

ASX Announcement | 3 June 2024 AdAlta Limited (ASX:1AD)

\$1.9 million raised from exercise of 1ADOA options

The new funds provided give AdAlta enhanced financing flexibility as it advances strategic partnerships

Investment highlights

- \$1.9 million of new equity raised from the exercise of listed 1ADOA options
- The options were exercised at a 20% premium to closing price on 29 May 2024
- Option exercise led by an existing major shareholder
- Proceeds from the exercised options will provide further strategic flexibility for AdAlta to:
 - Advance strategic partnerships
 - Maximise benefits of other funding sources

AdAlta Limited (ASX:1AD) (“AdAlta” or “the Company”) is pleased to announce that it raised a total of \$1.9 million in new equity from the exercise of the Company’s listed 1ADAO options.

AdAlta CEO and Managing Director, Tim Oldham said: "We are thrilled by the vote of confidence in our strategy exhibited by the option holders who exercised their 1ADOA options. I wish in particular to acknowledge the substantial investment by existing major shareholder Stuart Morris. This is another example of the strong support we have from major, long-term shareholders."

The new equity flowing from the exercised options means AdAlta now has the funding needed to materially advance its AdSolis, AdCella and discovery programs into the second half of calendar 2024. And it also provides the Company with increased flexibility over the timing of any further drawdowns from the tranching institutional investments announced in April 2024. We now look forward to further AdSolis and AdCella milestones in the months ahead."

Exercised options increase AdAlta shareholders’ equity by \$1.9 million

In 2023 AdAlta issued 173,075,186 options as part of private placements and entitlement offers (**1ADOA Options**). These options had an exercise price of \$0.03 per share, and an expiry date of 29 May 2024.

At the expiry date, 62,570,306 (36.2%) options were exercised, raising \$1,877,109 at a 20% premium to the closing price of AdAlta shares on 29 May 2024 of \$0.025 per share. The new equity generated by these exercised options included an investment of \$1.8 million made by an entity associated with Stuart Morris, one of AdAlta’s top 5 shareholders. As a result of this investment, Mr Morris increased his holding in AdAlta to 16.36%.¹

¹ See Form 604 Notice of change of interest of a substantial holder lodged today

New equity will fund partnering strategies; increase financial flexibility

The new equity flowing from the exercise of these options will help finance near-term transaction opportunities and internal development programs across AdAlta's three priority areas:

- **AdSolis:** partnering and third-party investment to progress AD-214 into Phase II clinical trials for Idiopathic Pulmonary Fibrosis (IPF)
- **AdCella:** accelerating due diligence towards in-licensing a pipeline of Asian originated, clinical stage cellular immunotherapies
- **Discovery:** evaluating opportunities to maximise the productivity of AdAlta's discovery programs and processes.

The new funding generated by the exercised options has also enhanced AdAlta's look-ahead funding strategy. As a consequence of this additional equity, AdAlta now has increased flexibility over the timing of optional drawdowns under the recently announced investment agreements with New Life Sciences Capital, LLC (up to \$3 million) and existing shareholder the Meurs Group (up to \$0.7 million).² To date, the Company has accessed an initial investment of \$1.2 million of the total \$3.7 million available via these agreements.

For the opportunity to engage in a virtual discussion see: <https://investorhub.adalta.com.au/link/DP4Aqy>

This ASX announcement has been authorised for release by the Board of AdAlta Limited (ASX:1AD).

For further information, please contact:

AdAlta Limited (ASX:1AD)

Tim Oldham
CEO & Managing Director
P: +61 3 9479 5159
E: t.oldham@adalta.com.au

Media & Investor Enquiries

The Capital Network
Lelde Smits
P: +61 2 8999 3699
E: lel@thecapitalnetwork.com.au

About AdAlta Limited

AdAlta Limited (ASX:1AD) is a clinical stage drug development company headquartered in Melbourne, Australia. The Company is using its proprietary i-body[®] technology platform to solve challenging drug targeting problems and generate a promising new class of single domain antibody-enabled protein and cell therapeutics with the potential to treat some of today's most challenging medical conditions.

The i-body[®] technology creates a range of unique proteins capable of interacting with high selectivity, specificity and affinity with previously difficult to access targets such as G-protein coupled receptors (GPCRs) that are implicated in many serious diseases. i-bodies are the first fully human single domain antibody scaffold and the first based on the shark motif to reach clinical trials.

AdAlta's strategy is to maximise the products developed using its next generation i-body[®] platform by discovering and developing selected i-body[®]-enabled product candidates useful in fibrosis, inflammation and cancer; and partnering with other biopharmaceutical companies to develop these and other product candidates in a range of indications and product formats

AdAlta's current lead i-body[®] enabled candidate is AD-214, which is taking a wholly new approach to treat lung fibrosis (IPF) and other fibrotic diseases. In accord with its business model, AdAlta is creating a private, unlisted subsidiary called AdSolis to advance AD-214 into Phase II clinical trials through licensing and/or third-party investment.

AdAlta believes that the i-body[®] technology is ideally suited for use in the creation of advanced cellular immunotherapies for cancer and that this field represents an opportunity to expand its clinical stage pipeline.

² See ASX announcement dated 29 April 2024).

It has entered a Memorandum of Understanding with SYNthesis BioVentures to investigate the formation of a jointly owned entity, to be called AdCella, that, once established, will provide innovative cellular immunotherapies originating in Asia with a pathway to western regulated markets via Australian clinical trials and further enhancement with AdAlta's i-body® technology.

The Company is also entering collaborative discovery partnerships to advance the development of its i-body® platform. It has a collaboration with Carina Biotech to codevelop precision engineered, i-body® enabled CAR-T cell therapies (i-CAR-T) to bring new hope to patients with cancer. It has an agreement with GE Healthcare to co-develop i-bodies as diagnostic imaging agents (i-PET imaging) against Granzyme B, a biomarker of response to immuno-oncology drugs, a program now in preclinical development.

For more information



Join our [InvestorHub](#)



Follow us on [Twitter](#)



Follow us on [LinkedIn](#)

To learn more about AdAlta please click here: www.adalta.com.au