Entitlement Offer, were offered under a bookbuild to Eligible Institutional Shareholders and certain Institutional Investors.
- (c) The Retail Entitlement Offer under which Eligible Retail Shareholders are being sent this Retail Offer Booklet, together with a personalised Entitlement and Acceptance Form, and are being invited to take up all or part of their Entitlement.

Entitlements that Eligible Retail Shareholders do not take up by the Retail Closing Date (being shortfall shares), will be subscribed for by the Underwriter.

If there is any shortfall under the Retail Entitlement Offer which is not acquired by the Underwriter (i.e. if the Underwriting Agreement was to be terminated), Clarity's directors reserve the right to place any or all of the shortfall to one or more investors within three months of the Retail Closing Date, at the Directors' discretion and at a price not less than the Offer Price.

In addition, at the same time as the Institutional Entitlement Offer, Clarity conducted the Placement to certain Institutional Investors.

Clarity raised approximately \$101 million (before costs) through the Placement, and \$9 million (before costs) through the Institutional Entitlement Offer. The Placement and Entitlement Offer are fully underwritten by the Underwriter.

Please refer to the ASX Announcement and the Investor Presentation set out in Section 3 for information on the purpose of the Placement and Entitlement Offer, the application of the proceeds of the Offer and for information on Clarity's business, performance and strategy. You should also consider other publicly available information about Clarity, including information available at www.asx.com.au and <https://www.claritypharmaceuticals.com/investor-center/>.

1.2 Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders are invited to subscribe for one (1) New Share for every thirty three (33) Existing Shares held at the Record Date, at the Offer Price of \$2.55 per New Share (**Entitlement**).

Details on how to apply for your Entitlement are contained in Section 2 and your personalised Entitlement and Acceptance Form. You may apply for some, all or none of your Entitlement. Eligible Retail Shareholders can access their personalised Entitlement and Acceptance Form from the Retail Entitlement Offer website - <https://events.miraqle.com/cu6-offer>.

The Retail Entitlement Offer is only open to Eligible Retail Shareholders and Clarity reserves the right to reject any Application which it believes is from a person that is not an Eligible Retail Shareholder.

The Retail Entitlement Offer opens on Thursday, 4 April 2024.

The Retail Closing Date and time for Applications and payments to be received is 5.00pm (Sydney, Australia time) on Friday, 19 April 2024, subject to the Directors varying the Retail Closing Date in accordance with the requirements of the Corporations Act and the Listing Rules. New Shares are expected to be issued on 29 April 2024.

Your Entitlement is non-renounceable. This means that your Entitlements is personal and cannot be traded, transferred, assigned or otherwise dealt with, whether on the ASX or privately.

If you do not take up your Entitlement, it will lapse and you will not receive any New Shares under the Retail Entitlement Offer nor any payment or value for that Entitlement.

If you choose not to accept your Entitlement under the Entitlement Offer your shareholding in Clarity will be diluted.

It is important to note that, as a result of the Placement, Eligible Retail Shareholders who participate in the Retail Entitlement Offer will see their percentage holding in Clarity reduced even if they take up their Entitlement in full. However, the reduction will be greater if they do not participate in the Retail Entitlement Offer (or if they take up only part of their Entitlement).

1.3 Institutional Entitlement Offer and Institutional Bookbuild

The Institutional Entitlement Offer and the Institutional Bookbuild will (on settlement) raise an aggregate of approximately \$9 million (before costs) through the issue of approximately 3.7 million Shares.

The Institutional Entitlement Offer was conducted between 26 March 2024 and 27 March 2024 (inclusive). The Institutional Bookbuild was on 27 March 2024. Settlement of the Institutional Entitlement Offer and the Institutional Bookbuild is expected to occur on 5 April 2024.

1.4 Placement

The Placement was conducted between 26 March 2024 and 27 March 2024 (inclusive). The Placement will (on settlement) raise approximately \$101 million (before costs) through the issue of approximately 39.5 million Shares.

Settlement of Shares issued under the Placement is expected to occur on 5 April 2024.

1.5 Reconciliation

The Entitlement Offer is a complex process and, in some cases, Eligible Institutional Shareholders may believe that they will own more Shares than they ultimately do as at the Record Date. This results in reconciliation issues. If reconciliation issues occur, it is possible that Clarity may need to issue a small quantity of additional Shares (**Top Up Shares**) to ensure all Eligible Retail Shareholders receive their full Entitlement. The price at which these Top Up Shares would be issued is the Offer Price.

Clarity also reserves the right to reduce the number of New Shares allocated to Eligible Retail Shareholders or persons claiming to be Eligible Retail Shareholders, if their Entitlement claims prove to be overstated, if they or their nominees fail to provide information requested to substantiate their Entitlement claims, or if they are not Eligible Retail Shareholders.

1.6 Ranking of New Shares

New Shares will be issued on a fully paid basis and will rank equally in all respects with Shares on issue at that time. The rights and liabilities attaching to the New Shares are set out in Clarity's constitution, a copy of which is available on its website at <https://www.claritypharmaceuticals.com/investor-center/>.

1.7 Quotation and trading

Clarity will apply to ASX for the official quotation of the New Shares in accordance with the requirements of the Listing Rules.

Subject to approval being granted, it is expected that Shares allotted under:

- (a) the Placement and Institutional Entitlement Offer will trade on ASX from 8 April 2024; and
- (b) the Retail Entitlement Offer will trade on ASX from 30 April 2024.

1.8 Confirmation Statements

Confirmation statements in respect of New Shares allotted under the Retail Entitlement Offer are expected to be dispatched to successful Applicants on 30 April 2024.

It is the responsibility of each Applicant to confirm their holding before trading in New Shares. Any Applicant who sells New Shares before receiving written confirmation of their holding will do so at their own risk. Clarity and the Underwriter disclaim all liability whether in negligence or otherwise (to the

maximum extent permitted by law) to persons who trade New Shares before receiving their confirmation statement, whether on the basis of confirmation of the allocation provided by Clarity, the Share Registry or the Joint Lead Managers.

1.9 Application Monies

Application Monies will be held by Clarity for the benefit of Applicants until the New Shares are issued or, if the New Shares are not issued, until the Application Monies are returned to the Applicants.

Interest earned on the Application Monies will be for the benefit of, and will remain the property of, Clarity and will be retained by Clarity whether or not the allotment and issue of New Shares takes place.

If the New Shares are not issued, all Application Monies will be refunded as soon as practicable, without interest.

1.10 Withdrawal of the Retail Entitlement Offer

Clarity reserves the right to withdraw the Retail Entitlement Offer at any time before the issue of New Shares under the Retail Entitlement Offer, in which case Clarity will refund any Application Monies in the manner contemplated by Section 1.9.

1.11 Allocation policy

All Eligible Retail Shareholders will be allocated New Shares validly applied for up to their Entitlement.

1.12 Receiving the Retail Entitlement Offer materials

Those Eligible Retail Shareholders that have not elected to receive communications electronically will receive a hard copy of this Retail Offer Booklet, together with a letter and a personalised Entitlement and Acceptance Form in the post.

Those Eligible Retail Shareholders that have elected to receive communications electronically will receive an email, together with the links to access the Retail Offer Booklet and a personalised Entitlement and Acceptance Form electronically.

All Eligible Retail Shareholders may also access a copy of the Retail Offer Booklet and a personalised Entitlement and Acceptance Form at <https://events.miraqle.com/cu6-offer>.

2. HOW TO APPLY FOR NEW SHARES UNDER THE RETAIL ENTITLEMENT OFFER

If you are an Eligible Retail Shareholder you should read this Section 2 in its entirety for instructions on the choices available to you. You should also refer to Section 1 for an overview of the Entitlement Offer (which includes this Retail Entitlement Offer) and read the remainder of this Retail Offer Booklet in its entirety.

The ASX Announcement and Investor Presentation set out in Section 3.2 are current as at the date of this Retail Offer Booklet. There may be additional announcements which are made by Clarity after that date and throughout the Retail Entitlement Offer Period that may be relevant to your consideration of whether to take up your Entitlement.

Therefore, it is prudent that you check whether any further announcements have been made by Clarity before submitting an Application.

2.1 Who is an Eligible Retail Shareholder?

The Retail Entitlement Offer is available only to Eligible Retail Shareholders. An Eligible Retail Shareholder is a person who:

- (a) is registered as the holder of Existing Shares at the Record Date (except as described in Section 4.10);
- (b) has a registered address on the Clarity register of members which is in Australia or New Zealand;
- (c) is not in the United States and is not acting for the account or benefit of a person in the United States (to the extent such person holds existing Shares for the account or benefit of such person in the United States);
- (d) was not invited to participate in the Institutional Entitlement Offer and was not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer (other than as nominee or custodian, in each case in respect of other underlying holdings); and
- (e) is eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer (without any requirement for a prospectus or offer document to be lodged or registered).

Eligible Retail Shareholders can access their personalised Entitlement and Acceptance Form from the Retail Entitlement Offer website - <https://events.miracle.com/cu6-offer>.

The Retail Entitlement Offer is not being made in the United States or to, or for the account or benefit of, a person in the United States. Accordingly, shareholders (including nominees and custodians) who hold Existing Shares on behalf of persons in the United States or are acting for the account or benefit of persons in the United States cannot take up their Entitlements or subscribe for New Shares on behalf of such persons and may not send this Retail Offer Booklet or any other documents relating to the Retail Entitlement Offer to such persons.

2.2 Nominees and Custodians

The Retail Entitlement Offer is being made to all Eligible Retail Shareholders.

Nominees and custodians with a registered address in Australia or New Zealand, irrespective of whether they participate in the Institutional Entitlement Offer, may also be able to participate in the Retail Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold Existing Shares, provided that the beneficiary would satisfy the criteria for an Eligible Retail Shareholder.

Persons who hold Shares as nominees and custodians will receive a letter from Clarity and should carefully consider the contents of that letter, noting that the Retail Entitlement Offer is not available to beneficiaries on whose behalf they hold Existing Shares, if those beneficiaries:

- (a) would not satisfy the criteria for an Eligible Retail Shareholder;
- (b) are Eligible Institutional Shareholders and received an offer to participate in the Institutional Entitlement Offer (whether they took up their entitlement or not); or
- (c) were treated as Ineligible Institutional Shareholders under the Institutional Entitlement Offer.

Clarity is not required to determine whether or not any registered holder of Shares is acting as a nominee or custodian or the identity or residence of any beneficial owners of Shares. Where any registered holder of Existing Shares is acting as a nominee or custodian for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable foreign laws.

Clarity is not able to advise on any foreign laws. However any person in the United States or any person that is acting for the account or benefit of a person in the United States with a holding through a nominee or custodian may not participate in the Retail Entitlement Offer, and such nominee or custodian must not take up any Entitlement on behalf of such person or send any materials relating to the Retail Entitlement Offer into the United States or to any person that is, or is acting for the account or benefit of, a person in the United States.

2.3 Choices available to Eligible Retail Shareholders

If you are an Eligible Retail Shareholder you may do any one of the following:

Options available to you	Key considerations
Take up all of your Entitlement	<p>You may elect to purchase New Shares at the Offer Price (see Section 2.4 for instructions on how to take up your Entitlement).</p> <p>The New Shares will rank equally in all respects with Shares (including rights to dividends and distributions) from issue.</p>
Take up part of your Entitlement	<p>If you do not take up your Entitlement in full, that portion of your Entitlement not taken up will lapse and you will not receive any payment or value for it.</p> <p>Your Entitlements are non-renounceable, which means your Entitlements are non-transferable and cannot be sold, traded on ASX or any other</p>

	<p>exchange, nor can they be privately transferred.</p> <p>To the extent you do not take up your Entitlements in full, your percentage holding in Clarity will be diluted by the Entitlement Offer.</p>
<p>Do nothing, in which case your Entitlement will lapse and you will receive no payment or value for your lapsed Entitlement</p>	<p>If you do not take up any of your Entitlement, you will not be allocated New Shares and your Entitlement will lapse.</p> <p>You will not receive any payment or value for the Entitlement not taken up.</p> <p>Although you will continue to own the same number of Shares, your percentage holding in Clarity will be diluted by the Entitlement Offer.</p>

Dilution under the Placement

It is important to note that, as a result of the Placement, Eligible Retail Shareholders who participate in the Retail Entitlement Offer will see their percentage holding in Clarity reduced even if they take up their Entitlement in full. However, the reduction will be greater if they do not participate in the Retail Entitlement Offer (or if they take up only part of their Entitlement).

2.4 Accepting all or part of your Entitlement

If you wish to take up your Entitlement in full or in part, you can do so by paying your Application Monies via BPAY®.

Eligible Retail Shareholders can access their personalised Entitlement and Acceptance Form from the Retail Entitlement Offer website - <https://events.miraqle.com/cu6-offer>.

To apply and pay via BPAY®, you should:

- (a) read this Retail Offer Booklet and the Entitlement and Acceptance Form in their entirety and seek appropriate professional advice if necessary; and
- (b) make your payment of the amount of the full Application Monies via BPAY® for the number of New Shares you wish to apply for (being the Offer Price multiplied by the number of New Shares you are applying for).

You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution. In making your BPAY® payment, you will need to refer to your BPAY® customer reference number set out on your personalised Entitlement and Acceptance Form.

If you choose to pay via BPAY® you are not required to complete and submit the Entitlement and Acceptance Form but are taken to make the statements on that form and the declarations set out in Sections 2.5 and 5 of this Retail Offer Booklet.

You will need to ensure that your payment of the Application Monies is received by 5:00pm (Sydney, Australia time) on the Retail Closing Date, being Friday, 19 April 2024. Your payment of the Application Monies may

not be accepted if it is received after the Retail Closing Date and in which case no New Shares will be issued to you in respect of that Application and your Application Monies submitted will be refunded (without interest).

You should be aware that your financial institution may implement earlier cut off times for electronic payment and you should take this into consideration when making your payment. Please note that the maximum amount that can be received by BPAY® is \$1 million. You may also have your own limit on the amount that can be paid via BPAY®. It is your responsibility to check that the amount you wish to pay via BPAY® does not exceed your limit.

If you have multiple holdings you will have multiple BPAY® customer reference numbers provided on each of your personalised Entitlement and Acceptance Forms. To ensure you successfully apply for your Entitlement in respect of each holding, you must use the customer reference number shown on each personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of those holdings.

Clarity will treat you as applying for such whole number of New Shares as your BPAY® payment will pay for up to your Entitlement. Any Application Monies received in excess of your final allocation of New Shares will be refunded (without interest).

New Zealand holders

Eligible Retail Shareholders who are resident in New Zealand and are unable to pay in accordance with the processes set out above, may pay via EFT and must complete and return their Entitlement and Acceptance Form to the Share Registry once their Application Monies have been paid by EFT. Both the EFT payment and the completed Entitlement and Acceptance Form must be received by the Share Registry before 5.00pm (Sydney, Australia time) on Friday, 19 April 2024 (unless extended).

You may, by the Retail Closing Date, also contact the Share Registry on +61 1300 494 861 from 8.30am and 5.30pm (Sydney, Australia time) Monday to Friday to make alternative arrangements.

2.5 Implications of making an Application

By returning a completed Entitlement and Acceptance Form and/or paying any Application Monies for New Shares via BPAY® or EFT, you will be deemed to have made the Eligible Retail Shareholder declarations set out in Section 5.

2.6 If you wish to do nothing

If you are an Eligible Retail Shareholder and you do nothing, then New Shares representing your Entitlement will lapse and you will receive no payment or value for those lapsed entitlements.

2.7 Ineligible Retail Shareholders

Clarity has decided that it is unreasonable to make offers under the Retail Entitlement Offer to holders of Existing Shares who have registered addresses outside Australia and New Zealand, having regard to the number of such holders in those places, the number and value of the New Shares which they would be offered and the cost of complying with the relevant legal and regulatory requirements in those places. The Retail Entitlement Offer is also not being made

in the United States or to, or for the account or benefit of, a person in the United States.

New Shares attributable to Entitlements that would have been offered to Ineligible Retail Shareholders if they had been eligible to participate in the Retail Entitlement Offer will be underwritten in accordance with the Underwriting Agreement.

2.8 Enquiries

This Retail Offer Booklet and the accompanying personalised Entitlement and Acceptance Form contain important information about the Retail Entitlement Offer and require your immediate attention. You should read them carefully and in their entirety before deciding whether or not to participate in the Retail Entitlement Offer.

Eligible Retail Shareholders can access their personalised Entitlement and Acceptance Form from the Retail Entitlement Offer website - <https://events.miracle.com/cu6-offer>.

If you are in doubt as to what you should do after reading this Retail Offer Booklet, you should consult your stockbroker, accountant or other independent professional adviser before deciding whether to take up your Entitlement.

If you have questions:

- (a) in relation to your Existing Shares or Entitlement; or
- (b) on how to complete the Entitlement and Acceptance Form or apply for your Entitlement,

or have lost your Entitlement and Acceptance Form and would like a replacement form, please call the Share Registry on 1300 494 861 (within Australia) +61 1300 494 861 (from outside Australia) from 8.30am and 5.30pm (Sydney, Australia time) Monday to Friday during the Retail Entitlement Offer Period.

You should act promptly to ensure that your Entitlement is dealt with as you wish and that your Application and Application Monies are received by the Share Registry before the Retail Closing Date. Neither the Share Registry nor Clarity are responsible for delays in postal services, banking services and the failure to receive Applications and Application Monies in time.

3. ASX ANNOUNCEMENT AND INVESTOR PRESENTATION

3.1 ASX Announcement

NOT FOR RELEASE TO US WIRE SERVICES OR DISTRIBUTION IN THE UNITED STATES
ASX ANNOUNCEMENT

26 March 2024

Clarity launches \$121 million fully underwritten equity raising

Highlights

- Launch of fully underwritten equity raising of \$121 million (before costs)
- The offer will comprise an institutional placement to raise approximately \$101 million, and a 1 for 33 pro-rata accelerated non-renounceable entitlement offer to eligible Clarity shareholders to raise approximately \$20 million
- Post completion of the Offer Clarity will have a pro-forma cash balance of \$153.2 million (net of costs of the offer) and expects to be funded for its current clinical program through to early 2026
- Clarity now has the funding in place to continue to develop its best-in-class portfolio of radiopharmaceuticals and progress towards a number of significant milestones in its therapeutic and diagnostic product pipeline
- The capital raising provides Clarity with a strengthened balance sheet at a time when there has been significant M&A activity and strong strategic interest in radiopharmaceutical assets

Clarity Pharmaceuticals (ASX:CU6) ("Clarity" or "Company") a clinical stage radiopharmaceutical company with a mission to develop next-generation products that improve treatment outcomes for children and adults with cancer, is pleased to announce a fully underwritten \$121 million equity raising comprising a pro rata accelerated non-renounceable entitlement offer and a placement to institutional investors.

Clarity's Executive Chairperson, Dr Alan Taylor, commented: "Clarity is very well positioned for what is quickly becoming a radiopharmaceuticals revolution. We are very proud of our achievements to date, and of being the only true Australian radiopharmaceutical company that has developed our products at the benchtop of Australian science. More importantly, these novel products are now in a position to change the treatment paradigm for cancer patients around the world, as we are well progressed in our clinical trials in Australia as well as in the largest market in the world, the US. This has been a phenomenal achievement so far for an Australian biotechnology company and the result of the hard work and dedication of our incredible team and collaborators in Australia and the US with the continued support of our shareholders.

"With a strong balance sheet, we are now incredibly excited about continuing our important work as we get closer to our ultimate goal of improving the lives of children and adults with cancer. Importantly, this funding will support the ongoing development of our bisPSMA product. In therapy, through our SECuRE trial, we are seeing responses in patients that have failed up to six lines of therapy prior to being treated with ⁶⁷Cu-SAR-bisPSMA and we look forward to progressing SECuRE and generating further data on this product. In diagnostics, we are actively recruiting in our registrational Phase III CLARIFY trial in high-risk prostate cancer prior to radical prostatectomy and look forward to commencing our second pivotal Phase III trial in participants with biochemically recurrent (BCR) prostate cancer following positive initial data from our Phase I/II COBRA trial in this patient population. The funding from the capital raise will also enable us to continue progressing clinical trials across our SAR-Bombesin and SARTATE products.

"The remarkable progress with all three of our products in clinical development as well as the exceptional data we are

generating in our trials put us in a unique position of having a strong proprietary platform of products in radiopharmaceuticals for first commercial launch in the US. As the sector is undergoing rapid consolidation and the pace of M&A activity accelerates, our team is very excited about Clarity's future and we look forward to the path ahead."

