

ASX Announcement

Melbourne, Australia, 23 March 2023

Exopharm Limited announces Non-Renounceable Pro Rata Rights Issue

Genetic medicine and exosome-based drug-delivery company Exopharm Limited (ASX:EX1) is pleased to announce a pro rata non-renounceable entitlement offer on the basis of one new fully paid ordinary share in the Company (**Offer Share**) for every one existing ordinary share in the Company (**Share**) held as at 5:00 pm (AEDT) on 28 March 2023 (**Record Date**) for an issue price of \$0.01 per Offer Share (**Issue Price**) to raise up to \$1.57 million before costs (**Entitlement Offer**).

The Issue Price for the Entitlement Offer is \$0.01, a 33.3% discount to the closing price of the Company's shares on Wednesday, 22 March 2023, being the last trading day before the announcement of the Entitlement Offer.

The Entitlement Offer is not underwritten.

The maximum number of Offer Shares that can be issued under the Entitlement Offer is 157,211,533 (subject to rounding). Offer Shares issued under the Entitlement Offer will rank equally with existing ordinary shares in the capital of the Company.

The Entitlement Offer will be available to shareholders who, as at the Record Date, have a registered address in Australia or New Zealand or are shareholders that the Company has otherwise determined are eligible to participate in the Entitlement Offer (**Eligible Shareholders**). *Please note, as outlined in the 'Key Dates' table below, that the Ex-date for the Entitlement Offer is Monday 27th March 2023.*

Shareholders who are not Eligible Shareholders are not eligible to participate in the Entitlement Offer (**Ineligible Shareholders**).

Eligible Shareholders who have taken up their full Entitlement may also subscribe for additional Offer Shares (**Additional Shares**) in excess of their Entitlement from a pool of those Entitlements not taken up by other shareholders of the Company at the Issue Price (**Shortfall Facility**). There is no guarantee that applicants for Additional Shares will receive all or any of the Additional Shares they apply for. The issue of Additional Shares from the Shortfall Facility in response to applications from Eligible Shareholders will depend on there being sufficient New Shares forming the Shortfall Facility available after all valid acceptances of entitlements under the Rights Issue are fulfilled. Subject to scale back in the case of oversubscriptions as described below and compliance with applicable law, the Company will accept all valid applications for New Shares from the Shortfall Facility that are received from unrelated Eligible Shareholders. If the Rights Issue is oversubscribed due to the Company

receiving subscriptions from Eligible Shareholders under the Rights for more additional New Shares than the number available under the Shortfall Facility, the Company will scale back applications for New Shares from the Shortfall on the basis of giving priority to applications which increase holdings to more than a marketable parcel, then having regard to the applicant's holding as at the Record Date pro-rata to the holdings as at the Record Date of other applicants for additional New Shares.

Mr Watson, Chair of Exopharm Ltd, who hold shares in the Company, either directly or indirectly, intends to take up his full Entitlement under the Entitlement Offer.

Use of Funds

The Company intends to use the proceeds of the Entitlement Offer as follows:

Technical work to support partnering activities	\$200,000
Maintenance and enhancement of the Company's intellectual property	\$100,000
Business development and commercial activities	\$280,000
General operating and compliance costs	\$231,500
Working capital	\$639,300
Costs of the Offers	119,200
TOTAL	\$1,570,000

Key Dates

Activity	Date*
Lodge announcement, Appendix 3B, and prospectus (disclosure document) by 10am	Thursday, 23 March 2023
Ex-date	Monday, 27 March 2023
Record date (5pm)	Tuesday, 28 March 2023
Send prospectus and entitlement form to security holders entitled to participate in the offer & announce this has occurred	Friday, 31 March 2023
Last day to extend the offer closing date	Thursday, 6 April 2023
Offer closes at 5pm	Thursday, 13 April 2023
Trading in securities quoted on a deferred settlement basis from market open	Friday, 14 April 2023
Last day for entity to announce results of the offer, issue the securities and (by noon) lodge an Appendix 2A or 3G	Thursday, 20 April 2023
Trading in securities on a normal T+2 settlement basis resumes from market open	Friday, 21 April 2023

Activity	Date*
First settlement date of trades conducted on a deferred settlement basis and on a normal T+2 basis *	Wednesday, 26 April 2023

** All references to time are to the time in Melbourne, Victoria. This timetable is indicative only and subject to change. The Directors may vary these dates, subject to the Listing Rules and the Corporations Act. An extension of the Closing Date will delay the anticipated date for issue of the Offer Shares. The Directors also reserve the right not to proceed with the whole or part of the Entitlement Offer any time before the allotment and issue of the Offer Shares. In that event, the relevant application monies (without interest) will be returned in full to Applicants.*

More Information

Entitlements are non-renounceable, which means there is no ability to trade rights on ASX or elsewhere.

Eligible Shareholders will receive a Rights Issue Prospectus (**Prospectus**) including a personalised entitlement and acceptance form which will provide further details on how to participate in the Entitlement Offer.

Further information in relation to the Entitlement Offer, including the terms and conditions and key risks, are set out in the Prospectus which has been lodged with ASX today and expected to be distributed to Eligible Shareholders on Friday 31 March 2023.

By the Managing Director – this announcement has been authorised for release by the Managing Director.

[To discuss your entitlement, please contact your Adviser or the Joint Lead Managers below](#)

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ABOUT EXOPHARM

Exopharm (ASX:EX1) is a leader in exosome technology and holds a portfolio of intellectual property and know-how related to exosomes and the manufacture of exosomes.

Exosomes could be 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.

Exosome-based medicines could improve the treatment of many chronic or inherited medical conditions.

Exopharm is making its proprietary technologies available to pharmaceutical and biotechnology companies that want to harness exosome-delivery for their own products.

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