

## Despatch of Retail Offer Document.

### Announcement

PYC Therapeutics Limited, (ASX: PYC) ('The Company' or 'PYC') wishes to advise that it has today dispatched the retail offer document relating to the accelerated non-renounceable entitlement offer announced on 20 October 2020 (**Entitlement Offer**).

### Commencement of the Retail Entitlement Offer

The retail component of the Entitlement Offer (**Retail Entitlement Offer**) will open today and will close at 5:00 pm (AEDT) on Wednesday, 11 November 2020(unless varied).

Eligible shareholders on the record date of 7.00 pm (AEDT) on Thursday, 22 October 2020, may participate in the Retail Entitlement Offer at the issue price of \$0.17 per new share, on the basis of 1 new share for every 10 existing shares held.

### Retail Investor Enquiries

If you have any queries concerning the Retail 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 Retail Entitlement Offer you can call the Company on +61 8 6151 0994 at any time between 8:30am and 5:00pm (WST), Monday to Friday.

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

***Not for release to US wire services or distribution in the United States***

**ENDS** For further information, please contact:

**INVESTORS**

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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.

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pyctx.com

**PYC Therapeutics Limited**

ACN 098 391 961

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## RETAIL ENTITLEMENT OFFER

1 for 10 accelerated pro rata non-renounceable entitlement offer of fully paid ordinary shares in PYC at an issue price of A\$0.17 per New Share

**Retail Entitlement Offer closes at 5.00pm AEDT on 11 November 2020 (unless varied)**

If you are an Eligible Retail Shareholder, this Retail Offer Booklet together with the personalised Entitlement and Acceptance Form which accompanies it are important documents that require your immediate attention. These documents should be read in their entirety.

This Retail Offer Booklet is not a prospectus under the *Corporations Act 2001* (Cth) (**Corporations Act**) and has not been lodged with the Australian Securities and Investments Commission (**ASIC**). You should consult your stockbroker, solicitor, accountant or other professional adviser if you have any questions about the Retail Entitlement Offer.

**This Retail Offer Booklet may not be released to US wire services or distributed in the United States**

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## **IMPORTANT INFORMATION**

This Retail Offer Booklet is issued pursuant to section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84) for the offer of New Shares without disclosure to investors under Part 6D.2 of the Corporations Act. This Retail Offer Booklet has been prepared by PYC Therapeutics Limited ACN 098 391 961 and was lodged with ASX on 26 October 2020. ASX takes no responsibility for the content of this Retail Offer Booklet.

### **No prospectus**

This Retail Offer Booklet is not a prospectus and does not contain all of the information that an investor would find in a prospectus or that may be required by an investor in order to make an informed investment decision regarding, or about the rights attaching to, New Shares. Nevertheless, this Retail Offer Booklet contains important information and requires your immediate attention. It should be read in its entirety. If you are in any doubt as to how to deal with this Retail Offer Booklet, you should consult your stockbroker, accountant, solicitor or other professional advisor as soon as possible.

Neither this Retail Offer Booklet nor the entitlement and acceptance form may be distributed in the United States. The New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. The New Shares in the Retail Entitlement Offer will be sold only outside the United States in "offshore transactions" (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act.

### **Disclaimer**

No person is authorised to give any information or to make any representation in connection with the Retail Entitlement

Offer that is not contained in this Retail Offer Booklet. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Retail Entitlement Offer.

### **Eligibility**

Eligible Retail Shareholders can only take up their Entitlement by completing and returning the Entitlement and Acceptance Form accompanying this Retail Offer Booklet. The Entitlement and Acceptance Form sets out an Eligible Retail Shareholder's Entitlement to participate in the Retail Entitlement Offer.

### **No investment advice**

The information provided in this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form is not financial product advice and has been prepared without taking into account each Eligible Retail Shareholder's investment objectives, financial circumstances or particular needs.

### **Risks**

Refer to the "Key Risks" section of the Investor Presentation included in the attachment to Retail Offer Booklet for a summary of certain risk factors that may affect PYC.

The information contained in this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form should not be considered to be comprehensive or to comprise all the information that an Eligible Retail Shareholder may require in order to determine whether or not to subscribe for New Shares and the information may be changed, modified or amended at any time by the Company. This Retail Offer Booklet is not intended to, and does not, constitute representations or warranties of the Company. Neither the Company, nor any advisor of the Company intends to update this Retail Offer Booklet or accepts any obligation to provide the recipient with access to information or to correct any additional information or to correct any inaccuracies that may become apparent in this Retail Offer Booklet or in any other information that may be made available concerning the Company. Potential investors should conduct their own due diligence investigations regarding the Company.