DETAILS OF THE OFFER

The fully underwritten \$121 million equity raising consists of a \$101 million placement to institutional investors ("Placement") and a \$20 million pro rata accelerated non-renounceable entitlement offer to existing eligible Clarity shareholders in Australia and New Zealand ("Entitlement Offer"). The offer price per new fully paid ordinary shares in Clarity ("New Shares") to be issued under the Placement and Entitlement Offer is \$2.55 per New Share ("Offer Price"), which represents a:

- 10.5% discount to the last closing price of \$2.85;
- 12.5% discount to the 5-day volume weighted average price of \$2.915; and
- 9.1% discount to the Theoretical Ex-Rights Price (TERP) of \$2.804.

Bell Potter is the sole underwriter and is acting as joint lead manager with Wilsons Corporate Finance, with Lander & Rogers the Australian legal adviser.

Sources and Uses of Funds

Proceeds from the equity raising will be used to advance Clarity's clinical portfolio and strengthen the balance sheet.

Post completion of the Offer, Clarity will have a pro-forma cash balance of **A\$153.2 million** (net of costs of the offer) and Clarity expects to be funded for its current clinical program through to early 2026.

This will fund the development of Clarity's clinical portfolio of products, SAR-bisPSMA, SAR-Bombesin and SARTATE, as the Company progresses towards a number of clinical trial milestones. Please refer to Clarity's investor presentation for further details.

Sources of Funds		A\$m
Est. Cash Reserves at Offer Date		28.1
Offer		121.0
R&D Tax Incentive		10.1
Total Sources		159.2
Uses of Funds		A\$m
Pre-Clinical		8.5
Clinical		111.0
Regulatory		7.1
Patents		1.8
Commercial		10.2
Working Capital and Costs of the Offer		20.6
Total Uses		159.2

Placement

The Company is undertaking the Placement to raise approximately \$101 million (before costs) through the issue of approximately 39.5 million New Shares.

The New Shares issued under the Placement will be issued within Clarity's existing placement capacity under ASX Listing Rule 7.1.

The Company will seek quotation of the New Shares issued under the Placement on ASX upon their issue. Participants in the Placement will not participate in the Entitlement Offer in respect of the New Shares issued under the Placement.

Entitlement Offer

The Entitlement Offer will raise approximately \$20 million (before costs) through the issue of approximately 8 million New Shares.

Under the Entitlement Offer, eligible shareholders are invited to subscribe for one (1) New Share for every thirty-three (33) ordinary shares held in Clarity (the "Entitlement") as at 7.00pm (Sydney time) on 28 March 2024 (the "Record Date").

At the time of allotment, the New Shares issued under the Entitlement Offer rank equally with all existing ordinary shares in Clarity.

Institutional Entitlement Offer

Eligible institutional shareholders will be invited to participate in the institutional component of the Entitlement Offer (the "Institutional Entitlement Offer") which will commence on 26 March 2024 and is expected to close at 4pm on 26 March 2024.

Eligible institutional shareholders can choose to take up all, part, or none of their Entitlement ("Institutional Entitlements"). Institutional Entitlements cannot be traded on the ASX or transferred.

Institutional Entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, and Institutional Entitlements that would otherwise have been offered to ineligible institutional shareholders, will be offered to eligible new and existing institutional shareholders concurrently with the Institutional Entitlement Offer through a bookbuild process (or subscribed for by the Underwriter).

Clarity shares will remain in a trading halt pending completion of the Institutional Entitlement Offer and Placement (the "Institutional Offer").

Retail Entitlement Offer

Eligible Retail Shareholders (defined below) will be invited to participate in the retail component of the Entitlement Offer at the same Offer Price and Entitlement as the Institutional Entitlement Offer (the "Retail Entitlement Offer"). The Retail Entitlement Offer is expected to open on 4 April 2024 and close at 5.00pm (Sydney time) on 19 April 2024 (the "Retail Entitlement Offer Period").

Eligible Retail Shareholders are shareholders on the Record Date who are already registered as holders of Clarity shares at the Record Date and:

- have a registered address on the Clarity register of members which is in Australia or New Zealand;
- are not in the United States nor acting for the account or benefit of a person in the United States (to the extent such person holds existing shares for the account or benefit of such person in the United States);
- were not invited to participate in the Institutional Entitlement Offer and were not treated as an ineligible institutional shareholder under the Institutional Entitlement Offer (other than as nominee or custodian, in each case in respect of other underlying holdings); and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer (the "Eligible Retail Shareholders").

Eligible Retail Shareholders can choose to take up all, part or none of their Entitlement ("Retail Entitlement").

If an Eligible Retail Shareholder takes no action, they will not be allocated New Shares and their Retail Entitlement will lapse. Eligible Retail Shareholders who do not take up their Retail Entitlement in full under the Retail Entitlement Offer will not receive any value or payment for those Retail Entitlements they do not take up. A Retail Entitlement is non-renounceable and cannot be traded on ASX or any other exchange, nor can it be privately transferred.

Eligible Retail Shareholders wishing to participate in the Retail Entitlement Offer should carefully read the Retail Offer Booklet and accompanying personalised Entitlement and Acceptance Form which contains their Entitlement and the terms and conditions of the Retail Entitlement Offer.

The Retail Offer Booklet and accompanying personalised Entitlement and Acceptance Form are expected to be available to Eligible Retail Shareholders on or around 4 April 2024. A copy of the Retail Offer Booklet will be available on the ASX website (www.asx.com.au) from 4 April 2024.

Retail Entitlements that Eligible Retail Shareholders do not take up by the close of the Retail Entitlement Offer (being shortfall shares), will be subscribed for by the Underwriter.

Shortfall

If there is any shortfall under the Retail Entitlement Offer which is not acquired by the Underwriter (i.e. if the Underwriting Agreement were to be terminated), Clarity's directors reserve the right to place any or all of the shortfall to one or more investors within three months of the closing date of the Retail Entitlement Offer, at Clarity' directors' discretion and at

a price not less than the Offer Price.

Indicative Timetable

Event	Date
Placement and Institutional Entitlement Offer open	26 March
Placement and Institutional Entitlement Offer closes	26 March
Results of Placement and Institutional Entitlement Offer announced; Trading Halt ceases	28 March
Record Date for the Retail Entitlement Offer	7.00pm, 28 March
Retail Offer Booklet dispatched to Eligible Retail Shareholders	4 April
Retail Entitlement Offer opens	4 April
Placement and Institutional Entitlement Offer settlement date	5 April
Issue and quotation of New Shares under Placement and Institutional Entitlement Offer	8 April
Retail Entitlement Offer closes (Retail Closing Date)	5:00pm, 19 April
Announcement of results of the Retail Entitlement Offer	24 April
Settlement of New Shares issued under the Retail Entitlement Offer	26 April
Issue of New Shares under the Retail Entitlement Offer	29 April
Quotation and trading commence on a normal settlement basis	30 April

The above timetable is indicative only (except where historical) and subject to change. All times and dates refer to Sydney time. Subject to the Listing Rules, Clarity in conjunction with the Joint Lead Managers reserves the right to vary any or all of these dates, including the Retail Closing Date, without prior notice or consultation with you. Any extension of the Retail Closing Date will have a consequential effect on the anticipated date for issue of the New Shares under the Retail Entitlement Offer. The Directors also reserve the right not to proceed with the whole or part of any of the Offer at any time prior to allotment. In that event, the relevant Application Monies will be returned without interest.

Shareholder Enquiries

Eligible Retail Shareholders will be sent further details about the Entitlement Offer via a shareholder letter to be dispatched on or around 4 April 2024 and a Retail Offer Booklet to be lodged with ASX on 4 April 2024. The Retail Entitlement Offer can only be accepted by Eligible Retail Shareholders.

Eligible Retail Shareholders who have questions relating to the Retail Entitlement Offer should call Clarity's share registry, Link Market Services Limited, on 1300 494 861 (within Australia) or + 61 1300 494 861 (from outside Australia) from 8.30am to 5.30pm (Sydney time) Monday to Friday during the Retail Entitlement Offer Period.

Further information in relation to the Placement and the Entitlement Offer is set out in an investor presentation which Clarity has also filed with the ASX today. The investor presentation contains important information including key risks and assumptions and foreign selling restrictions with respect to the Placement.

ADDITIONAL INFORMATION

This announcement has been authorised and approved by the Board of Directors of Clarity for lodgement with ASX.

All the amounts are in Australian dollars unless otherwise indicated.

Signed for and on behalf of Clarity

Robert Vickery
Company Secretary

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About Clarity Pharmaceuticals

Clarity is a clinical stage radiopharmaceutical company focused on the treatment of serious disease. The Company is a leader in innovative radiopharmaceuticals, developing Targeted Copper Theranostics based on its SAR Technology Platform for the treatment of cancer in children and adults.

www.claritypharmaceuticals.com

IMPORTANT NOTICES

Forward looking statements

This announcement contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks and uncertainties and other factors that are beyond the control of Clarity, its directors and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions.

Not an offer in the United States

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction where it would be illegal. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. Persons who come into possession of this announcement should observe any such restrictions as any non-compliance could contravene applicable securities laws.

The information in this announcement is of general background and does not purport to be complete. It should be read in conjunction with Clarity's other periodic and continuous disclosure announcements lodged with ASX Limited, which are available at www.asx.com.au

General

This announcement is subject to the same "Disclaimers" that appear on slides 2-5 (inclusive) of the investor presentation released to the ASX today with any necessary contextual changes.

Own enquiries

Investors should make and rely upon their own enquiries before deciding to acquire or deal in Clarity securities.

3.2 Investor Presentation



Fully underwritten A\$121M capital raise

*Developing the next-generation of
radiopharmaceuticals to improve treatment
outcomes for children and adults with cancer*

Dr Alan Taylor, Executive Chairperson
Dr Colin Biggin, Managing Director and CEO

26 March 2024

Important Notice and Disclaimer

Introduction

This presentation (**Presentation**) is dated 26 March 2024 and has been prepared by Clarity Pharmaceuticals Ltd (ACN 143 005 341) (ASX: CU6) (**Clarity** or the **Company**) in relation to an offer by Clarity of new fully paid ordinary shares of Clarity (**New Shares**) by way of a fully underwritten private placement to 'sophisticated' and 'professional' investors (**Placement**) in accordance with sections 708(8) and 708(11) of the *Corporations Act 2001* (Cth) (**Corporations Act**) and a fully underwritten 1 for 33 pro rata accelerated non-renounceable entitlement offer to certain eligible shareholders of Clarity (**Entitlement Offer**) at an issue price of \$2.55 per New Share (together, the **Offer**).

The Entitlement Offer is being made to eligible institutional shareholders and eligible retail shareholders under section 708AA of the Corporations Act as modified by the *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73*.

Summary information

This Presentation contains summary information about Clarity and its associated entities and their activities as known by Clarity at the date of this Presentation. The information in this Presentation is for general informational purposes only and does not purport to be complete or comprise all information which a shareholder or potential investor may require in order to determine whether to deal in Clarity shares. It should be read in conjunction with the Company's IPO prospectus and other periodic and continuous disclosure announcements lodged with the ASX which are available at www.asx.com.au. This Presentation is not a prospectus, product disclosure statement or other disclosure document for the purposes of Chapter 6D or Part 7.9 of the Corporations Act or other offer document under Australian law or the law of any other jurisdiction, including the United States.

Forward looking statements

The information contained in this Presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of Clarity's views on future performance or condition. Past performance cannot be relied upon as an indicator of future performance. This Presentation contains certain forward-looking statements. The words "forecast", "estimate", "like", "anticipate", "opinion", "believe", "expect", "project", "predict", "intend", "propose", "should", "could", "may" and other similar expressions are intended to identify future earnings, financial position and performance of Clarity. You are cautioned not to place undue reliance on these statements. These forward-looking statements are based on estimates, projections and assumptions made by Clarity about circumstances and events that have not yet taken place. Although due care and attention has been used in the preparation of these statements, such forward-looking statements are based on numerous assumptions regarding Clarity's present and future business strategies and the political, regulatory and economic environment in which Clarity will operate in the future, and are subject to change without notice. Statements about market and industry trends, which are based on interpretations of current market conditions, may not be reasonable, and are not guarantees or predictions of future performance. Actual results from any clinical trial may vary from any result that is anticipated. Under no circumstances will anything in this Presentation create an implication that there has been no change in the affairs of the Company since the date of this Presentation.

The actual results or performance of Clarity may be materially different from the results or performance expressed or implied by such forward-looking statements.

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No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including any of the Limited Parties, as defined below). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statement in this Presentation will actually occur. Subject to any continuing obligations under applicable law, the Company expressly disclaims any obligation or undertaking to provide any updates or revisions to any forward-looking statements in this Presentation to reflect any change in expectations in relation to any forward-looking statement or any change in events, conditions or circumstances on which any statement is based. Refer to the 'Risk Factors' section of this Presentation for a summary of certain risk factors that may affect Clarity. None of the Joint Lead Manager Parties (defined below) have authorised, approved or verified any forward-looking statements or Risk Factors.

Not an offer or financial product advice

The information contained in this Presentation is for informational purposes only and should not be considered, and does not contain or purport to contain, an offer, invitation, solicitation or recommendation to subscribe for or purchase or sell any securities in Clarity (**Securities**) including the purchase of New Shares or any other financial product in Clarity. This Presentation does not constitute legal, taxation, financial product or investment advice. This Presentation will not be lodged with the Australian Securities and Investments Commission (**ASIC**) and is not approved by or registered with any regulator in any jurisdiction. Any decision to purchase New Shares by eligible retail shareholders must be made on the basis of information to be contained in a separate offer booklet to be prepared for those retail shareholders in Australia and New Zealand and any other identified permitted jurisdiction and made available following its lodgment with ASX.

The general information in this Presentation has been prepared without taking into account the investment objectives, financial situation or particular needs of any particular person. This Presentation does not constitute an advertisement for an offer or proposed offer of securities. Investors must undertake their own independent investigations, consideration and evaluation. Neither this Presentation nor any of its contents will form the basis of any contract or commitment and it is not intended to induce or solicit any person to engage in any transaction nor is it intended to be used as the basis for making an investment decision.

Investment risk

An investment in Clarity is subject to investment risks and other known and unknown risks, some of which are beyond the control of Clarity, including possible loss of income and principal invested. Clarity does not guarantee any particular rate of return or the performance of Clarity, nor does it guarantee the repayment of capital in Clarity or any particular tax treatment. In considering an investment in Clarity, investors should have regard to (amongst other things) the risks outlined in this Presentation, and in particular the 'Risk Factors' section. Cooling off rights do not apply to the acquisition of New Shares.

Past performance

Past performance and pro forma historical information in this Presentation is given for illustrative purposes only and should not be relied upon and do not provide an indication of future performance including the future Clarity share price.

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The New Shares under the Entitlement Offer are not being offered to the public within New Zealand other than to existing shareholders of Clarity with registered addresses in New Zealand to whom the offer of the New Shares is being made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (NZ)*. This Presentation has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This Presentation is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

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To the maximum extent permitted by law, neither Clarity nor any of its respective officers, employees, related bodies corporate (as that term is defined in the Corporations Act), affiliates, agents or advisers (each a **Limited Party**) guarantees or makes any representations or warranties, express or implied, as to, or takes responsibility for, the accuracy or reliability of the information contained in this Presentation. Clarity does not represent or warrant that this Presentation is complete or that it contains all material information about Clarity or which a prospective investor may require in evaluating a possible investment in Clarity. Nothing contained in this Presentation, nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or the future. You must conduct your own independent investigations and enquiries as you deem fit.

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Important Notice and Disclaimer

Joint Lead Manager Parties

Bell Potter Securities Limited (ACN 006 390 722, AFSL 243 480) and Wilsons Corporate Finance Limited (ABN 65 057 547 323, AFSL 238 383) (the **Joint Lead Managers**) are acting as lead managers of the Offer.

Neither the Joint Lead Managers, nor any of their affiliates or related bodies corporate (as that term is defined in the Corporations Act), nor any of their respective directors, employees, officers, representatives, agents, partners, consultants and advisers (together the **Joint Lead Manager Parties**), have authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Presentation (or any other materials released by Clarity) and there is no statement in this Presentation which is based on any statement made by any of them. To the maximum extent permitted by law, each of the Joint Lead Manager Parties expressly disclaim all liabilities in respect of, and make no representations regarding, and take no responsibility for, any part of this Presentation other than references to their name and make no representation or warranty as to the currency, accuracy, reliability or completeness of this Presentation. The Joint Lead Manager Parties may, from time to time, hold interests in the securities of, or earn brokerage, fees or other benefits from, Clarity.

Financial data

All dollar values are in Australian dollars (\$) or A\$) unless stated otherwise.

Effect of Rounding

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Presentation.

Market and industry data and other information

Certain market and industry data and other information used in this Presentation may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. Neither the Company nor its representatives or its advisers have independently verified, or can assure investors as to the accuracy of, any market or industry data or other information provided by third parties or industry or general publications.

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General

Statements made in this Presentation are made only as at the date of this Presentation. The information in this Presentation remains subject to change without notice. The Company may in its absolute discretion, but without being under any obligation to do so, update or supplement this Presentation. Any further information will be provided subject to the terms and conditions contained in this Important Notice and Disclaimer. Clarity reserves the right to withdraw or vary the timetable for the Offer without notice with the prior written consent of the Joint Lead Managers. In consideration for being given access to this Presentation, you confirm, acknowledge and agree to the matters set out in this Important Notice and Disclaimer and any modifications notified to you and/or otherwise released on ASX.

Executive Summary

Raising A\$121m to fully fund the company's current clinical programs until early CY26

Company & technology overview

- Clarity is a clinical stage radiopharmaceutical company with a mission to develop next-generation products that improve treatment outcomes for children and adults with cancer.
- Clarity is a global leader in Targeted Copper Theranostics (TCTs), developed with its proprietary SAR Technology platform, which is the next-generation disruptive platform in radiopharmaceuticals that employs the "perfect pairing" of copper-64 and copper-67 for diagnosis and therapy, respectively.
- Clarity's next-generation TCTs provide solutions to the challenges associated with current-generation radiopharmaceuticals.

Compelling recent data and multiple near-term catalyst

- **CLARIFY** (*pivotal Phase III ⁶⁴Cu-SAR-bisPSMA diagnostic trial in high-risk prostate cancer (PC) prior to radical prostatectomy*) – first patient dosed in Dec 2023. Final results from the trial are intended to support an application to the FDA for the approval of ⁶⁴Cu-SAR-bisPSMA in pre-prostatectomy patients.
- **COBRA** (*Phase I/II ⁶⁴Cu-SAR-bisPSMA diagnostic trial in biochemical recurrence (BCR) of PC*) – trial data announced in Feb 2024 confirms that ⁶⁴Cu-SAR-bisPSMA is safe and highly effective in detecting PC lesions in this patient population. Trial data will inform registrational Phase III trial in patients with BCR of PC.
- **SECURE** (*Phase I/IIa ⁶⁴Cu/⁶⁷Cu-SAR-bisPSMA theranostic trial in metastatic castrate-resistant prostate cancer (mCRPC)*) – overall safety review of cohorts 1, 2 and 3 of single ascending dose trials showed promising efficacy data and a favourable safety profile. Safety Review Committee recommended the trial progress to cohort 4, the first multi-dose cohort, at the highest dose level of 12GBq. The first patient in cohort 4 has been treated in March 2024.

M&A activity from large pharma

- **Three blockbuster deals in the global radiopharmaceuticals sector over the last 6 months** – AstraZeneca / Fusion (US\$2.4b¹), Eli Lilly / Point Biopharma (US\$1.4b), and Bristol Myers Squibb / Rayze Bio (US\$4.1b) highlight the strong strategic interests in radiopharmaceutical assets.
- These acquisitions were completed while the target's lead programs were still in clinical trials, which is where Clarity is at today.
- **Extremely limited number of clinically advanced radiopharmaceutical companies remaining, which would provide big pharma with a platform entry point to radiopharmaceutical therapeutics.**
- The capital raising puts Clarity in a strong balance sheet position with respect to any inbound M&A activity.

Strong cash and funding position post capital raising

- A fully underwritten A\$121m capital raising at A\$2.55 per share representing a 10.5% discount to the closing price of Clarity's shares on 25 March 2024:
 - A\$101m Placement to professional and sophisticated investors
 - A\$20m Pro Rata Accelerated Non-Renounceable Entitlement Offer (ANREO) on a 1 for 33 basis to eligible shareholders
- Post completion of the capital raise, Clarity will have a pro forma cash balance of A\$153.2m, which it expects will fully fund current clinical programs until early CY26.

