ASX ANNOUNCEMENT

Exopharm to Receive over $2.7 million in Prepayment of R&D Tax Incentive Claim

16 June 2022, Melbourne, Australia

Exopharm Limited (ASX:EX1) is pleased to advise that it has entered into a non-dilutive cash loan agreement with Radium Capital (Radium), providing early access to a significant part of the Research and Development (R&D) tax incentive for FY 2021-2022.

The Radium cash facility provides Exopharm with immediate funds equivalent to 80% of its accrued R&D tax incentive for the period 1 July 2021 – 30 April 2022. The cash advance of $2,729,305 was based on eligible R&D tax incentive expenditure that has been verified by an independent accounting firm.

Dr Ian Dixon, CEO & Managing Director of Exopharm said "This cash advance provides the Company with additional runway. This standard loan facility provides us a significant non-dilutive cash injection and is in line with our Business Update on 30 May 2022. These types of facilities are a common feature of the biotechnology scene in Australia."

The advance from the Radium facility is expected in the next week, with the facility accruing interest at the compounded rate of 1.25% per month, and repayment timed to coincide with the receipt of the Company's 2022 R&D tax incentive refund, expected by 30 September 2022.

This announcement has been authorised for release by the Managing Director.

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ABOUT EXOPHARM

Exopharm (ASX:EX1) is at the forefront of transformative medicines using exosomes or extracellular vesicles (EVs) and is pursuing a product pipeline-driven platform strategy.

Exosomes can be loaded with a variety of active pharmaceutical ingredients (APIs) and can be targeted to selected cell-types and tissue types, improving the safety-profile of the APIs and providing better treatments.

Exosome delivery of DNA and other gene therapies into the nucleus of the patient's cells may improve treatment of inherited medical conditions. Exosomes can also be used to deliver small molecule drugs, mRNA and other modern medicines.

Exosomes are an alternative means of drug delivery inside the body, alongside technologies such as lipid nanoparticles (LNP), cell- penetrating peptides, viral vectors and liposomes. Exopharm's exosome technologies solve important needs for the success of exosome medicines – **LEAP** manufacturing technology, **LOAD** API loading technologies and **EVPS** tropism technologies.

Exopharm technology platforms will underpin its own pipeline of exosome medicines – each aimed at delivering a transformative medicine for an unmet medical need.

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', 'can' 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 several risks as disclosed in the Prospectus dated 6 November 2018.