If an Eligible Retail Shareholder has any questions, they should consult their professional adviser before deciding whether to accept all or any part of its Entitlement.

#### **Forward-looking statements**

This Retail Offer Booklet may contain forward-looking statements which are identified by words such as "believes", "estimates", "expects", "intends", "may", "will", "would", "could", or "should" and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Retail Offer Booklet, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. Key risks associated with an investment in the Company are detailed in the Investment Presentation accompanying this Retail Offer Booklet. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Retail Offer Booklet, except where required by law.

The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in the forward-looking statements contained in this Retail Offer Booklet will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

## **Overseas Shareholders**

This Retail Offer Booklet does not constitute an offer of New Shares in any jurisdiction in which it would be unlawful. In particular, this Retail Offer Booklet may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

### **New Zealand**

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

## **Rounding**

Any discrepancies between totals and sums and components in tables and figures contained in this Retail Offer Booklet are due to rounding.

## **Other Important Information**

Please read this Retail Offer Booklet in full including the other important information set out in Section 3.

## **Glossary**

Defined terms used in this Retail Offer Booklet are set out in the glossary of terms in Section 4.

## Summary of Entitlement Offer

Key details	
Offer Price	\$0.17 per New Share
Ratio	1 New Share for every 10 Shares held by Eligible Retail Shareholders as at the Record Date
Maximum number of New Shares to be issued under the Entitlement Offer	293,157,799
Maximum amount to be raised under the Entitlement Offer	Approximately \$50 million
Number of Shares on issue following the Entitlement Offer <sup>1,2</sup>	3,254,147,555

<sup>1</sup>Excludes any New Shares which may be issued under any exercise of Options. <sup>2</sup>Including the Placement Shares.

## Indicative Timetable

Event	Date
Trading Halt	Friday, 16 October 2020
Announcement of Entitlement Offer Placement and Institutional Entitlement Offer opens	Tuesday, 20 October 2020
Placement and Institutional Entitlement Offer closes	5:00pm Wednesday, 21 October 2020
Announcement of Results of the Placement and Institutional Offer before market open Trading Halt is lifted and Trading Resumes on an ex-Entitlement Basis	Thursday, 22 October 2020
Record Date for Retail Entitlement Offer	7:00pm Thursday, 22 October 2020
Retail Entitlement Offer opens and dispatch of Offer Booklet	Monday, 26 October 2020
Settlement of Placement and Institutional Entitlement Offer	Tuesday, 27 October 2020
Issue and commencement of trading of New Shares issued under the Placement and Institutional Entitlement Offer	Wednesday, 28 October 2020
Closing date for acceptances under the Retail Entitlement Offer (Closing Date)	5:00pm Wednesday, 11 November 2020
Announcement of Results of the Retail Offer	Friday, 13 November 2020
Settlement of Retail Entitlement Offer	Tuesday, 17 November 2020
Issue of New Shares under the Retail Entitlement Offer	Wednesday, 18 November 2020
Trading of New Shares issued under the Retail Entitlement Offer	Thursday, 19 November 2020

**NOTE:** Times above are Australian Eastern Daylight Saving Time (AEDT)

The above timetable is indicative only and dates may be subject to change. Subject to the ASX Listing Rules and the Corporations Act, the Directors reserve the right to extend the Retail Closing Date at their discretion. Should this occur, the extension may have a consequential effect on the anticipated date of issue of the New Shares.

The Company also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to allotment and issue of the New Shares under the Retail Entitlement Offer. In that event, the relevant Application Monies (without interest) will be returned in full to applicants. The commencement of quotation of New Shares is subject to the discretion of ASX.

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted. Eligible Retail Shareholders wishing to participate in the Retail Entitlement Offer are encouraged to submit their Entitlement and Acceptance Form as soon as possible after the Retail Entitlement Offer opens.

## LETTER FROM THE CHIEF EXECUTIVE OFFICER

Dear Eligible Retail Shareholder

### **PYC Therapeutics Limited – Accelerated Non-Renounceable Entitlement Offer**

On behalf of PYC Therapeutics Limited (**PYC** or **Company**), I am pleased to present you with an opportunity to participate in the retail component of a 1 for 10 accelerated pro rata non-renounceable Entitlement Offer of New Shares at an offer price of \$0.17 per New Share (**Offer Price**) to raise up to approximately \$50 million before the costs of the Entitlement Offer.