¹ Including upfront cash portion and maximum potential contingent value payments

Corporate Snapshot

Proprietary SAR Technology: a true platform technology

Three best-in-class products in clinical development protected by 24 patent families, offering high accuracy and precision for both diagnosing and treating disease

Environmental advantages over current isotopes

No reliance on nuclear fuel cycle; TCTs do not generate long-lived waste products

Global leader in Targeted Copper Theranostics (TCTs)

Employs copper-64 for diagnosis and imaging and copper-67 for therapy

Targeted clinical development strategy

Commercialisation of diagnostic products first, generating revenue to fund late-stage therapeutic trials

Significant supply, logistical, dependability and scalability benefits

Mass production of isotopes on cyclotrons and e-accelerators with finished products having an ideal product shelf life

Highly experienced leadership team

Diverse and in-depth expertise spanning corporate finance, operations, commercialisation & industry. Significant radiopharmaceutical experience across all functions



Clarity Pharmaceuticals is a clinical stage radiopharmaceutical company developing next-generation products to address the growing need for better diagnostics and treatments in oncology

ASX code:	CU6
Share Price ¹	A\$2.85
Cash at bank ²	A\$28.1M
Expected RDTI (May 2024)	A\$10.1M
Shares on issue ³	263.1M
Options on issue ³	26.2M
Market cap (undiluted) ¹	A\$749.9M

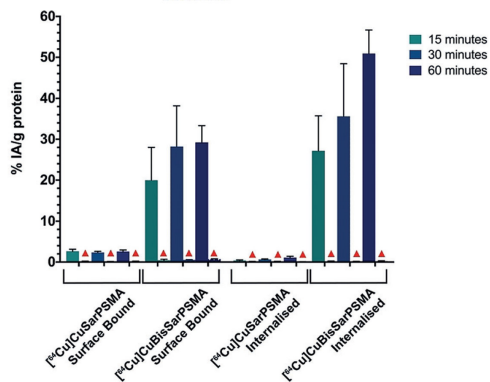
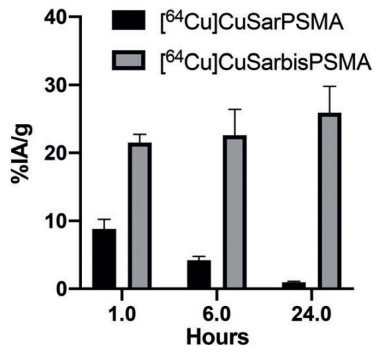
1. As at 25 March 2024

2. As at 20 March 2024

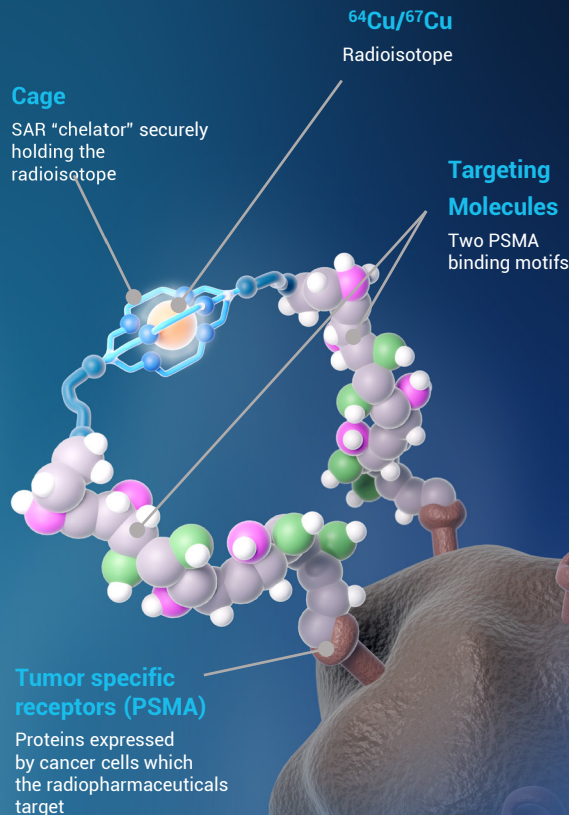
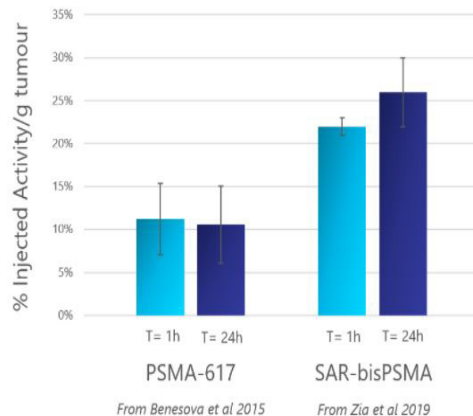
3. As at 22 March 2024

SAR-bisPSMA

Superior performance of bisPSMA compared to monomer PSMA



bisPSMA has higher uptake in tumours and strong retention compared to PSMA monomers



Next-generation SAR-bisPSMA diagnostic is coming

Improved uptake of SAR-bisPSMA may support better diagnosis compared to first-generation PSMA PET agents. Significant market opportunity to displace currently approved products, which are set to generate > US\$1.1Bn in 2023

Lantheus: PYLARIFY® (¹⁸F-DCFPyL) sales Q4 23: ~US\$230M

Telix: Illuccix® (generic PSMA-11 kit) sales Q4 23: ~ US\$95M

Specificity - High



Sensitivity - Low

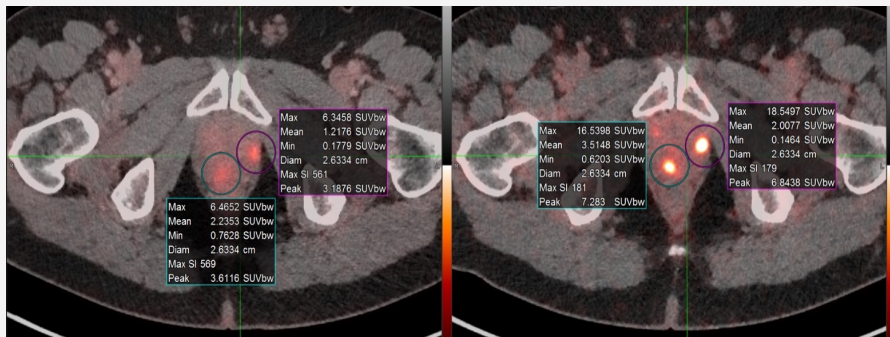


Comparison with ⁶⁸Ga-PSMA-11 – PROPELLER study

Comparison of ⁶⁸Ga-PSMA-11 (image left) to Clarity's ⁶⁴Cu-SAR-bisPSMA (image right) in the same patient

⁶⁸Ga-PSMA-11

⁶⁴Cu-SAR-bisPSMA

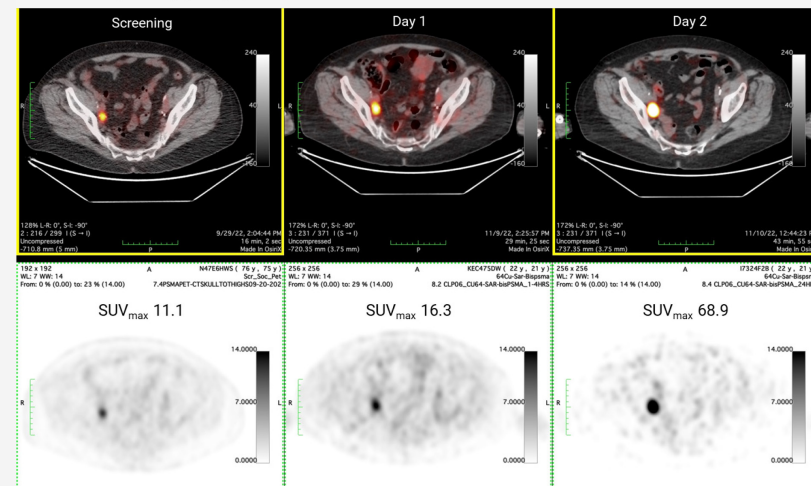


Comparison with PYLARIFY® – COBRA study

¹⁸F-DCFPyL PET (Pylarify®)

⁶⁴Cu SAR-bisPSMA PET/CT Fusion

⁶⁴Cu SAR-bisPSMA PET/CT Fusion

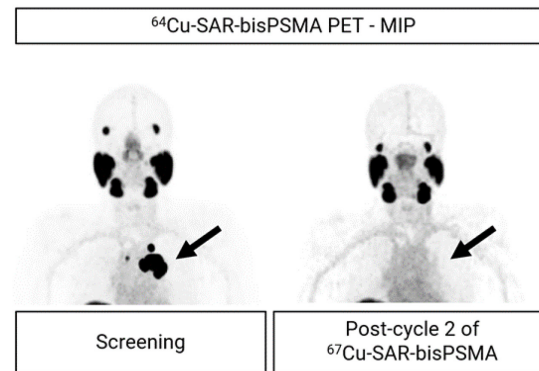


^{67}Cu -SAR-bisPSMA in mCRPC: Now in cohort 4 (SECuRE)

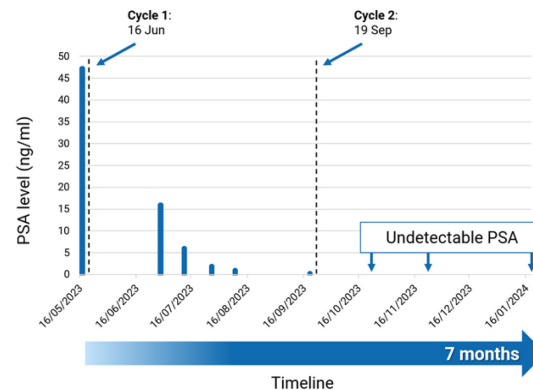
- No Dose Limiting Toxicities with single cycles at 12GBq
- Now in multi-dose (12GBq cycles) cohort 4, two doses with up to four doses agreed by Safety Review Committee
- In cohorts 2 and 3, almost 80% of patients showed PSA reduction >35% from a single therapy cycle and almost 1 in 2 showed a PSA reduction >80% at time of last data extract
- After cohort 4, the study moves into multi-dose cohort expansion
- Two therapy cycles given to a patient at 8GBq showed a drop in PSA to undetectable levels and a near complete response at the time of last assessment



^{64}Cu -SAR-bisPSMA PET/CT imaging before and after two cycles of 8GBq of ^{67}Cu -SAR-bisPSMA

























PSA reduction following 2 doses of ^{67}Cu -SAR-bisPSMA



Clinical development in multiple cancers

Clarity's products are progressing through sponsored clinical trials in the US and Australia

Clinical development pipeline as of 22 March 2024

Indication	Product	Application	Current Trial	Discovery	Preclinical	Phase I	Phase 2	Phase 3	Next Milestone
Prostate Cancer	SAR-bisPSMA	Theranostic mCRPC	SECURE						Phase II dose expansion open (2H 24)
	SAR-bisPSMA	Diagnostic in pre-radical prostatectomy	CLARIFY					 	CLARIFY Phase III 50% recruitment (2H 24)
	SAR-bisPSMA	Diagnostic in BCR PCa	COBRA						COBRA additional data (1H 24)
	SAR-BBN	Diagnostic in BCR PCa	SABRE						SABRE topline data (2H 24)
	SAR-BBN	Theranostic mCRPC	COMBAT						Cohort 2 open for recruitment (2H 24)
Neuroblastoma	SARTATE	Theranostic	CL04						Phase II dose expansion open (2H 24)
NETs	SARTATE	Diagnostic	DISCO						DISCO Phase II top line data (1H 25)
SAR Discovery Platform	Undisclosed	Undisclosed		 	 				
	Undisclosed	Undisclosed		 	 				

Current progress

12 month progress

Note clinical development pipeline is indicative only, subject to review.

All US studies are conducted under Investigational New Drug Applications

Strong Strategic Interest in Radiopharmaceutical Assets

Date	Target	Acquirer	Acquisition value ¹	Main asset
Mar 24	Fusion Pharmaceuticals	AstraZeneca plc (LON:AZN)	US\$2.4bn ² (A\$3.6 bn)	²²⁵ Ac-PSMA I&T for mCRPC
Dec 23	RayzeBio, Inc.	Bristol-Myers Squibb Company (NYSE:BMJ)	US\$4.1bn (A\$6.2 bn)	²²⁵ Ac-DOTATATE
Oct 23	POINT Biopharma Global Inc.	Eli Lilly (NYSE:LLY)	US\$1.4bn (A\$2.1 bn)	Early Phase FAP product & production Facility. <i>Main clinical assets already licensed to Lantheus in 2022</i>

Note: 1. All transactions were completed in USD, assumes AUD / USD exchange rate of \$1.5184
 2. Including upfront cash portion and maximum potential contingent value payments

“The willingness of large pharma companies to pay high premiums for radiopharmaceutical companies further demonstrates the burgeoning interest in the field”

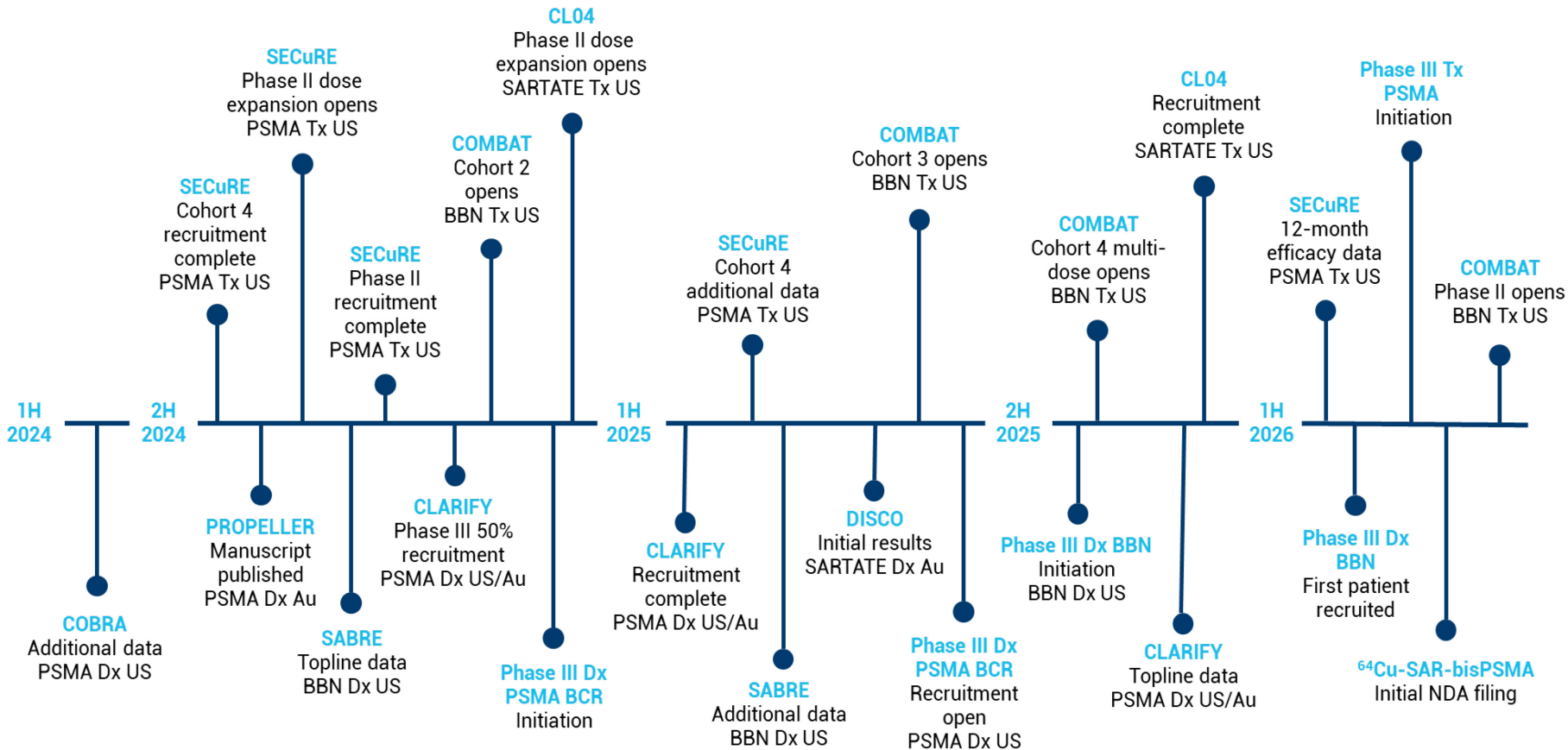
- Nature, March 2024

Clarity's copper platform, strong prostate pipeline and therapeutic and diagnostic efficacy data represents an attractive opportunity to grow a significant radiopharmaceutical franchise in oncology and other indications

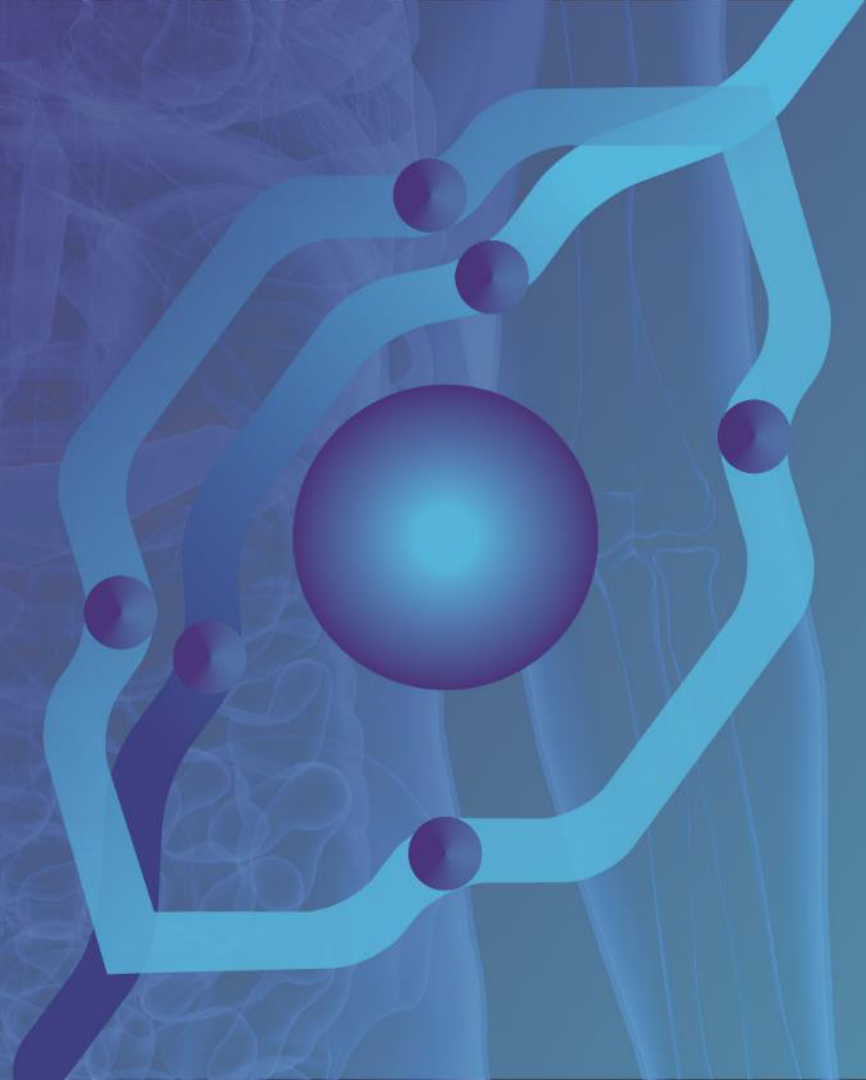
- Three major deals in the global radiopharmaceuticals sector over the last 6 months highlights the strong strategic interest in radiopharmaceuticals
- Extremely limited number of clinically advanced radiopharmaceutical companies remaining globally which would provide pharmaceutical companies with a platform entry point to radiopharmaceutical therapeutics
- Clarity's TCT platform, potential best-in-class assets in large indications, strong IP position and significant supply chain advantages differentiates Clarity in the market
- Exciting efficacy and safety data in therapies and diagnostics has attracted interest from a range of pharmaceutical companies
- A strong Balance Sheet allows Clarity to fully exploit its platform, products and positioning to maximise shareholder value

Key upcoming milestones

Dx = Diagnostics
Tx = Theranostics



Offer Summary



Offer Summary

Clarity is conducting a fully underwritten capital raising of approximately A\$121 million comprising an institutional private placement and a pro rata accelerated non-renounceable entitlement offer (together, the 'Offer')

