

ASX ANNOUNCEMENT

KEY MANAGEMENT CONTRACTS EXTENDED

- Dr Ian Dixon and Exopharm have extended his employment contract as Managing Director and Chief Executive Officer
- Exopharm has extended the contract with Cobblestones to continue to provide company secretarial and other services.

27 November 2019

Melbourne, Australia: Regenerative medicine company Exopharm Limited (ASX:EX1) has extended the employment of Dr Ian Dixon as its Managing Director and Chief Executive Officer.

Dr Dixon is the founder of Exopharm and has been employed as Managing Director and CEO of the Company since 1 May 2018 on an initial two-year Executive Services Contract.

Exopharm sought to extend employment of Dr Dixon to ensure continuity of service.

Details of Dr Dixon's new employment agreement are included in Appendix A.

Company secretarial services have been provided to Exopharm by David Parker and Cobblestones since 2018 under a consulting agreement. Exopharm sought to extend the services agreement with Cobblestones to reflect the growth of the company's operations and reporting demands.

Details of the revised Cobblestones agreement are included in Appendix B.

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ABOUT EXOPHARM

Exopharm Limited (ASX:EX1) is a clinical-stage Australian regenerative medicine company developing therapeutic exosome products as alternatives to stem-cell therapies.

Exosomes are small particles naturally produced by cells, which deliver therapeutic 'cargoes' to other cells to reduce inflammation and promote regeneration. Exosomes are plentiful in our youth but decline with age. Recent research points to exosomes as a way to extend the number of healthy, functional years (extending health span).

Exosomes secreted by stem cells could be used instead of stem-cell therapy with equal or greater benefit – and without the problems of stem-cell therapies. They could be used to deliver targeted 'novel' drugs and have potential as diagnostics.

While trillions of exosomes are produced by stem cells, the real challenge is to 'purify' them as drug products. Exopharm owns a purification technology called Ligand-based Exosome Affinity Purification (LEAP). LEAP technology and associated know-how places Exopharm at the forefront of this emerging field worldwide. Exopharm is at clinical stage with pending and current trials for wound healing, dry aged-related macular degeneration and osteoporosis.

Exopharm was founded in 2013 by Dr Ian Dixon, co-founder of the ASX-listed stem-cell therapy developer Cynata Therapeutics. He was also a director of Cell Therapies, which produced adult stem cells for ASX-listed stem cell company Mesoblast. Exopharm listed on the ASX in December 2018.

FORWARD LOOKING STATEMENTS

This announcement contains forward-looking statements which incorporate an element of uncertainty or risk, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets', 'aims', 'plans' or 'expects'. These statements are based on an evaluation of current corporate estimates, economic and operating conditions, as well as assumptions regarding future events. These events are, as at the date of this announcement, expected to take place, but there cannot be any guarantee that such events will occur as anticipated or at all given that many of the events are outside of Exopharm's control or subject to the success of the Development Program. Furthermore, the Company is subject to many risks as disclosed in the Prospectus dated 6 November 2018.

Inherent risks of Investment in Biotechnology Companies

There are a number of inherent risks associated with the development of biopharmaceutical products to a marketable stage. The lengthy clinical trial process is designed to assess the safety and efficacy of a drug prior to commercialisation and a significant proportion of drugs fail one or both of these criteria. Other risks include uncertainty of patent protection and proprietary rights, whether patent applications and issued patents will offer adequate protection to enable product development, the obtaining of necessary drug regulatory authority approvals and difficulties caused by the rapid advancements in technology. Companies such as Exopharm are dependent on the success of their research and development projects and on the ability to attract funding to support these activities. Investment in research and development projects cannot be assessed on the same fundamentals as trading and manufacturing enterprises. Therefore, investment in companies specialising in drug development must be regarded as highly speculative. Exopharm strongly recommends that professional investment advice be sought prior to such investments.

Appendix A:

Employment details: Dr Ian Dixon

Topic	Description
Full name:	Dr Ian Dixon
Employment type:	Ongoing standard employment agreement based on 0.8 full time equivalent
Role title:	Managing Director and Chief Executive Officer
Base Remuneration:	<ul style="list-style-type: none">• Base remuneration: \$280,000 per annum (inclusive of Superannuation)
Bonus Remuneration:	<ul style="list-style-type: none">• Annual Bonus 1: At-risk annual Cash bonus for first 12 months of up to \$80,000 (inclusive of Superannuation) based on achievement of key performance indicators (KPIs) monitored by the board; and• Annual Bonus 2: At-risk annual Share bonus for first 12 months of up to 200,000 shares (FPO) (issued to employee with no further tax or other charges owing [i.e. after tax]) based on achievement of KPIs to be monitored by the board.
Termination Clause:	With 6 months' notice by either party
Other:	Other clauses as per Exopharm's standard employment agreement.

Appendix B:

Company Secretary Contract

Topic	Description
Contract Type:	Company Secretary consulting services contract with Cobblestones Advisory Pty Ltd (Cobblestones), a related party of David Parker.
Key Rates:	<ul style="list-style-type: none">• \$150 per hour for Company Secretary and CFO services;• \$75 per hour for Book-keeping and Accounting services
Period:	Monthly, ongoing.
Termination Clause:	With 3 months' notice by either party
Other:	Other clauses as per a standard consultancy agreement.