This Offer Price represents an 8% discount to last close and an approximately 7.4% discount to the theoretical ex-rights issue price (**TERP**) (being A\$0.184).<sup>1</sup>

### **Use of proceeds**

Funds raised through the Placement and Entitlement Offer will be applied to the pre-clinical and clinical development of the Company's lead drug program, pre-clinical and clinical development of other drug programs in the Company's pipeline and the development of new drug programs, increasing the Company's US presence, as well as offer costs and working capital.

### **Details of Placement and Entitlement Offer**

This Entitlement Offer is to be undertaken in conjunction with a placement to institutional investors for New Shares at the Offer Price, raising approximately \$5 million (**Placement**). A total of approximately up to \$55 million will be raised between the Placement and the Entitlement Offer.

The Entitlement Offer comprises an accelerated institutional component that, as announced on 20 October 2020, raised approximately \$30.2 million (**Institutional Entitlement Offer**), and a retail component to raise up to approximately \$19.6 million (**Retail Entitlement Offer**). This offer document (**Retail Offer Booklet**) relates to the Retail Entitlement Offer only.

Neither the Placement nor the Entitlement Offer are underwritten.

Under the Retail Entitlement Offer, Eligible Retail Shareholders are entitled to subscribe for 1 New Share for every 10 Shares held on the Record Date at an Offer Price of \$0.17 per New Share. This is the same price that was offered to institutional investors who participated in the Institutional Entitlement Offer and Placement.

The number of New Shares to which you are entitled to subscribe for is detailed in the Entitlement and Acceptance Form that accompanies this Retail Offer Booklet. If you take up your full Entitlement you may also apply for Additional New Shares in excess of your Entitlement at \$0.17 per Additional New Share.

The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on the ASX or otherwise transferrable. If you do not participate in the Retail Entitlement Offer, your Entitlement will lapse and you will receive no value for those lapsed Entitlements.

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<sup>1</sup> TERP is the theoretical price at which shares should trade immediately after the ex-date of the Entitlement Offer assuming 100% take-up of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which shares trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to the TERP. The TERP does not include the New Shares to be issued under the Placement.

Bell Potter is the Lead Manager of the Placement and the Entitlement Offer. Tenzing Partners Pty Ltd is acting as Australian legal advisor to PYC on the Placement and Entitlement Offer.

### **Other information**

The Retail Offer Booklet contains important information, including:

- information on the Entitlement Offer and key risks for you to consider;
- instructions on how to apply, detailing how to participate in the Retail Entitlement Offer if you choose to do so, and a timetable of key dates;
- a personalised Entitlement and Acceptance Form which details your Entitlement, to be completed in accordance with the instructions on that form; and
- instructions on how to take up all or part of your Entitlement.

If you decide to take this opportunity to increase your investment in the Company, you must pay your Application Monies via BPAY® or EFT, before 5.00pm AEDT on Wednesday, 11 November 2020. Instructions on how to apply are set out in this Information Booklet and your Entitlement and Acceptance Form.

**The Retail Entitlement offer closes at 5.00pm AEDT on 11 November 2020.**

If you do not wish to take up any of your Entitlement, you do not have to take any action.

If you are uncertain about taking up your Entitlement you should consult your stockbroker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer.

On behalf of the Company's Board of Directors, I invite you to consider this investment opportunity and thank you for your continuing support.

Yours sincerely

**Dr Rohan Hockings**  
**Chief Executive Officer**

This announcement has been authorised for release by the Board of PYC Therapeutics Limited.

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## 1. DETAILS OF THE ENTITLEMENT OFFER

### 1.1 Overview

The Entitlement Offer is the opportunity to purchase 1 New Share for every 10 Existing Shares held as at the Record Date of 7 pm AEDT on 22 October 2020, at the Offer Price of \$0.17 per New Share to raise approximately \$50 million (before costs).

The Entitlement Offer is non-renounceable. Accordingly, Entitlements will not trade on the ASX, nor can they be sold, transferred or otherwise disposed of.

The Entitlement Offer has two components:

- (a) **Institutional Entitlement Offer** – under which Eligible Institutional Shareholders were invited to take up all or part of their Entitlement; and
- (b) **Retail Entitlement Offer** – under which Eligible Retail Shareholders are being sent this Retail Offer Booklet, together with a personalised Entitlement and Acceptance Form, and are being invited to take up all or part of their Entitlement.

Bell Potter Securities Limited (AFSL 243480) is the lead manager in respect of the Entitlement Offer (**Lead Manager**).

Neither the Placement nor the Entitlement Offer has been underwritten.

