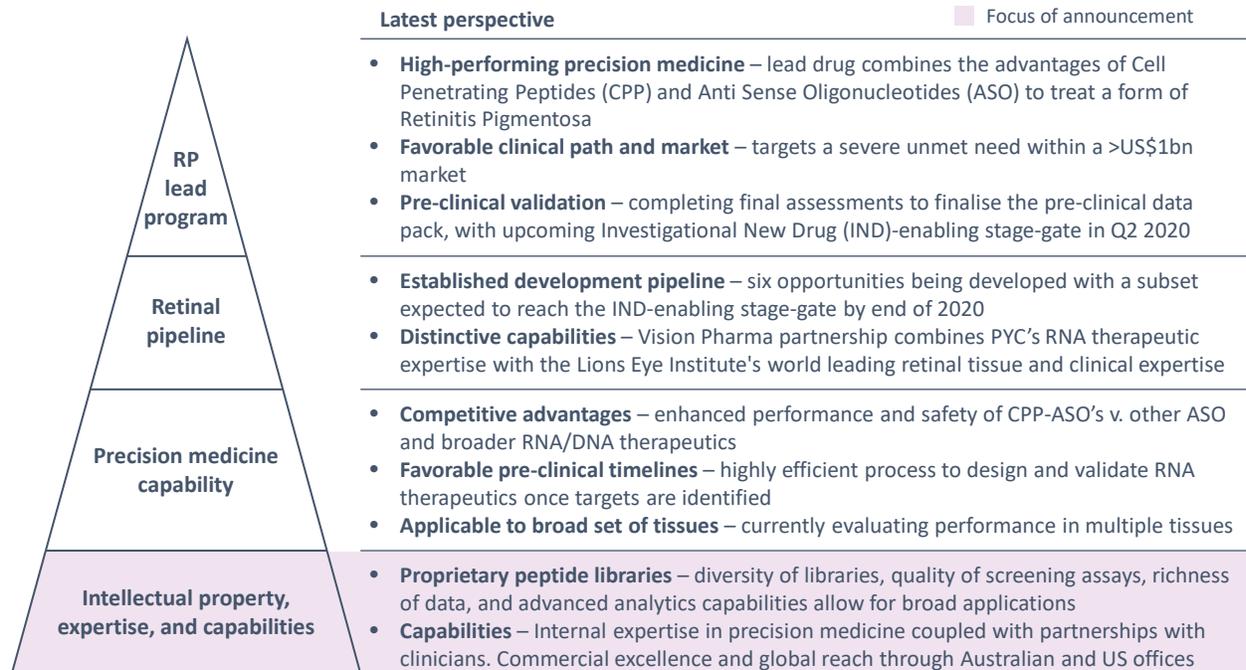


CEO appointment and establishment of US office

Highlights

- Former McKinsey & Company Partner Doug Huey appointed CEO and Board Director of PYC Therapeutics
- New CEO will establish the PYC office in Boston, Massachusetts and drive investor relations, business development and regulatory engagement efforts in the US as PYC progresses into clinical drug development

Overview of PYC Therapeutics



Announcement

PYC Therapeutics, (ASX: PYC) ('The Company' or 'PYC') has appointed Douglas (Doug) Huey as Chief Executive Officer (CEO) and Board Director effective 11 February 2020. Doug will be based in the USA and will establish PYC’s US-based office in Boston, representing a major step for the Company as it progresses towards clinical drug development. As global CEO, Doug will build a team in Boston that works with PYC’s Perth-based operations, while being closer to US-based investors, partners, and regulators.

Doug joins PYC from McKinsey & Company, where he was a Partner and a leader in the firm's Strategy & Corporate Finance practice. Originally from the US, Doug moved to Australia in 2013 and successfully helped grow McKinsey's newly opened Perth office. He now returns to the US with the objectives of expanding PYC's global reach and building its clinical capabilities. With two decades of professional experience, Doug has led global multi-disciplinary teams to transform the performance of his clients. Doug holds an MBA from the prestigious Kellogg School of Management, where he graduated with distinction, and he brings a diverse range of capabilities across strategy, finance, and operations.

Rohan Hockings will transition the CEO role to Doug and will remain with the Company as both a Board Director and as Chief Strategy Officer, where he will continue to shape the Company's focus and external collaborations.

Comments

Rohan Hockings: *'I am delighted to welcome Doug to PYC. Having worked together in the past, I have great admiration for his leadership capability, and I am confident that he will guide the Company through this crucial next developmental stage. I am looking forward to working together again.'*

Alan Tribe, PYC's Chairman: *'The opening of PYC's US office is a major milestone in the Company's transformation from research to drug development. We are excited to have a leader of Doug's calibre as we continue towards our aspiration of developing novel therapeutics across a range of unmet needs.'*

Doug Huey: *'I would like to thank Rohan and Alan for the opportunity to join PYC, especially at such an exciting time for the Company. I look forward to leading our Perth-based team while building our presence in the US. I am determined to make PYC a success as we advance our programs to the clinic, grow our capabilities, and ultimately deliver shareholder value.'*

Remuneration

The key terms of Mr. Huey's remuneration and incentives are as follows:

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| Term | The term of the employment will begin on 11 February 2020 and will continue for a fixed period of two (2) years, following which the parties will negotiate to extend the employment on mutually agreed terms. |
| Salary | US\$600,000 per year plus US-based healthcare benefits |
| Options | 20,000,000 options to purchase shares exercisable at the opening market price on 11 February 2020. The options can be exercised on or before 28 February 2023, subject to the following vesting conditions: (a) one third of the Options will vest immediately upon issue; (b) one third of the Options will vest on 28 February 2021; and (c) one third of the Options will vest on 28 February 2022. In the event that the employment is terminated, options that have not yet vested will be cancelled. In the event of a change of control, the options will vest immediately. |
| Termination | The Company may at its sole discretion terminate the Employment in the following manner and in accordance with the NES under the Fair Work Act: (a) without reason, by giving not less than four months' written notice; |

- (b) by giving not less than three month's written notice if at any time the Executive:
 - (i) is or becomes incapacitated by illness or injury of any kind which prevents the Executive from performing duties under the Agreement for a period of two consecutive months or any periods aggregating two months in any period of 12 months during the term of the Employment; or
 - (ii) is or becomes of unsound mind or under the control of any committee or officer under any law relating to mental health;
- (c) by giving one month's written notice if at any time the Executive:
 - (i) commits any serious or persistent breach of any of the provisions contained in the Agreement and the breach is not remedied within 14 days of the receipt of written notice from the Company to the Executive to do so;
 - (ii) in the reasonable opinion of the Board, is absent in, or demonstrates incompetence with regard to the performance of the Executive's duties under the Agreement, or is neglectful of any duties under the Agreement or otherwise does not perform all duties under the Agreement in a satisfactory manner, provided that the Executive:
 - (A) has been counselled on at least three separate occasions of the specific matters complained of by the Board; and
 - (B) after each such occasion has been provided with a reasonable opportunity of at least a month to remedy the specific matters complained of by the Board;
 - (iii) the Executive commits or becomes guilty of any gross misconduct; or
 - (iv) refuses or neglects to comply with any lawful reasonable direction or order given to the Executive by the Company which the Executive, after receipt of prior notice, has failed to rectify to the reasonable satisfaction of the Company within 21 business days of receipt of that notice; or
- (d) summarily without notice, if at any time the Executive is convicted of any major criminal offence which brings the Company or any of its related bodies corporate into lasting disrepute, by giving notice effective immediately and without payment of any salary other than salary accrued to the date of termination.

The Company may at its sole discretion dispose with the written notice period, and immediately terminate the Employment by making a payment

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| | <p>to the Executive equal to the Salary payable for the relevant period of notice.</p> <p>The Executive may at its sole discretion terminate the Employment in the following manner:</p> <p>(a) if at any time the Company commits any serious or persistent breach of any of the provisions contained in the Agreement and the breach is not remedied within 28 days of receipt of written notice from the Executive to the Company to do so, by giving notice effective immediately; or</p> <p>(b) by giving two months' written notice to the Company.</p> <p>In the event that the Employment is terminated in accordance with this clause (a) prior to the expiry of the Initial Term, the Company will pay to the Executive the Salary which would have been payable for the remainder of the Initial Term.</p> |
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This ASX announcement was approved and authorised for release by the Board of PYC Therapeutics Limited.

ENDS For further information, please contact:



About PYC Therapeutics

PYC Therapeutics (ASX: PYC) is a drug development company solving a major challenge in the development of a revolutionary new class of drugs – delivering large drugs into cells. Cell Penetrating Peptides (CPPs) can overcome ‘the delivery challenge’ and provide access for a wide range of potent and precise drug ‘cargoes’ to the ‘undruggable genome’ – the highest value drug targets that exist inside cells. PYC Therapeutics is using its CPP platform to develop a pipeline of novel therapies with an initial focus on inherited retinal diseases.

About Vision Pharma

Vision Pharma Pty Ltd (Vision) is a joint venture between PYC Therapeutics (PYC) and the Lions Eye Institute (LEI) dedicated to the development of new treatments for a range of debilitating eye diseases. Vision is advancing a lead program for the treatment of a form of Retinitis Pigmentosa as well as a range of other precision medicines for different eye diseases. Vision combines the clinical expertise of LEI with the drug development capabilities of PYC and is owned according to a 90% (PYC) and 10% (LEI) shareholding distribution.

Forward looking statements

Any forward-looking statements in this ASX announcement have been prepared on the basis of a number of assumptions which may prove incorrect and the current intentions, plans, expectations and beliefs about future events are subject to risks, uncertainties and other factors, many of which are outside the Company's control. Important factors that could cause actual results to differ materially from assumptions or expectations expressed or implied in this ASX announcement include known and unknown risks. Because actual results could differ materially to assumptions made and the Company's current intentions, plans, expectations and beliefs about the future, you are urged to view all forward-looking statements contained in this ASX announcement with caution. The Company undertakes no obligation to publicly update any forward-looking statement whether as a result of new information, future events or otherwise.

This ASX announcement should not be relied on as a recommendation or forecast by the Company. Nothing in this ASX announcement should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.

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