

Successful institutional entitlement offer and placement

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22 October 2020

Accelerated Component of Equity Raising Successfully Closes Fully Subscribed.

- On Tuesday 20 October 2020, PYC Therapeutics announced plans to raise up to ~\$55 million (the **Equity Raising**) through:
 - a 1 for 10 pro-rata accelerated non-renounceable entitlement offer and institutional placement to raise approximately A\$50 million (the **Entitlement Offer**); and
 - a parallel placement of approximately A\$5 million of New Shares at the same price as the Entitlement Offer (the **Placement**).
- New Shares are to be issued at A\$0.17 per share under the Equity Raising, representing an 8.1% discount to last close and a 7.4% discount to TERP¹.
- The accelerated component of the Entitlement Offer and the Placement have both been fully subscribed and are now closed after having raised ~\$30.2 million and ~\$5 million respectively for a total of ~\$35.2 million.
- Retail shareholders will now be given an opportunity to subscribe for New Shares under the retail component of the Entitlement Offer with the potential to raise up to a further ~\$19.6 million for the Company.

PYC Therapeutics Limited (ASX:PYC) (**PYC** or the **Company**) is pleased to announce the successful close of the accelerated component of the 1 for 10 pro-rata accelerated non-renounceable entitlement offer and placement to raise approximately A\$55 million (collectively, the **Equity Raising**) announced to the ASX on Tuesday 20 October 2020.

Both the accelerated component of the Entitlement Offer and the Placement were fully subscribed, raising a total of ~\$35.2 million. The retail component of the Entitlement Offer could raise up to a further ~\$19.6 million for a total of up to ~\$55 million under the Equity Raising.

¹ The theoretical ex-rights price is the theoretical price at which PYC shares should trade immediately after the ex-date for the Entitlement Offer. The TERP is a theoretical calculation only and the actual price at which PYC's shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not equal the TERP. TERP is calculated by reference to PYC's closing price of A\$0.185 on 15 October 2020. The TERP also includes New Shares to be issued under the Placement and assumes full take-up of the New Shares offered under the entitlement offer.

The Company's largest shareholder, Australian Land Pty Ltd, applied to take up its full pro rata entitlement under the accelerated component of the Entitlement Offer for proceeds of ~\$15 million.

CEO, Dr Rohan Hockings commented on the Equity Raising:

"This is a very strong start to this financing that provides the Company with the capital required to accelerate and expand our drug development programs. We are now funded through the clinical readouts that represent the next horizon for our precision medicine technology and its path to market"

New Shares subscribed for under the accelerated component of the Entitlement Offer and Placement are expected to settle on 27 October 2020.

PYC expects its shares to recommence trading on the ASX on an ex-entitlement basis with effect from the open of market today, 22 October 2020.

Retail Entitlement Offer

The Retail Entitlement Offer will be conducted at the same offer price and offer ratio as the Institutional Entitlement Offer.

The Retail Entitlement Offer will be open from Monday, 26 October 2020 to eligible retail shareholders with registered addresses in Australia and New Zealand, as at the Record Date, and is expected to close at 5.00pm Sydney time on Wednesday 11 November 2020. Eligible retail shareholders who take up their full retail entitlement will also be invited to subscribe for shares over and above their entitlement, subject to the overall level of participation in the Entitlement Offer and at the discretion of PYC's Board of Directors.

Further details about the Retail Entitlement Offer will be set out in the Retail Offer Booklet, which PYC expects to lodge with ASX and dispatch on 26 October 2020.

Further Information

Further details of the Equity Raising are set out in the Investor Presentation lodged on the ASX on Tuesday 20 October 2020. The Investor Presentation contains important information including key risks and foreign offer restrictions with respect to the Equity Raising. For other questions, you should consult your broker, solicitor, accountant, tax adviser, financial adviser, or other professional adviser.

All dollar amounts are in Australian dollars unless otherwise indicated.

This ASX announcement was approved and authorised for release by the Board of PYC Therapeutics Limited

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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.

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.

Not an offer of securities

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