

Phylogica to raise \$26.8 million under fully underwritten non-renounceable entitlement offer

Phylogica Limited ACN 098 391 961 (ASX:PYC) (the **Company**) is pleased to announce that it is undertaking an underwritten accelerated non-renounceable entitlement offer entitling eligible shareholders to subscribe for 1 new fully paid ordinary share (**New Share**) for every 5 existing shares held on the record date of 4 November 2019 (**Record Date**), at an issue price of \$0.055 per New Share, to raise up to approximately \$26.8 million (before costs) (**Entitlement Offer**). The Entitlement Offer is fully underwritten by Australian Land Pty Ltd, an entity controlled by the Company's Non-Executive Chairman, Alan Tribe.

The issue price of \$0.055 per New Share represents a 11% discount to the closing price on 30/10/2019, and a 16% discount to the 2 week/14 day volume weighted average price up to and including 30/10/2019.

Approximately 488,571,332 New Shares (subject to rounding and assuming no options are exercised before the Record Date) will be issued under the Entitlement Offer. Each New Share issued under the Entitlement Offer will rank equally with existing shares on issue. The Company will, upon issue of the New Shares under the Entitlement Offer, seek quotation of the New Shares on the ASX.

The funds raised from the Entitlement Offer will be applied to the development of the Company's lead drug molecule including formal preclinical, investigational new drug enabling studies, clinical development costs, development work to bring additional programs into the pipeline as well as offer costs and working capital.

Eligible institutional shareholders will be invited to participate in the accelerated institutional component of the Entitlement Offer (**Institutional Entitlement Offer**), which is expected to close on 4 November 2019.

The retail component of the Entitlement Offer (**Retail Entitlement Offer**) will be open from 7 November 2019 to eligible retail shareholders in Australia and New Zealand on the Record Date. In addition to each shareholder's entitlement under the Retail Entitlement Offer, eligible retail shareholders will also be offered the opportunity to subscribe for additional New Shares to the extent there is a shortfall under the Retail Entitlement Offer.

The Entitlement Offer is non-renounceable and entitlements will not be tradeable or otherwise transferrable.

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Indicative timetable

The indicative timetable for the Entitlement Offer is as follows:

Key event	Date
Announcement of the Entitlement Offer	31 October 2019
Record Date for eligibility in the Entitlement Offer	5.00pm (WST) on 4 November 2019
Retail Entitlement Offer opens	9.00am (WST) on 7 November 2019
Retail Offer Document despatched	7 November 2019
Settlement of the New Shares issued under the Institutional Entitlement Offer	7 November 2019
Allotment and normal trading on ASX of New Shares issued under the Institutional Entitlement Offer	8 November 2019
Retail Entitlement Offer closes	5.00pm (WST) on 18 November 2019
Allotment of New Shares issued under the Retail Entitlement Offer	25 November 2019
Despatch of holding statements for the New Shares issued under the Retail Entitlement Offer	27 November 2019

The above table is indicative only and all dates may be subject to change. Subject to the ASX Listing Rules and the underwriting agreement with Australian Land Pty Ltd, the Company's directors reserve the right to extend the closing date of the Retail Entitlement Offer at their discretion. Should this occur, the extension would have a consequential effect on the anticipated date of issue of the New Shares.

Further information

The Entitlement Offer is being made without a prospectus pursuant to section 708AA of the *Corporations Act 2001* (Cth). An offer document in respect of the Retail Entitlement Offer (**Retail Entitlement Offer Document**), which includes a personalised entitlement and acceptance form, is expected to be mailed to eligible retail shareholders on 7

November 2019. Eligible retail shareholders should consider the Retail Offer Document carefully before deciding whether to participate in the Retail Entitlement Offer.

If you have any queries concerning the Entitlement Offer, or the action you are required to take to subscribe for New Shares, please consult your stockbroker, accountant, solicitor or other professional advisor. For further information about the Entitlement Offer you can call the Company on +61 8 6151 0992 at any time between 8:30am and 5:00pm (WST), Monday to Friday.

ENDS For further information, please contact:

INVESTORS
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About PYC Therapeutics

Phylogica Limited trading as 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.

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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Phylogica Limited trading as PYC Therapeutics

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