Offer Structure	<ul style="list-style-type: none">• A fully underwritten capital raising of approximately A\$121 million which comprises:<ul style="list-style-type: none">– a 1 for 33 pro-rata accelerated non-renounceable entitlement offer to eligible shareholders of Clarity to raise approximately A\$20 million (Entitlement Offer), comprising an Institutional Entitlement Offer to raise approximately A\$8 million and a Retail Entitlement Offer to raise approximately A\$12 million; and– an institutional private placement (Placement) of approximately A\$101 million• The Entitlement Offer is non-renounceable and entitlements will not be tradeable or otherwise transferable• Approximately 47.4 million new fully paid ordinary shares in Clarity (New Shares) to be issued under the Offer, representing approximately 18% of existing ordinary shares on issue in Clarity (Shares)
Offer Price	<ul style="list-style-type: none">• The Offer will be conducted at a fixed price of A\$2.55 per New Share (Offer Price) which represents:<ul style="list-style-type: none">– a discount of 10.5% to the closing price of Clarity's shares on 25 March 2024 (which was A\$2.85)– a discount of 12.5% to the 5-day VWAP of A\$2.915 up to and including 25 March 2024– a discount of 9.1% to the TERP (Theoretical Ex Rights Price)
Institutional Offer	<ul style="list-style-type: none">• The institutional component of the Entitlement Offer and the Placement will be conducted on 26 March 2024• Rights shares equivalent in number to those not taken up under the Institutional Entitlement Offer will be offered to certain eligible institutional investors under an institutional bookbuild process• The institutional component of the Entitlement Offer will be extended to certain existing eligible institutional shareholders in Australia, Hong Kong, Singapore and New Zealand
Retail Entitlement Offer	<ul style="list-style-type: none">• The retail component of the Entitlement Offer (Retail Entitlement Offer) is expected to open on Thursday, 4 April 2024 and close at 5.00pm on Friday, 19 April 2024• The Retail Entitlement Offer will not be extended to any retail shareholders outside Australia and New Zealand• Eligible retail shareholders that do not take up their entitlement by the close of the Retail Entitlement Offer (being shortfall shares), will be subscribed for by the Underwriter (defined below)
Record Date	<ul style="list-style-type: none">• 7.00pm (Sydney, Australia time) on Thursday, 28 March 2024
Ranking	<ul style="list-style-type: none">• New Shares issued under the Entitlement Offer and Placement will rank pari passu with existing Shares from their date of issue
Underwriter and Joint Lead Managers	<ul style="list-style-type: none">• Bell Potter Securities Ltd is acting as sole underwriter (Underwriter) and Joint Lead Manager to the Offer and Wilsons Corporate Finance Ltd is Joint Lead Manager to the Offer

Sources and Uses of Funds

Sources of Funds	A\$m
Estimated Cash Reserves at Offer Date	28.1
Offer	121.0
R&D Tax Incentive (FY23-FY25)	10.1
Total Sources	159.2

Uses of Funds	A\$m
Pre-Clinical	8.5
Clinical	111.0
Regulatory	7.1
Patents	1.8
Commercial	10.2
Working Capital and Costs of the Offer	20.6
Total Uses	159.2

The funds raised under the Offer will be used to advance Clarity's clinical portfolio and strengthen its balance sheet

- Post completion of the Offer, Clarity will have a pro-forma cash balance of A\$153.2m (net of costs of the Offer)
- Clarity expects it will be funded for its current clinical program through to early 2026

Offer Timetable

Announcement of underwritten offer	Tuesday, 26 March 2024
Placement & Institutional Entitlement Offer Opens	Tuesday, 26 March 2024
Announcement of results of Placement and Institutional Entitlement Offer and recommence trading of shares on ASX	Thursday, 28 March 2024
Record date for Retail Entitlement Offer (7.00pm Sydney, Australia time)	Thursday, 28 March 2024
Retail Entitlement Offer documentation despatched and Retail Entitlement Offer opening date	Thursday, 4 April 2024
Settlement of shares issued under the Placement and Institutional Entitlement Offer	Friday, 5 April 2024
Issue and quotation of shares issued under the Placement and Institutional Entitlement Offer	Monday, 8 April 2024
Retail Entitlement Offer close date (5.00pm Sydney, Australia time)	Friday, 19 April 2024
Announcement of results of Retail Entitlement Offer	Wednesday, 24 April 2024
Settlement of shares issued under the Retail Entitlement Offer	Friday, 26 April 2024
Issue of shares under the Retail Entitlement Offer	Monday, 29 April 2024
Quotation and normal trading of Retail Entitlement Offer shares	Tuesday, 30 April 2024

The timetable is indicative only and dates and times are subject to change without notice

Company Overview

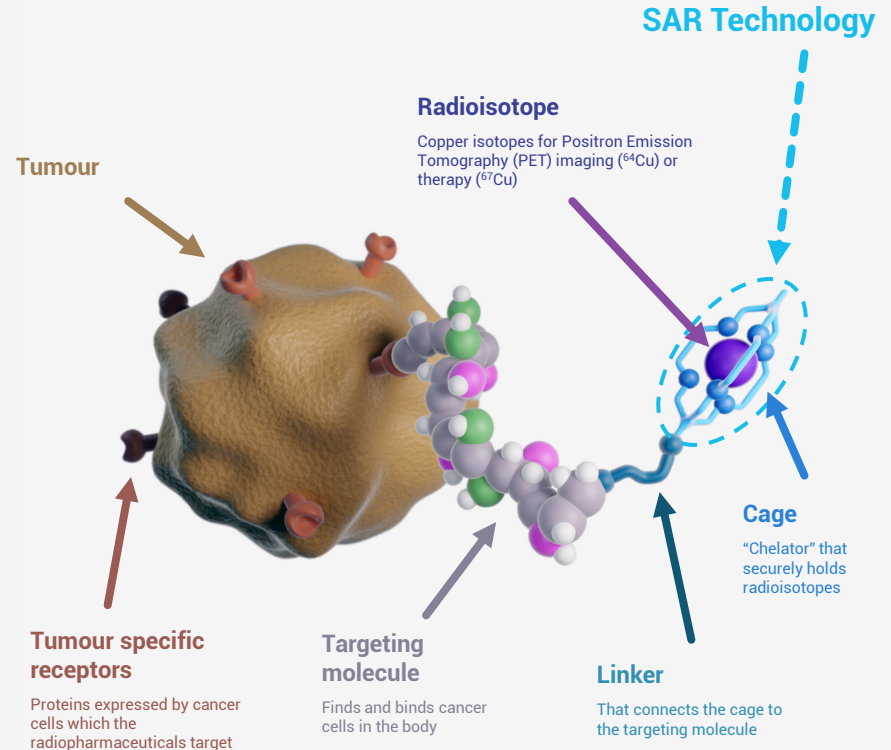


Clarity – The Copper Theranostics Company

Targeted Copper Theranostics are the next-generation disruptive platform in radiopharmaceuticals that employ the “perfect pairing” of copper-64 (^{64}Cu) and copper-67 (^{67}Cu) for diagnosis and therapy

Proprietary SAR Technology enables Targeted Copper Theranostics

- Clarity's SAR technology is a proprietary, highly specific and highly stable bifunctional cage (chelator) with a superior ability to retain copper isotopes within it and prevent their leakage into the body
- TCT deliver a compelling combination of high accuracy and high precision in the treatment of a range of cancers, as well as providing supply and logistical advantages over current theranostics



Why Copper?

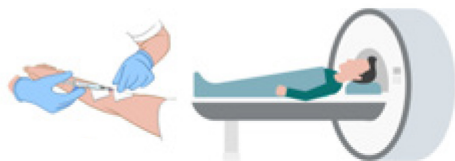
The physical properties of copper-64 and copper-67 have optimal characteristics for global commercialisation

Diagnostic radionuclides

	Copper-64	Gallium-68	Fluorine-18
Half life	12.7 hours	1.1 hours	1.83 hours
Typical product shelf life	Up to 48 hours	Up to 4 hours	Up to 10 hours
Production	Cyclotron	Mainly from Generators	Cyclotron
Imaging window	From 1 to 48 hours	~60 mins	~60 mins
Ability to centrally manufacture	Yes	No	No

Therapeutic radionuclides

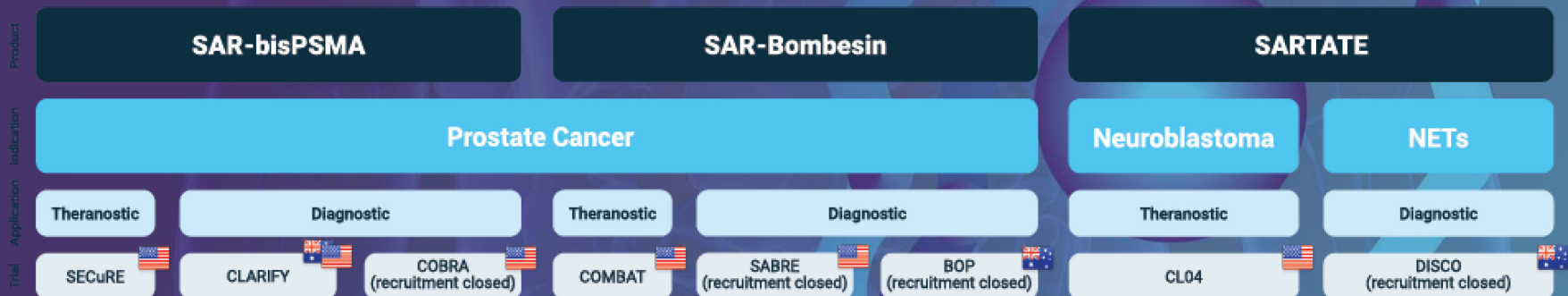
	Copper-67	Lutetium-177
Half life	2.6 days	6.7 days
Decay mode	Beta emitter	Beta emitter
Range in tissue	~0.7mm	~0.7 mm
Production mode	Electron accelerators	Nuclear reactors
Cost to scale supply	~US\$15M	>US\$1Bn
Time to scale supply	<18 months	~10 years



⁶⁴Cu-SARbisPSMA PET Day 1



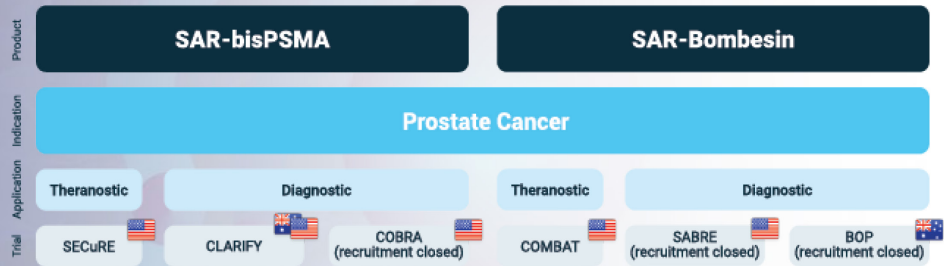
Three key product areas



Prostate cancer

Two product areas:
bisPSMA & Bombesin

Four products for
diagnosis and therapy



^{64}Cu -SAR diagnostics

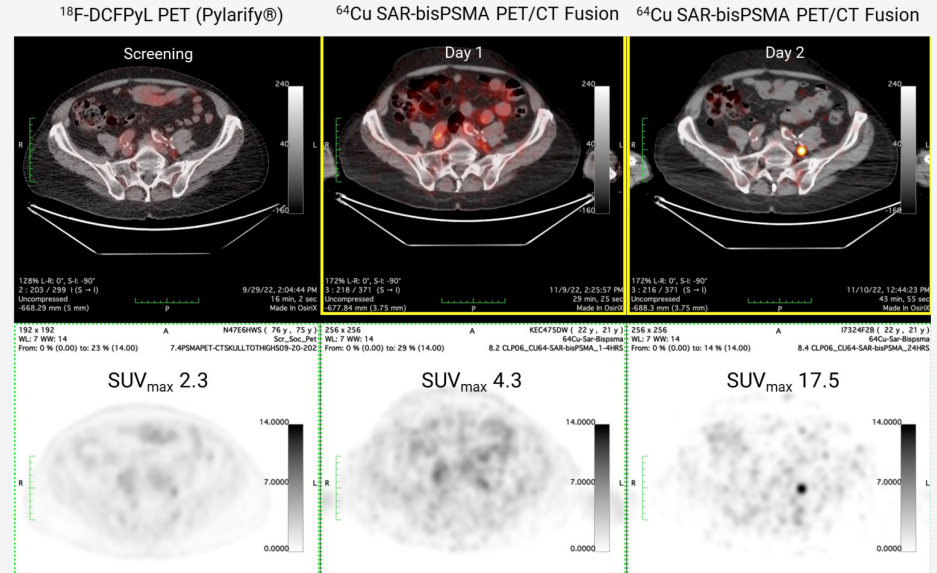
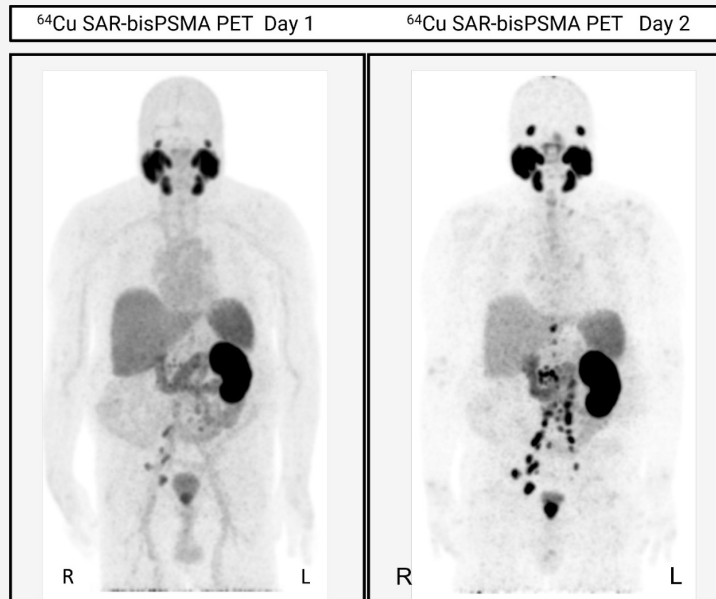


Copper brings significant additional advantages

Beyond the supply chain advantages of a 12.7 hour half-life PET imaging agent, SAR-bisPSMA allows patients to be imaged from 1 hour to >24 hours post administration

Cu-64 SAR-bisPSMA PET has the ability to image both on the day of administration and at later timepoints, potentially providing clinicians with better insight into the disease

Images from Clarity's COBRA study



SAR-Bombesin

SAR-Bombesin targets Gastrin Releasing Peptide receptor (GRPr) that is overexpressed in a number of cancers including prostate, breast, colon, gastric, glioma, pancreatic, small cell lung and non-small cell lung cancer, as well as renal cell cancer

SAR-Bombesin in prostate cancer

- 75%-100% of prostate cancers express GRPr
- ~25% of prostate cancer patients do not express PSMA
- PSMA-negative prostate cancer patients will not respond to PSMA imaging or therapy
- SAR-Bombesin is now under investigation diagnostically and therapeutically in prostate cancer that is PSMA-negative or has a low expression of PSMA

SAR-Bombesin in PSMA-negative prostate cancer



- Phase II Positron Emission Tomography (PET) imaging trial of participants with PSMA-negative biochemical recurrence (BCR) of prostate cancer following definitive therapy
- The primary objectives of the trial are to investigate the safety and tolerability of the product as well as its ability to correctly detect recurrence of PSMA-negative prostate cancer

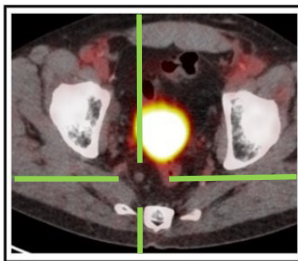
Status

- Recruitment complete

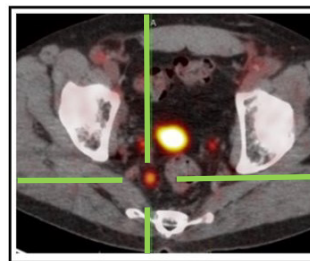
Next Milestone

- Topline data - 2H 2024

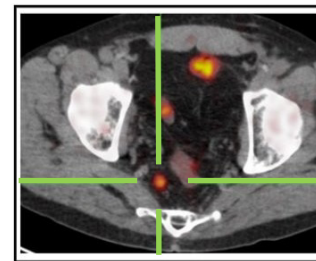
¹⁸F-DCFPyl PET/CT (Pylarify®)



⁶⁴Cu-SAR-BBN PET/CT Day 1



⁶⁴Cu-SAR-BBN PET/CT Day 2



Single pelvic lymph node uptake seen on ⁶⁴Cu-SAR-BBN on both Day 1 and Day 2. A subsequent biopsy has confirmed prostate cancer.

^{67}Cu -SAR therapeutics



Metastatic castration-resistant prostate cancer

Clarity is conducting two theranostic clinical trials in mCRPC with two products to treat PSMA-positive, PSMA-negative lesions and those with low PSMA expression

SAR-bisPSMA

SECURE

- Phase I/IIa study of $^{64}\text{Cu}/^{67}\text{Cu}$ -SAR-bisPSMA for identification and treatment of PSMA-expressing mCRPC
- Theranostic multi-centre, single arm, dose escalation study with a cohort expansion planned for up to 44 patients
- Dose escalation phase aims to find the highest dose of ^{67}Cu -SAR-bisPSMA that can be given safely and expand patient numbers at that dose in the dose expansion phase

Status

- Dosimetry phase with ^{64}Cu -SAR-bisPSMA in mCRPC completed
- Dose escalation phase underway
- Cohort 1 completed with no safety issues (4GBq single dose)
- Cohort 2 completed with no safety issues (8GBq single dose)
- Cohort 3 completed with no safety issues (12GBq single dose)
- Cohort 4 – first patient treated; all available slots allocated for the first 3 participants of cohort 4 (12GBq multi-dose)

Next milestone

- Cohort 4 completed - 2H 2024
- Dose expansion (Phase II) opens for recruitment - 2H 2024

SAR-Bombesin

COMBAT

- A Phase I/IIa theranostic study of ^{64}Cu -SAR-Bombesin and ^{67}Cu -SAR-Bombesin for identification and treatment of GRPR-expressing mCRPC in patients who are ineligible for therapy with ^{177}Lu -PSMA-617
- Theranostic, multi-centre, single arm, dose escalation/dose expansion study with a cohort expansion planned for up to 38 patients

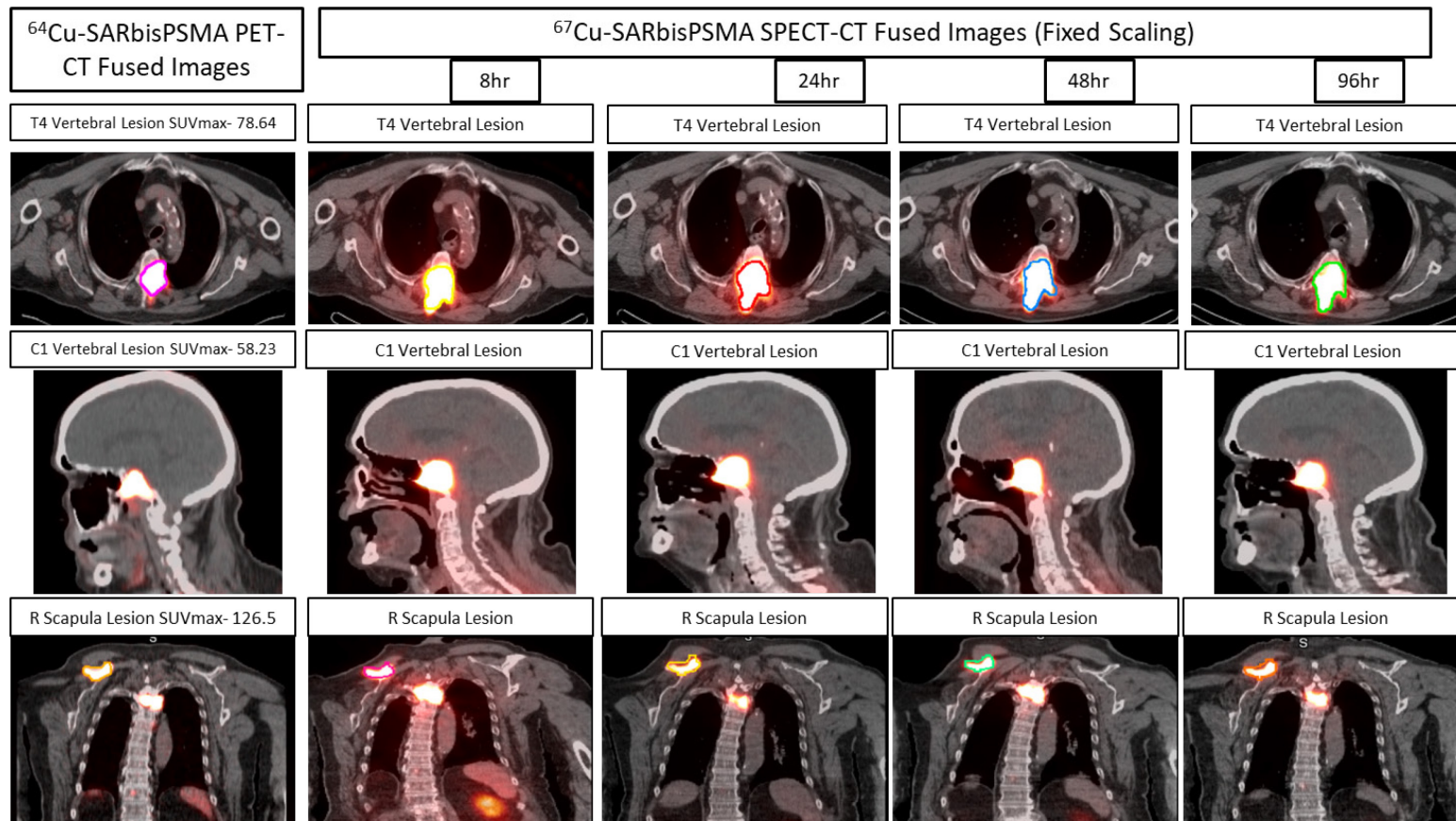
Status

- First patient treated in cohort 1
- Recruitment ongoing

Next milestone

- Cohort 2 open for recruitment – 2H 2024

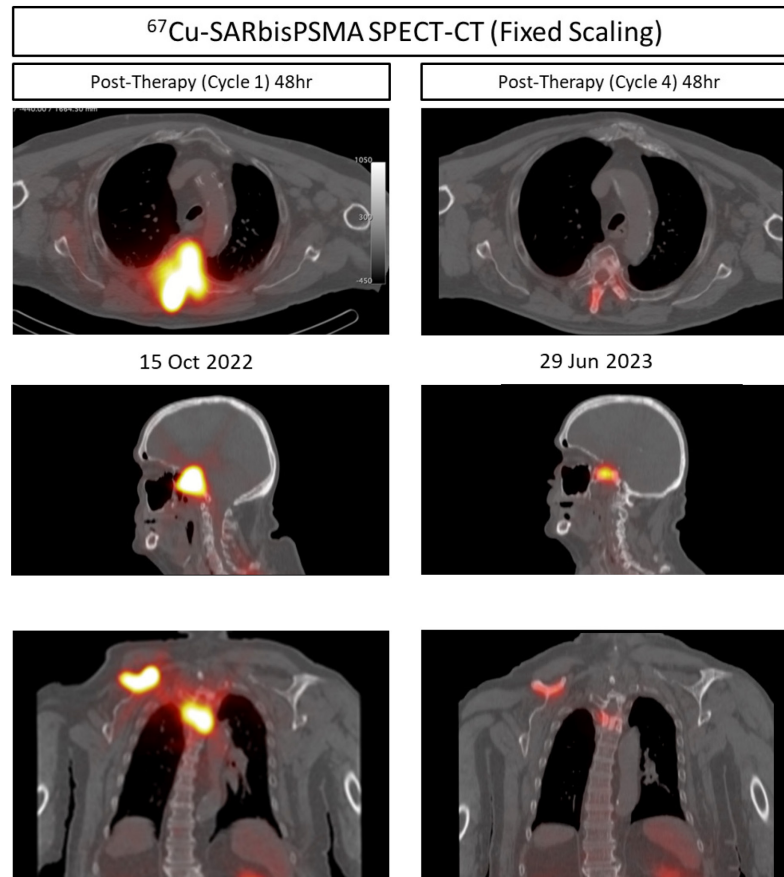
SECuRE cohort 1 - 4GBq dose level



US FDA Expanded Access Program

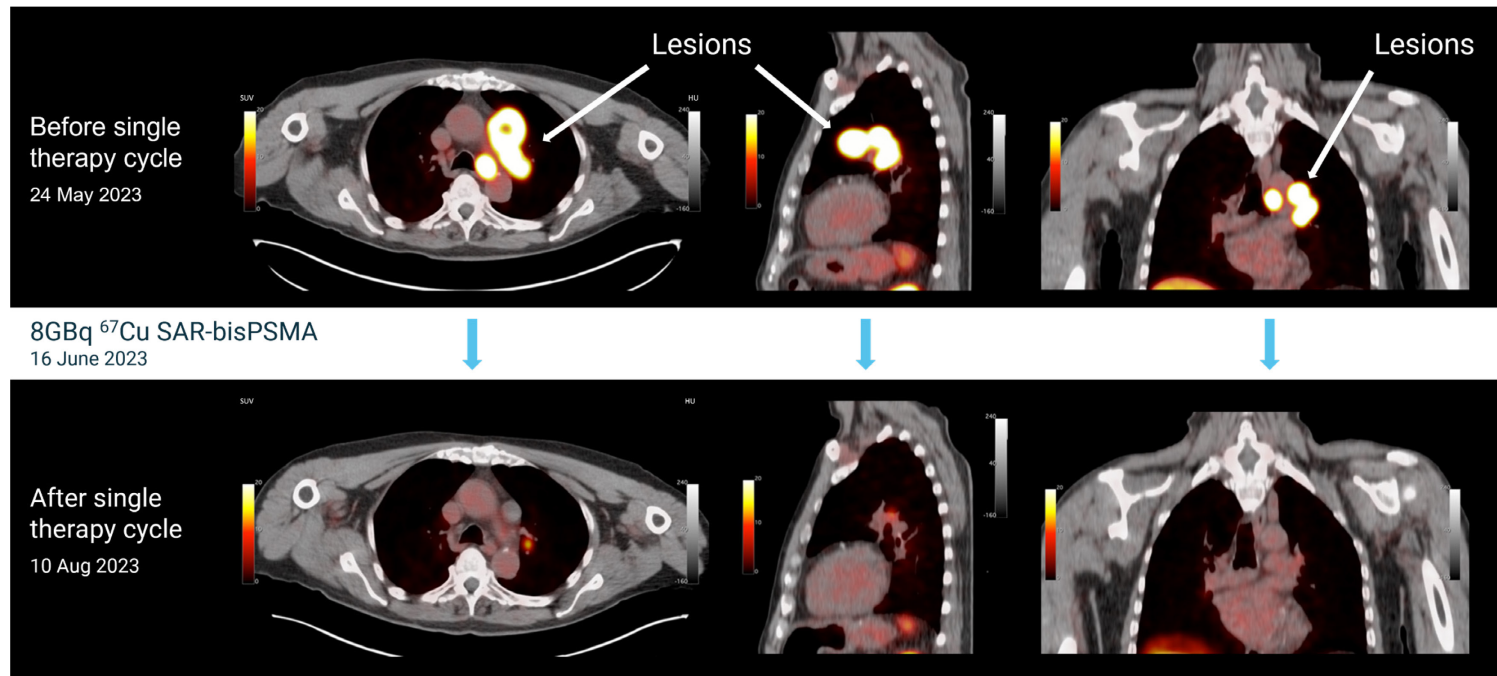
- Additional therapy cycles of ^{67}Cu -SAR-bisPSMA at the lowest 4GBq dose level have been requested under the US FDA Expanded Access Program (EAP)
- Early data indicates positive effects
- SPECT-CT images (on the right) demonstrate a reduction in the intensity of product uptake at the tumour sites after four doses, signaling tumour shrinkage
- Same patient experienced a reduction in PSA levels >50% following the first dose, and a >90% decline in PSA after dose 4

4GBq of ^{67}Cu -SAR-bisPSMA over 4 cycles



SECURE cohort 2 - 8GBq dose level (single cycle)

- No Dose Limiting Toxicities with single cycle at 8GBq
- The first 2 participants are exhibiting a PSA reduction of greater than 95% and the last participant is showing a drop of greater than 80%
- Significant reduction in uptake of the diagnostic dose after a single 8GBq therapy cycle



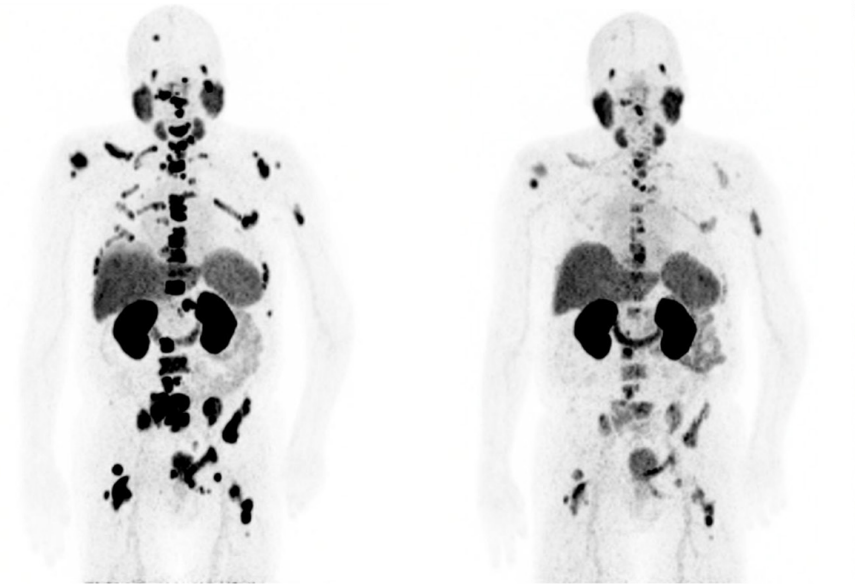
⁶⁴Cu-SAR-bisPSMA PET/CT imaging before and after a single cycle of 8GBq ⁶⁷Cu-SAR-bisPSMA (cohort 2)

SECuRE cohort 3 – 12GBq dose level (single dose)

^{64}Cu -SAR-bisPSMA PET - MIP

Pre- ^{67}Cu -SAR-bisPSMA

Post- ^{67}Cu -SAR-bisPSMA

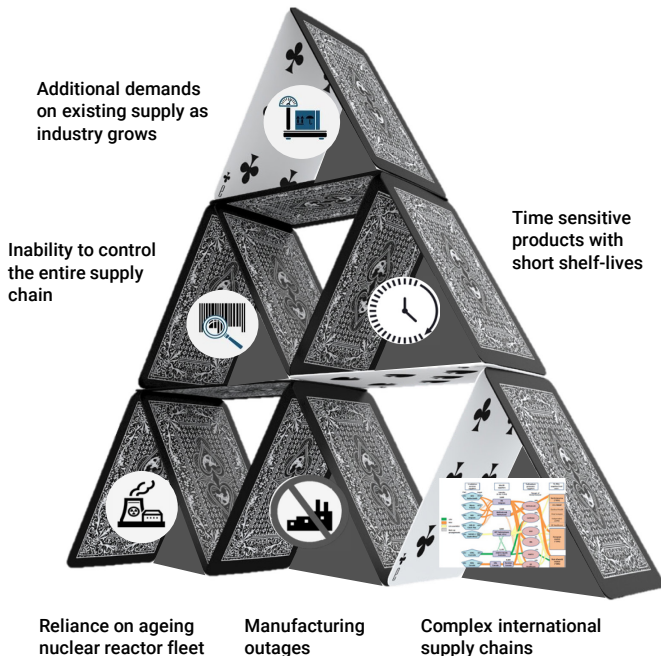


- Participant from cohort 3 showing reduction in uptake of ^{64}Cu -SAR-bisPSMA in prostate cancer lesions. The participant was treated with ADT, ARPI, chemotherapy and 2 investigational agents prior to enrolling in the SECuRE study (PSA 270.9 ng/ml at study entry). The participant received a single dose of ^{67}Cu -SAR-bisPSMA (12GBq), which led to the reduction in uptake of ^{64}Cu -SAR-bisPSMA in the lesions.
- PSA reduction: 92.3%.
- Total body tumour reduction: SUVmax from 51.7 to 19.0 (63.2% reduction) and tumour volume from 1,040.9 to 635.4 ml (39.0% reduction).
- MIP: Maximum intensity projection.

The Supply Differentiator



Current industry challenges



Combined with a history of supply issues

nature > news > article

Published: 12 September 2016

Reactor shutdown threatens world's medical-isotope supply

SNM MI SOCIETY OF NUCLEAR MEDICINE AND MOLECULAR IMAGING

August 6, 2018

US Food and Drug Administration
10903 New Hampshire Avenue
Silver Spring, MD 20993

Re: Shortage of Germanium-68/Gallium-68 Generators for the Production of Gallium-68

NewScientist

SUBSCRIBE AND SAVE 60%

Australia has a huge shortage of the medical isotope needed for scans

TH 21 September 2019

MANUFACTURING

Novartis halts US production of cancer radiotherapies, citing potential quality issues

By Angus Liu · May 5, 2022 12:44pm

wnn world nuclear news
Celebrating 15 years

Energy & Environment | New Nuclear | Regulation & Safety | Nuclear Policies | Corporate | Uranium & Fu

Medical isotope supply chain faces challenges from COVID-19

21 April 2020

Bayer Suspends Production of Radium-223 Due to Manufacturing Problem

October 17, 2014
Beth Fand Incollingo

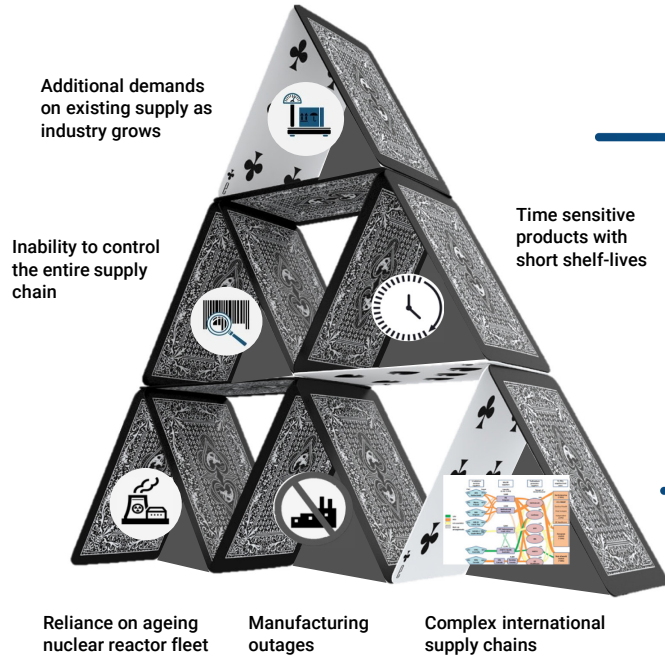
Create challenges for prescribers

New strategies are needed to address access and availability of radiopharmaceuticals to enable timely and equitable patient access

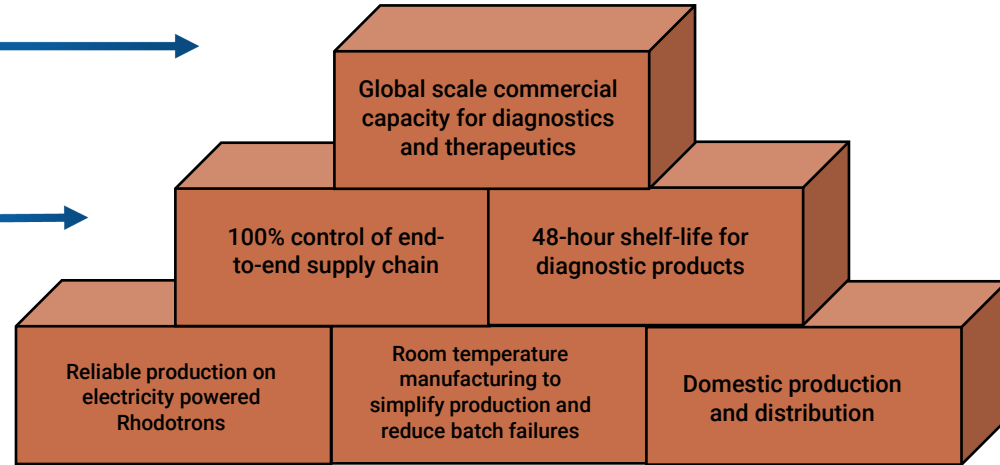
"We have patients on months long waiting lists when this may be all the time they have, and so it's been really disheartening to have to deal with these things"

- Roby Thomas, MD, a medical oncologist and hematologist at UPMC Hillman Cancer Center

Current industry challenges



Clarity's TCT Solution



MANUFACTURING

Novartis halts US production of cancer radiotherapies, citing potential quality issues

By Angus Liu · May 5, 2022 12:44pm

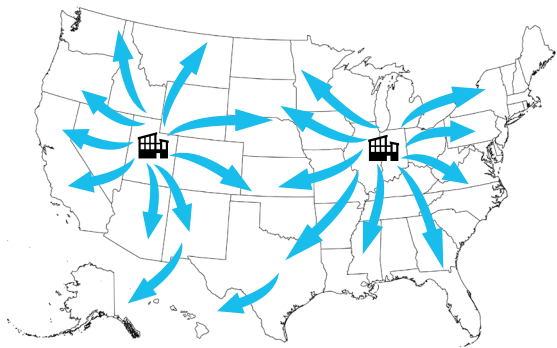
"We have patients on months long waiting lists when this may be all the time they have, and so it's been really disheartening to have to deal with these things"

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Next-generation theranostics provide solutions to the challenges with current-generation radiopharmaceuticals

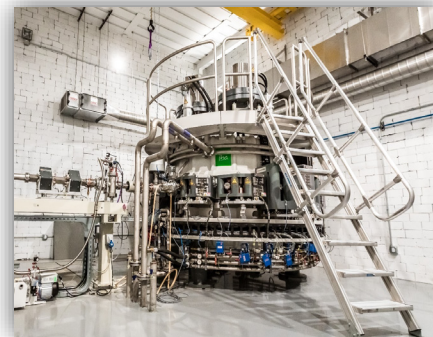
Opportunities with ^{64}Cu (half-life = 12.7h)

- Can be mass produced on cyclotrons with solid targetry
- Every US zip code covered from 1 location
- Patient flexibility with product shelf life of up to 48 hours
- Operational flexibility with imaging timepoints up to 72 hours
- 9-22 times lower exposure than commonly used ^{18}F products
- Ability to centralise investments and supply the United States
- Delivered as a ready-to-use cGMP product



Opportunities with Rhodotron produced ^{67}Cu

- Commercially available high powered rhodotron with a small footprint (10' diameter and 11' tall)
- Scalable with relatively small investments
- Purpose-built supply in the markets of focus, including a US domestic supply
- Only inputs are electricity and Zinc
- No long-lived impurities
- Exclusive supply agreement with NorthStar Medical Isotopes
- A single rhodotron can produce commercial quantities of ^{67}Cu



Access to reactors will soon become the bottleneck for ^{177}Lu ¹

1. <https://jnm.snmjournals.org/content/jnmed/early/2023/08/17/jnmed.123.265907.full.pdf>

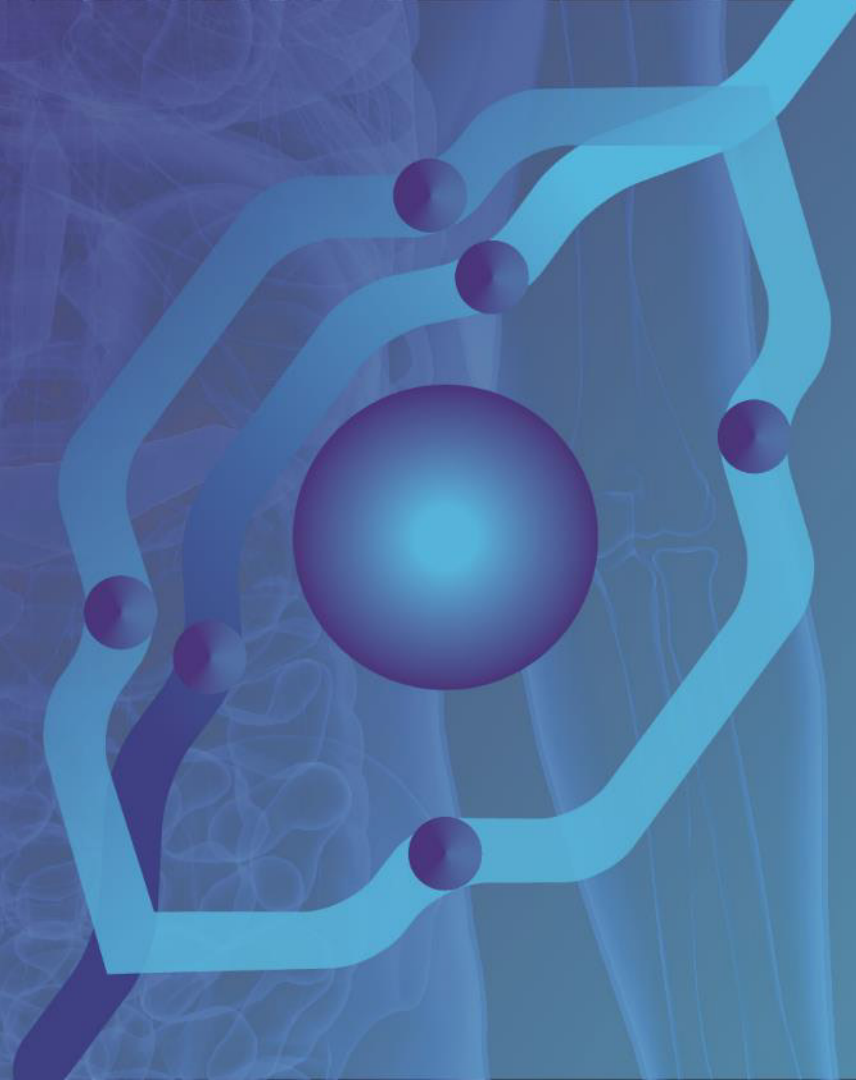
Summary

Global leader in Targeted Copper Theranostics (TCTs)

- **Exciting efficacy and safety data to date with therapy and imaging**
- **Extensive pipeline of TCTs based on ^{64}Cu for diagnosis and ^{67}Cu for therapy**
- **Multiple therapeutic and diagnostic trials in progress, including a Phase III registrational trial**
- **TCTs address the current manufacturing and logistical limitations in the growth of radiopharmaceuticals**
- **TCTs are scalable, sustainable and dependable**
- **Broad and defensible IP portfolio of patent families across the SAR Technology platform, pipeline and products**
- **Pipeline includes large and orphan indications, with focus on the US for first approvals**
- **Led by an experienced management team and Board with significant years of active involvement in the radiopharmaceutical industry**
- **Highly active M&A sector with numerous recent acquisitions**



Risk Factors & Foreign Selling Restrictions



Risk Factors

Speculative nature of investment

The Company does not generate revenue and does not have a product that is capable of generating revenue without completing clinical trials and obtaining regulatory approvals. The Shares carry no guarantee of profitability, dividend payments, returns of capital or an increase in the share price. As a result, an investment in the Company should be considered speculative, and potential investors should consult their professional advisers before deciding whether to apply for Shares.

The Company will need to successfully develop and commercialise products in order to generate revenue and to become, and then remain, profitable. In particular, the Company will need to successfully complete clinical trials for the Company's products and obtain all relevant regulatory approvals from regulatory bodies in the United States, together with other relevant jurisdictions such as Europe, for those product candidates and for the manufacturing, marketing and sale of the Company's products in those jurisdictions. As at the date of this Presentation, there is no guarantee that the Company will succeed in these activities. Should the Company be successful in these activities, there is still a risk that the Company may never generate enough revenue to achieve profitability or declare any dividends.

Success of clinical trials is not guaranteed

The Company's ability to generate revenue and become, and remain, profitable will largely depend on whether the Company's clinical trials are successful and whether the Company is able to demonstrate, through these clinical trials, that the Company's products are suitable for commercialisation.

The Company seeks to minimise its clinical trial risk by using targeted diagnostic products as part of its clinical trial process to select patients who are likely to respond to treatment with its therapeutic products. However, the success of the Company's clinical trials and the development of the Company's products, and therefore the Company's ability to generate revenue, is not guaranteed.

The development of radiopharmaceutical products is typically comprised of three different phases of drug development, with each individual phase carrying a risk of failure. In particular, the Company's products are at risk of failing safety and efficacy steps throughout each individual development phase. In addition, the commencement and completion of clinical trials may be delayed due to various factors, such as unanticipated safety issues, issues relating to the correct dosage of the Company's product, lack of effectiveness during clinical trials, delays in patient recruitment, the inability to effectively monitor patients during or after treatment, the failure of medical investigators to follow clinical protocols, reliance on clinical research organisations and the termination of license agreements that are required in order to complete the clinical trials. If the Company's clinical trials fail or experience material delays, it is likely that shareholder returns will be materially adversely affected.

Risk Factors

The Company may not obtain the required regulatory approvals

The Company will need to obtain ongoing approvals from the United States Food and Drug Administration (FDA) in the United States, the Therapeutic Goods Administration in Australia and the European Medicines Agency in Europe in order to run its studies and clinical trials in those jurisdictions. The Company will also need new approvals from these regulators in order to further develop and to market its products in each of the United States, Australia and Europe, respectively. In addition, the Company will require approvals from equivalent regulatory authorities in other countries should the Company wish to conduct clinical trials or commercialise its products in those jurisdictions.

The Company has five open Investigational New Drug (IND) applications covering all six current clinical stage products that received clearance to proceed to clinical trials from the FDA and has received approvals from the FDA for two Orphan Drug Designations (ODD) and two Rare Paediatric Disease Designations (RPDD). There is no guarantee that the Company will continue to receive the regulatory approvals that are necessary for the Company to run studies and clinical trials or to commercialise its products (including the INDs, OODs and RPDDs referred to above) in any jurisdiction. Whether the Company successfully obtains these regulatory approvals is, ultimately, outside of the Company's control and dependent on the decisions of the regulatory bodies in each relevant jurisdiction. If the Company does not receive the regulatory approvals that are required, the Company will not be able to commercialise its products or generate revenue in the relevant jurisdictions, which may have a material adverse impact on shareholder returns.

In addition, the Company may experience delays in the application process for its regulatory approvals. The regulatory bodies in each jurisdiction have extensive discretion in their approval processes, and may request additional information from the Company, or further testing and trials, prior to considering the Company's regulatory application or granting the Company regulatory approval. If the Company experiences any delays in obtaining the necessary regulatory approvals, this may in turn delay the Company's ability to commercialise its products and generate revenue. This risk has the potential to materially and adversely impact the Company's planned future revenue, margins and profitability and reduce the value of an investment in the Shares.

Competitive industry

Clarity is operating in the pharmaceutical industry with a focus on the global oncology and radiopharmaceutical markets, which are competitive and subject to rapid and significant technological change. The Board considers that the Company has, as at the date of this Presentation, a competitive advantage in these markets for its products due to the versatility of the SAR Technology platform that enables the Company to focus on developing new products and intellectual property for new indications of cancer through its Discovery Program. However, these circumstances may change over time as there is always a risk of new entrants to the market, and the risk that an existing radiopharmaceutical company or another company within the oncology market may disrupt the Company's business operations and anticipated market share. The Company cannot predict the timing and scale of new competitors that may emerge.

In particular, the rise of the oncology and radiopharmaceutical industries may lead to a number of large corporations acquiring significant market share, either through expanding their product development or acquiring smaller companies that are in the development phase. As a result, many of the Company's current and potential competitors may obtain access to greater capital resources, research and development facilities, regulatory and operational experience, manufacturing and marketing experience and production facilities. There is a risk that the Company's competitors will succeed in developing alternative products that are safer, more effective or commercially superior to those being developed by the Company. If the Company is unable to compete effectively or expand its business, the Company's products could be rendered obsolete or otherwise uncompetitive, which may materially and adversely impact the Company's planned future revenue, margins and profitability and reduce the value of an investment in the Shares.

Risk Factors

Clarity requires protection and maintenance of its intellectual property

The Company currently has title to a number of key patents and patent applications in respect of the technology that forms the basis of a number of its product candidates. The success of the Company is therefore partly dependent on the Company's ability to continue to obtain and maintain commercially beneficial patents and to protect the intellectual property that it owns. The risks that the Company faces with respect to the patents and patent applications that it owns, and any future patents/patent applications that may be acquired or licensed, include but are not limited to the following:

- although the Company holds a portfolio of patents that have been granted, including those that cover composition of matter for the SAR Technology and key products, patent applications that have been lodged and are yet to be granted and patent applications that may be lodged by the Company in the future may not result in granted patents;
- the Company may experience delays in obtaining the grant of future patents;
- any request by the Company to obtain an extension to the term of a patent may not be granted or, if it is granted, the patent may be granted on the condition that revisions to the patent are imposed;
- the patents that are granted to the Company may not necessarily protect the Company's commercial activities;
- the patents that the Company owns or licences may be challenged at any time;
- other entities may independently develop similar, duplicate or alternative technologies to those of the Company;
- other entities may design workarounds to the Company's technology;
- other entities may own intellectual property that is relevant to the Company's technology or activities; and
- the value of the Company's intellectual property rights may diminish if a patent is not granted with respect to any patent application. Additionally, any information that is contained in the patent application will be publicly available information and as a result will not be subject to any confidentiality restrictions.

The degree of protection that the Company may have with respect to its intellectual property rights is uncertain and subject to the risks detailed above as well as other potential unanticipated risks. In addition, the Company's intellectual property rights may be subject to change as laws and regulations relating to the scope and validity of patents continues to evolve.

If the Company is required to engage in legal proceedings with respect to its intellectual property – either to defend legal actions or claims against its intellectual property, or to assert an intellectual property right – the Company may incur extensive costs and may further experience delays in the development or commercialisation of its product candidates. Additionally, if a third party is successful in making a claim against the Company, the Company may be liable to pay damages or be required to refrain from using certain patents or other intellectual property.

There is also a risk that third parties may already be in possession of intellectual property that is relevant to the Company's business, which may prevent the Company from being able to successfully reach its goals and objectives. For example, the Company may be developing a product that is in the process of being registered by another third party. Alternatively, the Company may seek to license or acquire (i) intellectual property from a third party, (ii) design workarounds to third party intellectual property rights, or (iii) challenge a third-party with respect to their intellectual property rights either through the courts or at an administrative stage if required. There is no guarantee that the Company will be able to obtain, or use, intellectual property that it acquires through any of these means. In addition, the Company cannot guarantee that its employees, third parties or consultants will not breach confidentiality, or infringe or otherwise exploit the Company's intellectual property, which could cause the Company to suffer a material loss.

These risks may materially and adversely impact the Company's planned future revenue, margins and profitability and reduce the value of an investment in the Shares.

Risk Factors

Reliance on key suppliers including for the supply of ^{64}Cu and ^{67}Cu

The Company does not have its own facilities from which to manufacture its products and it therefore relies on third parties for the supply of the critical materials that are necessary for the manufacture of its product candidates. These third parties include suppliers of radioisotopes, consumable and vial suppliers, and suppliers of certain precursor elements of radiopharmaceuticals. If these third parties are no longer able to provide such materials or services to the Company, the Company may be required to seek alternative suppliers which may cause delays to its clinical trial programs.

Copper-64 (^{64}Cu) and copper-67 (^{67}Cu) are critical materials necessary for the manufacture of the Company's product candidates. The Company's existing supply of ^{64}Cu and ^{67}Cu are sufficient for the Company's current clinical trials program and early commercialisation. The Company is working with its existing suppliers and expanding its network of to further develop supplies of ^{64}Cu and ^{67}Cu for additional commercial demand. However, if the Company does not receive a sufficient supply of ^{64}Cu and ^{67}Cu on an ongoing basis, this could have an adverse impact on its ability to commercialise its products and therefore its ability to earn revenue.

The Company will continue to be reliant upon third parties for the supply of ^{64}Cu and ^{67}Cu . Reliance on external supply of isotopes is, however, common in the radiopharmaceutical market.

Risk Factors

Reliance on contract development and manufacturing organisations and logistics partners

The Company relies on third parties to produce and manufacture its product candidates. Manufacturing radiopharmaceutical product candidates is a complex process, and contract development and manufacturing organisations (**CDMO's**) are typically in high demand. The Company's product candidates need to be produced at a high quality and on a consistent basis in accordance with a specific manufacturing process. Both the manufacture and delivery processes for the Company's product candidates, including the use of radioactive materials, must be completed in compliance with regulations applicable to local and international markets.

As the Company relies on the CDMO's and logistics partners to manufacture and deliver its product candidates, the Company does not have control over issues that may arise during these processes, including potential difficulties with raw materials, equipment malfunctions and failures by personnel within the CDMO's or logistics partners to follow the appropriate protocols and procedures. For example, if certain materials required in the manufacturing process are stored incorrectly and suffer contamination or insufficient refrigeration, this could materially impact operations and delay the Company's clinical trials and product development.

Minor deviations in any part of the manufacturing process including sourcing materials, filing, labelling, packaging, storage, delivery and quality control testing may result in failures or manufacturing shut-downs, delays in product batch releases, product recalls, spoilage or regulatory action. If the CDMO's or logistics partners that the Company uses engage in or suffer such deviations, this may result in the need for the Company to revise its manufacturing processes, change suppliers or alter its delivery processes, which could potentially result in increased costs and the loss of efficiencies for the Company due to an unexpected allocation of resources and time. If such issues remain unresolved, there is a risk that the Company's clinical trials may be delayed, which could result in adverse consequences for the Company and shareholders, including causing significant delays to the Company's development program.

As radiopharmaceutical products have a short half-life (being typically less than a week) due to radioactive decay, it is critical that the Company has effective manufacturing and delivery processes in order to achieve commercial success. These logistical preparations are costly and time-consuming to establish, and any failure in these processes could negatively impact the Company's operations.

Risk Factors

Lack of acceptance of radiopharmaceuticals by the medical community

If there are any adverse results in the clinical trials of the Company's product candidates or in the clinical trials of the Company's competitors that are developing similar products, or any negative publicity with respect to the safety or efficacy of radiopharmaceutical products and treatments, this could result in the Company's products not being accepted or used by the medical community or the general public. This may have a material adverse effect on the Company's business and financial position.

Development program may be delayed

There may be delays in achieving critical milestones set out by the Company. These include completing clinical trials, obtaining regulatory or reimbursement approvals, establishing commercial manufacturing and commencing product launch and sales. If the Company experiences any material delays, this may have a material adverse effect on the Company's business and financial position.

Risk associated with the use of radiopharmaceuticals

The Company deals with radiopharmaceutical products that use radioactive materials, which generate medical and other regulated wastes. There are a number of risks associated with the use, possession and disposal of these materials and waste products, including physical injury and accidental environmental contamination. The storage, design and manufacturing processes for these radioactive materials may not entirely eliminate the risk of employees of the Company and others being exposed to radiation and radioactive materials. There is a risk that, at times, the Company may need to alter its storage and manufacturing processes in order to remain in compliance with radio-protection laws in the jurisdictions in which the Company operates. The Company is unable to completely eliminate all risk of accidental contamination or injury from these materials and waste products. Consequently, the Company is at risk of being held liable for any damages or losses that are suffered as a result of an accidental contamination or the injury to an employee or other person, and these damages could fall outside, or exceed the limits of, the Company's current insurance coverage. If this was to occur, it may adversely impact the Company's financial position, business operations and reputation.

Reliance on key personnel

The Company is heavily reliant on the capabilities of its key management personnel who have extensive experience in, and knowledge of, the Company's technology, its business and the market in which it operates. In particular, the loss of one or more of each of the executive directors, being Alan Taylor and Colin Biggin, or any other key executives or management, and any delay in sourcing their replacement, may adversely impact the ability of the Company to implement and expand its business and achieve its growth strategies. There is no guarantee that the Company will be able to retain its key management personnel or, in the event their employment is terminated, be able to replace them in a timely manner with qualified individuals who have the necessary skills and expertise. This could have a material adverse impact on the Company's business, operating or financial performance. In addition to the Company's key management personnel, the Company is also reliant on attracting and retaining qualified scientific and technical personnel who are experts in the radiopharmaceutical field.

If the Company fails to attract or retain these key employees or contractors, the Company's business, including its research and development programs, could be adversely affected, which may in turn impact the Company's future product success and financial prospects. Additionally, as there is significant demand in the oncology and radiopharmaceutical market for expert qualified scientific and technical personnel, there is a likelihood that the Company's labour costs will increase in order to continue to attract and retain these personnel.

Risk Factors

Product liability	<p>Due to the innovative nature of the Company's products, the Company is exposed to the risk of product liability claims arising from defective products or products that are no longer viable, even where the Company has received prior regulatory approval. If the Company is subject to any product liability claims, this could result in the removal of regulatory approvals that the Company may have obtained. In addition, the Company may also incur unanticipated costs as a result of product liability claims, which may exceed or not be covered by the Company's insurance coverage.</p>
Supply chain	<p>Factors outside the control of the Company, for example COVID-19 or other similar events, may have a material adverse impact on the Company's supply chain. Restrictions on the manufacturing of ⁶⁴Cu and ⁶⁷Cu may restrict the ability of the Company to conduct clinical trials and other operations that are key to its business model such as research. This may materially impact the ability of the Company to meet its proposed development timetable and adversely impact the price of the Shares.</p>
Liquidity risk	<p>There is no guarantee that an active market in the Shares will continue, or that the market price of the Shares will increase. If a market is not sustained, it may be difficult for investors to sell their Shares. Furthermore, the market price for Shares may fall or be made more volatile because of a relatively low volume of trading. When trading volume is low, significant price movements can be caused by trading a relatively small number of Shares. If illiquidity arises, there is a risk that shareholders will be unable to realise their investment in the Company when they wish to do so.</p>
Risk of shareholder dilution	<p>In the future, the Company may elect to conduct further fundraisings through the issue of Shares, including for the purposes of raising proceeds for further research, clinical trials and/or acquisitions that the Company may decide to make. While the Company will be subject to the constraints of the ASX Listing Rules regarding the amount of capital it can issue within a 12 month period without obtaining shareholder approval, shareholders may be diluted as a result of such issues of Shares and may also experience a loss in value of their Shares.</p> <p>The Company also currently has 26.2 million Options on issue as at the date of this Presentation, representing approximately 10.0% of the undiluted share capital of the Company as at the date of this Presentation and will represent approximately 8.4% of the undiluted share capital of the Company as at completion of the Capital Raising. If all of these Options are exercised, then shareholders' interests may be significantly diluted. The Company may also in the future issue additional Options to eligible participants either under the Company's Equity Incentive Plan or otherwise to third parties such as consultants, advisers or strategic partners. If additional Options are issued and they are subsequently exercised by the relevant option holders, shareholders' interests may be significantly diluted and they may also experience a loss in value of their Shares.</p>
The Company may need to raise future additional capital	<p>As at the date of this Presentation, the Directors of the Company are of the view that the Company's current cash reserves plus the net proceeds from the Capital Raising will be sufficient to fund the Company's stated business objectives until early 2026. However, there can be no guarantee that this will be the case, particularly if the Company incurs or experiences unforeseen costs or delays. The Company may therefore need to raise additional capital in the future through debt or equity financings or other methods such as co-development arrangements or strategic alliances. If the Company does not succeed in eventually generating adequate revenue in order to fund its operations or is unable to obtain or raise capital from other sources on commercially acceptable terms, the Company's financial position and its business may be materially adversely affected.</p>

Risk Factors

Exchange rate risk

The Company's functional currency is the Australian dollar. A considerable proportion of the Company's costs are incurred in foreign currencies, especially the US dollar. The Australian dollar value of foreign currency denominated costs will be affected by changes in currency exchange rates. The Company is likely to continue to engage in various transactions in foreign currencies (including, but not limited to, the supply of radioisotopes and clinical trial services to the Company, which currently are paid for by the Company in US dollars) and will therefore potentially be exposed to exchange rate fluctuations, to the extent such exposure is unhedged. This exchange rate exposure may have an adverse effect on the costs incurred by the Company and consequently the Company's overall financial position.

Epidemics and pandemics

In addition to force majeure events, the rapid spread of infectious disease to a large number of people within a short period of time may occur within or outside the countries in which the Company operates. In particular, a pandemic similar in nature to the 2002-03 outbreak of Severe Acute Respiratory Syndrome (SARS), the 2009 swine flu outbreak or COVID-19 outbreak may adversely affect general economic sentiment, the global economy, stock markets and other financial markets. Such events may also impact and delay the Company's ability to undertake clinical trials and cause issues with supplier delivery times. The impact of such delays could negatively impact the Company. The Company is unable to predict the impact that similar events may have on its business, operations and financial results in the future because of the numerous uncertainties created by the unprecedented nature of such events.

Cyber security incident risk

We collect and store sensitive business and other information, including intellectual property and trade secrets, on our networks. Our business operations are dependent upon the secure maintenance of this information. Despite our efforts to secure this information, there can be no assurance that cyberattacks and other threats from malicious persons and groups will not cause harm to or disrupt our business and operations. As a result, cyber security and the continued development and enhancement of our controls, processes and practices designed to protect our information systems from attack, damage or unauthorized access remain a priority for us. We may be required to expend additional resources to protect against cyber threats. A cyber-attack may result in a material adverse effect on our financial position and results of operations and harm our business reputation.

Price of shares

The price at which the Shares may be quoted on the ASX may regularly increase or decrease due to a number of factors. These factors may cause the Shares to trade at prices below the Offer Price. There can be no guarantee that the price of the Shares will increase, or not decrease. Some of the factors which may affect the price of the Shares include:

- the results of clinical trials conducted by the Company;
- the position taken by regulators in relation to the Company's applications for approval of its technology;
- fluctuations in the domestic and international market for listed stocks;
- general economic and geopolitical conditions, including interest rates, inflation rates, exchange rates, commodity and oil prices and wars;
- changes to government fiscal, monetary or regulatory policies, legislation or regulation;
- inclusion in or removal from market indices;
- pandemic risk (including, for example, COVID-19);
- the nature of the markets in which the Company operates; or
- general operational and business risks.

Risk Factors

Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent legal, financial and taxation advice about the consequences of acquiring Shares from a taxation point of view and also generally. To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of applying for Shares under the Offer.

Further changes in tax law, or changes in the way taxation laws are interpreted, may impact the tax liabilities of the Company or the tax treatment of an investor's investment. In particular, both the level and basis of taxation may change. In addition, from time to time, the Australian Taxation Office may review the tax treatment of transactions entered into by the Company. Any actual or alleged failure to comply with, or a change in the application or interpretation of, tax rules that apply to the Company in respect of such transactions could increase its tax liabilities or expose it to legal, regulatory or other actions.

Expected future events may not occur

Certain statements in this Presentation constitute forward-looking statements, opinions and estimates. Such forward-looking statements, opinions and estimates rely on various contingencies and assumptions and involve known and unknown risks, uncertainties and other factors which may cause actual results, performance and achievements to be materially different from any future results, events, performance or achievements expressed or implied in such forward-looking statements, opinions and estimates. The actual performance of the Company or the radiopharmaceuticals or oncology markets may not be as expected and this may have a material adverse impact on the value of the Shares.

Given these uncertainties, prospective investors should not place undue reliance on any forward-looking statement. In addition, under no circumstances should forward-looking statements be regarded as a representation or warranty by the Company or any other person referred to in this Presentation that a particular outcome or future event is guaranteed.

No guarantee in respect of investment

The above list of risk factors should not be viewed as an exhaustive list of the risks faced by the Company or investors in the Company. The above risk factors, as well as other risk factors not specifically referred to above or not yet contemplated by the Company, may affect the financial performance of the Company and the value of the Shares offered under the Offer.

Accordingly, given the above risks and the fact that the Company is a clinical stage company and is not currently generating revenue, an investment in the Company should be regarded as speculative and neither the Company nor any of its Directors or any other party associated with the preparation of this Presentation guarantees that any specific objectives of the Company will be achieved or that any particular value of the Company or of the Shares, including those Shares that are the subject of the Offer, will be achieved. Furthermore, there is no guarantee that the Shares will remain continuously quoted on the ASX, which could materially impact the ability of shareholders to sell their Shares.

Investors should consult their professional advisers (including stockbroker, lawyer, tax adviser, financial adviser or other independent financial adviser) before deciding whether to apply for Shares.

Foreign Selling Restrictions

This Presentation does not constitute an offer of New Shares in Clarity in any jurisdiction in which it would be unlawful. In particular, this Presentation may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: This Presentation has not been, and will not be, registered as a prospectus under the *Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong*, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the *Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong* (the **SFO**). Accordingly, this Presentation may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to “professional investors” (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this Presentation have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Singapore

This Presentation and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Presentation and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the *Securities and Futures Act 2001 of Singapore* (the **SFA**) or another exemption under the SFA.

This Presentation has been given to you on the basis that you are an “institutional investor” or an “accredited investor” (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this Presentation to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

New Zealand

This Presentation has not been registered, filed with or approved by any New Zealand regulatory authority under the *Financial Markets Conduct Act 2013 (NZ)* (**FMCA**).

The New Shares under the Entitlement Offer are not being offered to the public within New Zealand other than to existing shareholders of Clarity with registered addresses in New Zealand to whom the offer of the New Shares is being made in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (NZ)*.

The New Shares under the Placement are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMCA;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMCA;
- is large within the meaning of clause 39 of Schedule 1 of the FMCA;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMCA; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMCA.

4. IMPORTANT ADDITIONAL INFORMATION

4.1 Date of this Retail Offer Booklet

This Retail Offer Booklet is dated 4 April 2024.

Subject to the following paragraphs, statements in this Retail Offer Booklet are made only as of the date of this Retail Offer Booklet (unless otherwise stated) and the information in this Retail Offer Booklet remains subject to change without notice.

4.2 No prospectus

This Retail Offer Booklet (including the ASX Announcement and Investor Presentation set out in Section 3) is issued by Clarity. This Retail Offer Booklet and the Entitlement and Acceptance Form are important documents and require your immediate attention. You should read these documents carefully and in their entirety before deciding whether or not to participate in the Retail Entitlement Offer.

The Retail Entitlement Offer is being made pursuant to the requirements of section 708AA of the Corporations Act as modified by ASIC Instrument 2016/84. Accordingly, neither this Retail Offer Booklet nor the Entitlement and Acceptance Form are required to be lodged or registered with ASIC and no prospectus for the Retail Entitlement Offer will be prepared. These documents do not contain, or purport to contain, all of the information that a prospective investor may require in evaluating an acquisition of New Shares. They do not and are not required to contain all of the information which would be required to be disclosed in a prospectus.

4.3 Availability of Retail Offer Booklet

Shareholders with registered addresses in Australia or New Zealand can obtain a copy of this Retail Offer Booklet during the Retail Entitlement Offer Period by calling the Share Registry on 1300 494 861 (within Australia) +61 1300 494 861 (from outside Australia) from 8.30am and 5.30pm (Sydney, Australia time) Monday to Friday during the Retail Entitlement Offer Period. A copy of the Retail Offer Booklet is also available at www.asx.com.au.

Eligible Retail Shareholders with registered addresses in Australia or New Zealand can access their personalised Entitlement and Acceptance Form and the Retail Offer Booklet from the Retail Entitlement Offer website - <https://events.miraqle.com/cu6-offer>.

4.4 Continuous disclosure

Clarity is a 'disclosing entity' under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules, including the preparation of annual reports and half yearly reports.

Clarity is required to notify the ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the stock markets conducted by the ASX. In particular, Clarity has an obligation under the Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its shares. That information is available to the public from the ASX and can be accessed at www.asx.com.au.

Some documents are required to be lodged with ASIC in relation to Clarity. These documents may be obtained online at ASIC's website www.asicconnect.asic.gov.au, or inspected at an ASIC office.

4.5 No investment advice

The information provided in this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs, and should not be considered to be comprehensive or to comprise all the information which a Shareholder may require in order to determine whether or not to subscribe for New Shares. Clarity is not licensed to provide financial product advice in relation to the Retail Entitlement Offer. If you are in doubt as to the course you should follow, you should consult your stockbroker, accountant or other independent professional adviser before deciding whether to take up your Entitlement.

Prospective investors should conduct their own independent investigation and assessment of the Retail Entitlement Offer and the information contained in, or referred to in, this Retail Offer Booklet. An investment in Clarity is subject to investment risk including possible loss of income and principal invested. You should read the entire ASX Announcement and Investor Presentation set out in Section 3 and other materials sent to you in relation to the Retail Entitlement Offer and any relevant materials lodged with ASX, consider all of the risk factors that could affect the performance of Clarity (including those set out in the 'Risk Factors' section of the Investor Presentation) in light of your particular investment objectives, financial circumstances and investment needs (including financial and taxation issues) and consult your stockbroker, accountant or other independent professional adviser before deciding whether to apply for all or part of your Entitlement.

4.6 Currency

All monetary values are in Australian dollars unless otherwise stated.

4.7 Future performance

Neither Clarity nor any other person warrants or guarantees the future performance of the New Shares or any return on any investment made pursuant to the Retail Entitlement Offer. This Retail Offer Booklet may contain certain 'forward-looking statements'. The words 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan' and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, financial position and performance are also forward-looking statements.

Any forecasts or other forward-looking statements contained in this Retail Offer Booklet are subject to known and unknown risks and uncertainties and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Clarity, and which may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements.

Specific risks and factors that could cause Clarity's performance to differ materially from those described in the forward-looking statements are referred to

below in Section 4.9. You should not place undue reliance on forward-looking statements. Except as required by law or regulation (including the Listing Rules) Clarity undertakes no obligation to update these forward-looking statements.

4.8 Past performance

Past performance information included in this Retail Offer Booklet is provided for illustrative purposes only and should not be relied upon as, and is not, an indication of future performance.

4.9 Risks

The Investor Presentation set out in Section 3.2 details important factors and risks that could affect the financial and operating performance of Clarity. Please refer to the 'Risk Factors' set out in the Investor Presentation. These risk factors are not exhaustive and there are other risks that may impact the Company. The risks associated with Clarity's business and an investment in Clarity were first set out for the market in its IPO prospectus dated 16 July 2021. You should consider these risk factors carefully in light of your personal circumstances, including financial and taxation issues, before making an investment decision in connection with the Retail Entitlement Offer.

4.10 Foreign jurisdictions restrictions and limitations

This Retail Offer Booklet has been prepared to comply with the requirements of the securities laws of Australia and New Zealand.

The New Shares being offered under this Retail Offer Booklet are being offered to Eligible Retail Shareholders in New Zealand in reliance on the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (NZ). This Retail Offer Booklet is not a product disclosure statement under New Zealand law and has not been registered, filed with or approved by any New Zealand regulatory authority, or issued under or in accordance with the *Financial Markets Conduct Act 2013*, or any other relevant law in New Zealand. It may not contain all the information that a product disclosure statement under New Zealand law is required to contain.

In accordance with the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* (NZ), a person who, at the Record Date, was registered as a holder of Shares with a New Zealand address but who, as at the time the Retail Entitlement Offer opens, no longer holds Shares, is not eligible to participate in the Retail Entitlement Offer.

This Retail Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Retail Offer Booklet or the Entitlement and Acceptance Form outside Australia and New Zealand may be restricted by law. If you come into possession of this Retail Offer Booklet or the Entitlement and Acceptance Form you should observe any such restrictions and should seek your own advice on those restrictions. Any failure to comply with such restrictions may contravene applicable securities laws.

This Retail Offer Booklet and anything contained in it does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of, any person in the United States. None of this Retail Offer Booklet, the ASX Announcement and Investor Presentation

reproduced in it nor the Entitlement and Acceptance Form may be distributed to or released in the United States.

The New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. The New Shares may not be offered, sold or resold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. The Entitlements and the New Shares offered in the Retail Entitlement Offer may only be offered and sold outside the United States in compliance with Regulation S under the US Securities Act.

In addition, the New Shares may not be deposited in any unrestricted American depository receipt facility that has been (or may be) established until 40 days after the completion of the Retail Entitlement Offer.

4.11 Underwriting Arrangements and Fees

Clarity has entered into an Underwriting Agreement with Bell Potter Securities Limited (**Underwriter**) and Wilsons Corporate Finance Limited (**Co-JLM**). The Underwriter has agreed to joint lead manage and solely underwrite, while the Co-JLM has agreed to joint lead manage, the Capital Raising, including the Institutional Entitlement Offer and Retail Entitlement Offer in full on the following terms:

- (a) the Underwriter reserves the right, at any time, to appoint sub-underwriters in respect of any part of the Entitlement Offer;
- (b) the Underwriter will be paid:
 - (i) on the Institutional Settlement Date, an advisory and underwriting fee of 2% of the Institutional Offer Proceeds; and
 - (ii) on the Retail Settlement Date, an advisory and underwriting fee of 2% of the Retail Offer Proceeds;
- (c) the Underwriter and the Co-JLM will be paid:
 - (i) on the Institutional Settlement Date, a management fee of 3% of the Institutional Offer Proceeds; and
 - (ii) on the Retail Settlement Date, a management fee of 3% of the Retail Offer Proceeds,

to be split equally between them (ie 50% each); and
- (d) the Underwriter and Co-JLM will also be reimbursed for certain expenses incurred.

As is customary with these types of arrangements, under the terms of the Underwriting Agreement:

- (a) subject to certain carve-outs, Clarity has agreed to indemnify and hold harmless the Underwriter and Co-JLM, their respective affiliates, successors and related bodies corporate and each of their respective directors, officers, agents, employees, representatives and advisers from and against all losses directly or indirectly suffered or incurred in connection with, the Entitlement Offer and the appointment of the Underwriter and the Co-JLM pursuant to the Underwriting Agreement;

- (b) Clarity and the Underwriter and Co-JLM have each given certain representations and warranties in connection with (amongst other things) this Entitlement Offer;
- (c) Clarity has given certain undertakings in connection with (among other things) the Entitlement Offer (and related agreements); and
- (d) the Underwriter and Co-JLM may (in certain circumstances, having regard to the materiality of the relevant event) terminate the underwriting arrangements in accordance with the Underwriting Agreement if one or more specified termination events (summarised below in Section 4.12) occur.

4.12 Termination events for underwriting arrangements

The Underwriter or Co-JLM may terminate the Underwriting Agreement and be released from their respective obligations under it on the occurrence of certain events, including (but not limited to) where any of the following events occur on or before 4.00pm on the Retail Settlement Date or at any other time as specified below:

- (a) **(certificate and new circumstances certificate)** a Certificate or new circumstances certificate which is required to be furnished by the Company under the Underwriting Agreement is not furnished by the time specified or any statement in a Certificate or new circumstances certificate is untrue, inaccurate, incomplete or misleading or deceptive in any material respect;
- (b) **(unable to issue offer shares)** the Company is prevented from issuing the Retail Entitlement Shares within the time required by the Listing Rules, applicable laws, an order of a court of competent jurisdiction or a Government Agency;
- (c) **(offer documents to comply)** the offer documents or any aspect of the Offer does not comply in any material respect with the Corporations Act or the Listing Rules or any other applicable law including due to:
 - (i) a statement in the offer documents being or becoming misleading or deceptive or likely to mislead or deceive in a material respect, or the omission of any information that is required (having regard to the provisions of section 708A and 708AA of the Corporations Act);
 - (ii) any forecasts, expressions of opinion, intention or expectation expressed in the Entitlement Offer and Placement documents, not being, in all material respects, based on reasonable assumptions;
- (d) **(supplementary disclosure):**
 - (i) an obligation arises on the Company to give ASX a notice in accordance with section 708AA(12) of the Corporations Act (as modified by ASIC Instrument 2016/84); or
 - (ii) any adverse events or circumstances occur or become known that would, in the reasonable opinion of the Underwriter and the Co-JLM, have required the Company to give ASX a notice in accordance with section 708AA(12) of the Corporations Act (as modified by ASIC Instrument 2016/84) had the Entitlement Offer Cleansing Statement been lodged on the Announcement Date on the basis of information known at that time;

- (e) (**withdrawal**) the Company withdraws the Entitlement Offer and Placement or any part of them;
- (f) (**corrective notice**) the Company becomes required to give or gives a correcting notice under subsection 708A(9)(c) or 708AA(10) of the Corporations Act other than as a result of a new circumstance arising;
- (g) (**market fall**) the S&P/ASX 200 Index falls by 10% or more below the level of the S&P/ASX 200 Index on the Business Day before the Announcement Date, at the close of trading:
 - (i) for at least 2 consecutive Business Days in the period between (and including) the Announcement Date and the Business Day immediately prior to the Retail Settlement Date;
 - (ii) on the Business Day immediately prior to the Institutional Settlement Date; or
 - (iii) on the Business Day immediately prior to the Retail Settlement Date;
- (h) (**ASIC action**):
 - (i) ASIC applies for an order under sections 1324B or 1325 of the Corporations Act in relation to the Entitlement Offer and Placement or the offer documents or gives notice of an intention to prosecute the Company or any of its directors and any such intention, application or notice becomes public or is not withdrawn within two Business Days after it is made, or where it is made less than two Business Days before the Institutional Settlement Date or Retail Settlement Date, it is not withdrawn before the Institutional Settlement Date or Retail Settlement Date (as applicable);
 - (ii) an application is made by ASIC for an order under Part 9.5 of the Corporations Act in relation to the Entitlement Offer and Placement or the offer documents and such application becomes public or is not withdrawn within two Business Days after it is made, or where it is made less than one Business Day before the Institutional Settlement Date or Retail Settlement Date it has not been withdrawn by the Institutional Settlement Date or Retail Settlement Date (as applicable); or
 - (iii) ASIC commences any investigation or hearing under Part 3 of the *Australian Securities and Investments Commission Act 2001* (Cth) in relation to the Entitlement Offer and Placement or the offer documents and such investigation or hearing becomes public or is not withdrawn within two Business Days after it is commenced, or where it is commenced within one Business Day before the Institutional Settlement Date or Retail Settlement date it has not been withdrawn before the Institutional Settlement Date or Retail Settlement Date (as applicable);
- (i) (**regulatory action**) there is an application to a Government Agency for an order, declaration or other remedy, or a Government Agency commences any investigation or hearing or announces or notifies its intention to do so, in each case in connection with the Entitlement Offer and Placement (or any part of them) or any agreement entered into in respect of the Entitlement Offer and Placement (or any part of them);

- (j) **(legal proceedings)** any of the following occurs:
 - (i) the commencement of material legal proceedings against the Company, any other Group Member or against any director of the Company or any other Group Member in that capacity, or there is a materially adverse development from the perspective of the Company, any other Group Member or any director of the Company or any other Group Member in relation to any existing legal proceedings; or
 - (ii) any regulatory body conducts any new material inquiry or public action against a Group Member or makes, or communicates any intention to make, any materially adverse finding, ruling, order or determination against a Group Member;
- (k) **(change of control)** a transaction is announced (including without limitation a scheme of arrangement, reconstruction or takeover bid under the Corporations Act), whether by the Company or by another person, which, if implemented, would result in a person and their associates acquiring voting power in the Company of 50% or more and which in the opinion of the Underwriter and the Co-JLM has reasonable prospects of success;
- (l) **(listing)** ASX announces that the Company will be removed from the official list or that any Shares will be delisted or suspended from quotation by ASX;
- (m) **(offences by Directors)** other than any proceedings on foot prior to the date of the Underwriting Agreement and previously advised to the Underwriter and the Co-JLM, any of the following occurs:
 - (i) a Director of the Company is charged with an indictable offence;
 - (ii) any Government Agency commences any public action against a Director of the Company or announces that it intends to take any such action; or
 - (iii) any Director of the Company is disqualified from managing a corporation under the Corporations Act;
- (n) **(insolvency)** the Company or another Group Member is insolvent or there is an act or omission which may result in the Company or another Group Member becoming insolvent;
- (o) **(adverse change)** there is a Material Adverse Effect, or an event occurs which is likely to give rise to a Material Adverse Effect;
- (p) **(capital structure)** other than as permitted by the Underwriting Agreement, the Company alters its capital structure or its constitution without the prior written consent of the Underwriter and the Co-JLM (such consent not to be unreasonably withheld or delayed);
- (q) **(ASX approval)** unconditional approval (or conditional approval, provided such condition would not, in the reasonable opinion of the Underwriter and the Co-JLM, have a Material Adverse Effect on the success or settlement of either component of the Offer) by the ASX for official quotation of:
 - (i) in the case of the Shares under the Institutional Entitlement Offer and Placement, is refused, or is not granted, by their respective

allotment dates, or withdrawn on or before the earlier of the allotment date or ASX making an official statement to any person or indicates to the Company or the Underwriter and the Co-JLM that official quotation of the Shares under the Institutional Entitlement Offer and Placement will not be granted; and

- (ii) in the case of the Retail Entitlement Shares, is refused, or is not granted, by the Retail Entitlement Shares allotment date, or withdrawn on or before the earlier of the Retail Entitlement Offer allotment date or ASX making an official statement to any person or indicates to the Company or the Underwriter and the Co-JLM that official quotation of the Retail Entitlement Shares will not be granted; and
- (r) **(Timetable)** any event specified in the timetable is delayed for more than two Business Days without the prior written consent of the Underwriter and the Co-JLM (such consent not to be unreasonably withheld or delayed).

The Underwriter and Co-JLM also have a further right to terminate the Underwriting Agreement and be released from their obligations under it on the occurrence of certain events, including (but not limited to) where any of the following events occurs on or before 4.00pm on the Retail Settlement Date or at any other time as specified below:

- (a) **(disclosures in public information)** the Public Information (as defined in the Underwriting Agreement) includes:
 - (i) a statement which is or becomes misleading or deceptive or likely to mislead or deceive; or
 - (ii) any forecasts, expressions of opinion, intention or expectation which are not based on reasonable assumptions;
- (b) **(disclosures)** any information supplied by or on behalf of the Company to the Underwriter and the Co-JLM is or becomes misleading or deceptive, including by way of omission;
- (c) **(hostilities)** hostilities not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of the United States, Australia, Russia, Ukraine, New Zealand, the United Kingdom, North Korea, South Korea, the People's Republic of China, Japan, Singapore, Iran, Israel or a member state of the European Union or the declaration by any of these countries of a national emergency or war or a major terrorist act is perpetrated anywhere in the world;
- (d) **(change of law)** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State of Australia, or any Federal or State authority of Australia adopts or announces a proposal to adopt, a new policy (other than a law or policy which has been announced before the date of the Underwriting Agreement), any of which does or is likely to prohibit or regulate the Entitlement Offer or Placement, capital issues or stock markets or adversely affect the Group or investors in it;
- (e) **(compliance with regulatory requirements)** a contravention by the Company or another Group Member of the Corporations Act, its constitution, the Listing Rules or any other applicable law;

- (f) **(material financing arrangements)**
 - (i) any Group Member breaches or defaults under any provision, undertaking, covenant or ratio of any material financing arrangement; or
 - (ii) an event of default, potential event of default or review event which gives a lender or financier the right to accelerate or require repayment of the debt or financing or other similar event occurs under or in respect of any material financing arrangement;
- (g) **(breach)** the Company fails to perform or observe any of its obligations under the Underwriting Agreement;
- (h) **(misrepresentation)** a representation or warranty made or given by the Company under the Underwriting Agreement proves to be, or has been, or becomes, untrue or incorrect;
- (i) **(market or trading disruption)** there is:
 - (i) a suspension or material limitation in trading in securities generally or any adverse change or disruption to the existing financial markets or political or economic conditions of Australia, Japan, Hong Kong, Singapore, South Korea, the People's Republic of China, the United Kingdom, the United States of America, a member state of the European Union, or the international financial markets or any change in national or international political, financial or economic conditions;
 - (ii) a general moratorium on commercial banking activities is declared by the relevant central banking authority in any of the countries referred to above; or
 - (iii) any adverse change or disruption to the existing financial markets or political or economic conditions of Australia, Japan, Hong Kong, Singapore, South Korea, the People's Republic of China, the United Kingdom, the United States of America, a member state of the European Union or the international financial markets or any change in national or international political, financial or economic conditions;
- (j) **(change in management)** a change in:
 - (i) the chief executive officer; or
 - (ii) the chief financial officer,

of the Company or in the board of directors of the Company is announced or occurs without the Underwriter's or the Co-JLM's prior written consent;
- (k) **(adverse change)** there is an adverse change, or an event, occurs which is likely to give rise to an adverse impact of an amount equal to or greater than 10% of the assets, liabilities, revenue, profits, operations or prospects of Group when compared to what the assets, liabilities, revenue, profits, operations or prospects of Group would have been if not for that adverse change or event;
- (l) **(new circumstances)** in the reasonable opinion of the Underwriter and the Co-JLM, a new circumstance arises that would have been required to

be disclosed in the Entitlement Offer and Placement documents had it arisen before the Entitlement Offer and Placement documents were lodged with ASX; and

- (m) **(due diligence committee report)** the due diligence committee report or any other information supplied in writing by or on behalf of the Company to the Underwriter and the Co-JLM in relation to the Group or the Entitlement Offer and Placement is misleading or deceptive (including by omission).

4.13 Shares and voting power of Directors

The Directors intend to participate in the Entitlement Offer in accordance with the below table. The Entitlements shown assume that none of the options (if any) held by a Director are exercised prior to the Record Date.

Director	Shares held as at Record Date	Voting Power held as at Record Date (%)	Approximate Entitlement to subscribe for New Shares under the Entitlement Offer ⁽¹⁾	New Shares intended to be applied for under the Entitlement Offer ⁽²⁾
Dr Alan Taylor	14,066,660 ⁽³⁾	5.35	426,263	0
Dr Colin Biggin	1,801,304 ⁽⁴⁾	0.68	54,585	0
Robert Thomas	1,125,000 ⁽⁵⁾	0.43	34,091	34,091
Rosanne Robinson	0	0.00	0	0
Dr Chris Roberts	17,911,280 ⁽⁶⁾	6.81	542,767	0
Dr Thomas Ramdahl	520,000 ⁽⁷⁾	0.20	15,758	0

¹ The Entitlement shown assumes that none of the options (if any) held by a Director are exercised prior to the Record Date.

² Reflects the Director's current intention regarding participation.

³ Shares are held indirectly through Sally Taylor (spouse) (800,000) and indirectly through A.C.N. 136 437 913 Pty Ltd ATF the Taylor Family Trust (13,266,660).

⁴ Shares are held directly (1,801,304).

⁵ Shares are held directly (550,000) and indirectly through Stornoway Nominees Pty Ltd ATF R. Thomas Pension Fund (300,000), Murtoa Flour Mills Pty Ltd (250,000) and The Tony McCullough Foundation (25,000).

⁶ Shares are held indirectly through Cabbit Pty Ltd (ATF Robwill Trust) (17,911,280).

⁷ Shares are held directly (520,000).

4.14 Privacy

If you complete an Entitlement and Acceptance Form and apply for New Shares, you will be providing personal information to Clarity, its agents, contractors and

third-party service providers. Clarity, its agents, contractors and third-party service providers will collect, hold and use that information to assess your Application, carry out the administration of your Shareholding, service your needs as a Shareholder and facilitate corporate communications.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, print service providers, mail houses and the Share Registry.

Failure to provide the required personal information may mean that your Application is not able to be processed efficiently, if at all.

You may request access to your personal information held by (or on behalf of) Clarity and by the Share Registry. You can request access to, or the updating of, your personal information by telephoning or writing to Clarity or the Share Registry using the details shown in the Corporate Directory of this Retail Offer Booklet.

The collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) and the Corporations Act.

4.15 Receiving the Retail Entitlement Offer materials

Those Eligible Retail Shareholders that have not elected to receive communications electronically will receive a hard copy of this Retail Offer Booklet, together with a letter and a personalised Entitlement and Acceptance Form in the post.

Those Eligible Retail Shareholders that have elected to receive communications electronically will receive an email, together with links to access the Retail Offer Booklet and a personalised Entitlement and Application Form electronically.

All Eligible Retail Shareholders may also access a copy of the Retail Offer Booklet and a personalised Entitlement and Acceptance Form at <https://events.miraqle.com/cu6-offer>.

4.16 Authorisations and Disclaimers

This Retail Offer Booklet is issued by, and is the sole responsibility of, Clarity.

None of the parties referred to in the Corporate Directory of this Retail Offer Booklet (other than Clarity) has:

- (a) authorised or caused the issue of this Retail Offer Booklet; or
- (b) made or authorised the making of any statement that is included in this Retail Offer Booklet or any statement on which a statement in this Retail Offer Booklet is based.

To the maximum extent permitted by law, each of the parties referred to in the Corporate Directory of this Retail Offer Booklet (other than Clarity) expressly disclaims and takes no responsibility for any statements in or omissions from this Retail Offer Booklet.

The information contained in this Retail Offer Booklet is of a general nature and has been prepared by Clarity in good faith and with due care but no representation or warranty, express or implied, is provided in relation to the

accuracy or completeness of the information. No person is authorised to give any information or make any representation in connection with the Retail Entitlement Offer which is not contained in this Retail Offer Booklet. Any information or representation not so contained may not be relied upon as being authorised by Clarity or any person associated with it in connection with the Retail Entitlement Offer.

4.17 Governing law

This Retail Offer Booklet, the Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the law applicable in New South Wales, Australia. Each Shareholder who applies for New Shares submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

5. ELIGIBLE RETAIL SHAREHOLDER DECLARATIONS

By returning a completed Entitlement and Acceptance Form and/or paying any Application Monies for New Shares via BPAY® or other method approved by Clarity under Section 2.4, you will be deemed to have made the following declarations, representations and warranties to Clarity, namely, that you are an Eligible Retail Shareholder and that you:

- (a) acknowledge that you have read this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form in their entirety;
- (b) agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Retail Offer Booklet and Clarity's constitution;
- (c) authorise Clarity to register you as the holder(s) of the New Shares allotted to you;
- (d) declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (e) declare you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- (f) acknowledge that once Clarity receives the Entitlement and Acceptance Form and/or any payment of Application Monies, you may not withdraw your Application or the funds provided, except as allowed by law;
- (g) apply for the number of New Shares specified in the Entitlement and Acceptance Form, and/or for which you have submitted payment of any Application Monies, at the Offer Price per New Share;
- (h) agree to be issued up to the number of New Shares that you have applied for;
- (i) authorise Clarity, the Underwriter and Co-JLM, the Share Registry and their respective officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Entitlement and Acceptance Form;
- (j) declare that you are the current registered holder of Existing Shares and are a resident of Australia or New Zealand;

- (k) acknowledge that the information contained in this Retail Offer Booklet and the Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs, and is not a prospectus, does not contain all of the information that you may require in order to assess an investment in Clarity and is given in the context of Clarity's past and ongoing continuous disclosure announcements to ASX;
- (l) represent and warrant that the law of any other place does not prohibit you from being given this Retail Offer Booklet and the Entitlement and Acceptance Form, nor does it prohibit you from making an Application for, and being issued, New Shares;
- (m) acknowledge the statement of risks in the 'Risk Factors' set out in the Investor Presentation, and that investments in Clarity are subject to investment risk;
- (n) acknowledge that none of Clarity nor the Underwriter and Co-JLM nor any of their respective related bodies corporate or affiliates nor any of their respective directors, officers, employees, agents, consultants or advisors, guarantees the performance of Clarity nor do they guarantee the repayment of capital;
- (o) represent and warrant (for the benefit of Clarity, the Underwriter and Co-JLM and their respective related bodies corporate and affiliates and their respective directors, officers, employees, agents, consultants, or advisors) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are not an Ineligible Institutional Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer;
- (p) acknowledge and agree that determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer was determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Clarity and/or the Underwriter and Co-JLM, and each of Clarity, the Underwriter and Co-JLM and their respective related bodies corporate and affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion to the maximum extent permitted by law;
- (q) represent and warrant that you are not in the United States and are not acting for the account or benefit of a US Person;
- (r) acknowledge that the New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdictions of the United States, and, accordingly, the New Shares may not be offered, sold or resold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws;
- (s) agree not to send this Retail Offer Booklet, the Entitlement and Acceptance Form or any other material relating to the Entitlement Offer to any person in the United States or that is acting for the account or benefit of a person in the United States;
- (t) agree that if in the future you decide to sell or otherwise transfer the New Shares you will only do so through transactions on the ASX where neither you nor any person acting on your behalf knows, or has reason to know,

that the sale has been pre-arranged with, or that the purchaser is, in the United States;

- (u) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Retail Offer Booklet, the Entitlement and Acceptance Form or any information or materials relating to the Retail Entitlement Offer to any such person; and
- (v) agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date.

6. GLOSSARY

In this Retail Offer Booklet the following terms have the following meanings unless the context requires otherwise:

Term	Definition
\$ or A\$ or dollars	Australian dollars
Announcement Date	the date that the Capital Raising was announced, being Tuesday, 26 March 2024
Applicant	a person who has delivered an Application
Application	an application to subscribe for New Shares under the Retail Entitlement Offer by completing the Entitlement and Acceptance Form and returning it together with the Application Monies or by paying the Application Monies
Application Monies	monies received from Applicants in respect of their Applications
ASIC	Australian Securities and Investments Commission
ASIC Instrument 2016/84	<i>ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84</i>
ASX	ASX Limited (ABN 98 008 624 691) or the financial products market operated by that entity known as the Australian Securities Exchange
ASX Announcement	the announcement released to ASX on Tuesday, 26 March 2024 in connection with the Capital Raising, a copy of which is set out in Section 3.1
Board	the Board of Directors of Clarity
Business Day	a day that is not a Saturday, Sunday or a public holiday in Sydney, Australia
Capital Raising	the Entitlement Offer and the Placement
Certificate	<p>a certificate signed by two Directors or a Director and a company secretary of the Company, which certifies to the Underwriter and Co-JLM as at the date of the certificate that to the best of those persons' knowledge and information after due enquiry, other than as disclosed in the certificate:</p> <p>(a) the Company has complied with all obligations on its part to be performed as at the date of the certificate:</p> <p>(i) under the Underwriting Agreement; and</p> <p>(ii) in respect of the Entitlement Offer under statute or otherwise;</p> <p>(b) none of the termination events set out in clause 11 of the</p>

Term	Definition
	Underwriting Agreement have occurred; and (c) the representations and warranties set out in clause 8.1 of the Underwriting Agreement are true and correct
Clarity or Company	Clarity Pharmaceuticals Ltd (ACN 143 005 341)
Co-JLM	Wilson's Corporate Finance Limited (ABN 65 057 547 323, AFSL 238 383) as a joint lead manager to the Capital Raising
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Directors	the directors of Clarity
Eligible Institutional Shareholder	an Institutional Shareholder: (a) to whom Listing Rule 7.7.1(a) does not apply; and (b) who has successfully received an offer under the Institutional Entitlement Offer (as the Underwriter determines)
Eligible Retail Shareholder	as defined in Section 2.1
Entitlement	the entitlement of an Eligible Retail Shareholder to subscribe for one (1) New Share for every thirty three (33) Existing Shares held at the Record Date
Entitlement and Acceptance Form	the Entitlement and Acceptance Form accompanying this Retail Offer Booklet upon which an Application can be made
Entitlement Offer	the pro rata accelerated non-renounceable entitlement offer to eligible Shareholders in the proportion of one (1) New Share for every thirty three (33) Existing Shares held on the Record Date at the Offer Price, and comprised of the Institutional Entitlement Offer and the Retail Entitlement Offer
Entitlement Offer Cleansing Statement	a notice in respect of the Entitlement Offer which complies with subsections 708AA(2)(f) and 708AA(7) of the Corporations Act (as modified by ASIC Instrument 2016/84)
Existing Share	a Share on issue immediately before the Record Date
Group	the Company, its related bodies corporate and any entity that the Company controls for the purpose of section 50AA of the Corporations Act or any other entity which is consolidated in the consolidated financial statements of the Company
Group Member	the Company and any other company, trust or other entity included in the Group
Government Agency	any governmental, semi-governmental, administrative, judicial or quasijudicial body, department, commission,

Term	Definition
	authority, tribunal, agency or entity, including but not limited to ASX, ASIC, AUSTRAC, ACCC and the Takeovers Panel
Ineligible Institutional Shareholder	an Institutional Shareholder: <ul style="list-style-type: none"> (a) who has a registered address outside Australia and New Zealand; (b) to whom Listing Rule 7.7.1(a) applies; and (c) who in the absence of Listing Rule 7.7.1(a) would have been an Eligible Institutional Shareholder
Ineligible Retail Shareholder	a Shareholder that is not an Eligible Retail Shareholder
Institutional Bookbuild	the bookbuild sale process conducted after completion of the Institutional Entitlement Offer, as described in Section 1.3
Institutional Entitlement Offer	the offer of Shares to Eligible Institutional Shareholders as part of the Entitlement Offer, as described in Section 1.3
Institutional Investor	a person: <ul style="list-style-type: none"> (a) in Australia to whom an offer of shares in a company may be made in Australia without a disclosure document (as defined in the Corporations Act) on the basis that such a person is an 'exempt investor' as defined section 9A(5) of the Corporations Act (as inserted by ASIC Instrument 2016/84); or (b) in selected jurisdictions outside Australia, to whom an offer of Shares may be made without registration, lodgement of a formal disclosure document or other formal filing in accordance with the laws of that foreign jurisdiction (except to the extent to which Clarity, in its absolute discretion, is willing to comply with such requirements)
Institutional Offer Acceptance Shares	the Institutional Offer Shares for which valid applications are received by the Company or the Joint Lead Managers on behalf of the Company in accordance with the Institutional Entitlement Offer
Institutional Offer Proceeds	the aggregate of: <ul style="list-style-type: none"> (a) the Offer Price multiplied by the total of the number of Institutional Offer Acceptance Shares and the number of Institutional Offer Shortfall Shares (in respect of the Entitlement Offer only); and (b) the Offer Price multiplied by the total of the number of Institutional Offer Acceptance Shares and the number of Institutional Offer Shortfall Shares (in respect of the Placement only)
Institutional Offer Shares	the new Shares to be offered under the Entitlement Offer to Institutional Shareholders and Institutional Investors and the new Shares to be offered to Institutional Investors under the Placement, and includes the Institutional Shortfall Shares

Term	Definition
Institutional Offer Shortfall Shares	the number of Institutional Offer Shares less the number of Institutional Offer Acceptance Shares.
Institutional Settlement Date	the date on which settlement occurs for the Institutional Entitlement Offer
Institutional Shareholder	a Shareholder at the Record Date who is an Institutional Investor
Investor Presentation	the presentation released to ASX on Tuesday, 26 March 2024 in connection with the Entitlement Offer, a copy of which is set out in Section 3.2
Joint Lead Managers	the Underwriter and the Co-JLM
Listing Rules	the official listing rules of ASX, as amended or replaced from time to time and as waived in respect of Clarity by ASX
Material Adverse Effect	<p>a material adverse change or effect in:</p> <p>(a) the general affairs, business, operations, assets, liabilities, financial position or performance, profits, losses, prospects, earnings position, shareholders equity, or results of operations of the Group or otherwise (taken as a whole) from that disclosed in the Entitlement Offer and Placement documents; or</p> <p>(b) the success, marketing or settlement of the Offer, and for the avoidance of doubt, an adverse change in the revenues or expenses, assets or liabilities of the Group, or an event which is reasonably likely to lead to such an adverse change, of an amount equal to or greater than 10% of the respective level as set out in the Group's financial statements for the period ended 30 June 2023 or when compared to the relevant level which would have been achieved for the twelve months ending 30 June 2024 if not for the adverse change, will be considered a Material Adverse Effect</p>
New Shares	the Shares offered under the Retail Entitlement Offer
Offer	the Placement and the Entitlement Offer
Offer Price	\$2.55 per New Share
Placement	the placement of Shares to Institutional Investors at the Offer Price, to raise approximately \$101 million (before costs), the results of which were announced by the Company on Thursday, 28 March 2024
Record Date	the time and date for determining which Shareholders are entitled to an Entitlement under the Entitlement Offer, being 7.00pm (Sydney, Australia time) on Thursday, 28 March 2024

Term	Definition
Retail Acceptance Shares	the Retail Entitlement Shares for which valid Applications are received by the Underwriter on behalf of the Company
Retail Closing Date	the last date for Eligible Retail Shareholders to lodge an Application, being 5.00pm (Sydney, Australia time) on Friday, 19 April 2024 (subject to change)
Retail Entitlement Offer	the offer of New Shares to Eligible Retail Shareholders as part of the Entitlement Offer as described in Section 1.2
Retail Entitlement Offer Period	the period commencing on the opening date of the Retail Entitlement Offer, being Thursday, 4 April 2024, and ending on the Retail Closing Date
Retail Entitlement Shares	the New Shares to be offered, or allotted and issued to Eligible Retail Shareholders, at the Offer Price under the Retail Entitlement Offer
Retail Offer Booklet	this booklet dated 4 April 2024
Retail Offer Proceeds	the number of Retail Acceptance Shares multiplied by the Offer Price
Retail Settlement Date	the date on which settlement occurs for the Retail Entitlement Offer
Section	a section of this Retail Offer Booklet
Share	a fully paid ordinary share in Clarity
Shareholder	the registered holder of a Share
Shareholding	the shares held by a Shareholder
Share Registry	Link Market Services Limited
Top Up Shares	any additional shares issued by Clarity as part of a reconciliation process as described in Section 1.5
Underwriter	Bell Potter Securities Limited (ACN 006 390 722, AFSL 243480), the sole underwriter and joint lead manager and bookrunner for the Capital Raising
Underwriting Agreement	the underwriting agreement dated 26 March 2024 between Clarity and the Joint Lead Managers, as described in Section 4.11
US Person	has the meaning set out in Rule 902(k) of the US Securities Act

Term	Definition
US or United States	United States of America, its territories and possessions, any state of the United States and the District of Columbia
US Securities Act	<i>U.S. Securities Act of 1933</i> , as amended from time to time