### 1.2 Institutional Entitlement Offer

The Institutional Entitlement Offer was conducted between 20 October 2020 and 21 October 2020, and settlement of the Institutional Entitlement Offer is expected to occur on 27 October 2020.

The Institutional Entitlement had strong support from institutional shareholders. The Institutional Entitlement Offer received commitments for approximately \$30.2 million subscriptions for New Shares, including from the Company's largest shareholder, Australian Land Pty Ltd which subscribed for 88,256,376 New Shares representing a commitment of approximately \$15 million.

New Shares issued under the Institutional Entitlement Offer were issued at the same price and at the same ratio as those being offered under the Retail Entitlement Offer.

### 1.3 Retail Entitlement Offer

The Retail Entitlement Offer is being made pursuant to section 708AA of the Corporations Act (as modified by ASIC Corporations (*Non-Traditional Rights Issue*) Instrument 2016/84) which allows rights issues without a prospectus provided certain conditions are satisfied.

Under the Retail Entitlement Offer, Eligible Retail Shareholders are invited to subscribe for 1 New Share for every 10 Existing Shares held as at the Record Date, at the Offer Price of \$0.17.

This is referred to as your Entitlement.

The Company is also offering Eligible Retail Shareholders the opportunity to apply for Additional New Shares in excess of their Entitlement. The allocation of Additional New Shares will be at the discretion of the Directors, and may be subject to scale back. See Section 1.11 for further details regarding the allocation of Additional New Shares.

The Retail Entitlement Offer constitutes an offer only to Eligible Retail Shareholders. Eligible Retail Shareholder is defined in Section 1.4.

**The Retail Entitlement Offer closes on the Retail Closing Date, being 5.00pm AEDT on 11 November 2020 (unless varied). New Shares under the Retail Entitlement Offer are expected to be issued on 18 November 2020.**

### 1.4 Eligibility of Retail Shareholders

The Retail Entitlement Offer is being offered to all Eligible Retail Shareholders only.

Eligible Retail Shareholders are those persons who:

- (a) are Shareholders as at 7 pm AEDT on 22 October 2020;
- (b) have a registered address in Australia or New Zealand or is a Shareholder or institutional or professional investor that the Company has otherwise determined is eligible to participate;
- (c) are not in the United States and are not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States;
- (d) were not invited to participate in the Institutional Entitlement Offer (other than a nominee, trustee or custodian in respect of other underlying holdings) or treated as an ineligible institutional shareholder for that purpose; and
- (e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus or other disclosure document to be lodged or registered.

By returning a completed personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be taken to have represented and warranted that you satisfy each of the criteria listed above to be an Eligible Retail Shareholder.

Nominees, trustees or custodians are therefore advised to seek independent professional advice as to how to proceed.

#### 1.5 **Ineligible Retail Shareholders**

Shareholders who are not Eligible Retail Shareholders are Ineligible Retail Shareholders.

The Retail Entitlement Offer is not being extended to the Ineligible Retail Shareholders because of the small number of those Shareholders, the number and value of the Shares they hold and the cost of complying with applicable regulations in foreign jurisdictions. Accordingly, Ineligible Shareholders will not be entitled to participate in the Retail Entitlement Offer.

PYC has obtained approval from ASIC to appoint Bell Potter (**Nominee**) as nominee for the purposes of section 615 of the Corporations Act to sell New Shares which would otherwise have been available to Ineligible Shareholders had they been eligible to participate in the Entitlement Offer.

The Nominee will arrange for the sale of the New Shares which would have been offered to the Ineligible Shareholders. The Company will arrange for the proceeds of sale (if any), net of expenses, to be distributed to Ineligible Shareholders in proportion to their Entitlements at the Record Date.

#### 1.6 **Minimum subscription**

There is no minimum subscription. The Entitlement Offer is not underwritten.

#### 1.7 **New Share terms**

Upon issue, New Shares will rank equally with all Existing Shares.

#### 1.8 **Purpose of Entitlement Offer and use of funds**

The Entitlement Offer is proposed to raise up to approximately \$50 million (before costs). Collectively, the Entitlement Offer and the Placement may raise up to approximately \$55 million (before costs).

In summary, the Placement and Entitlement Offer proceeds are planned to be used as follows:

<b>Use of funds</b>	<b>Amount (\$)</b>
Clinical development of VP-001 through to market including Phase 1/2 and Phase 2/3 trials	\$10m
IND-enabling studies for PYC-001*	\$15m
IND-enabling studies for VP-002	\$15m
Development of central nervous system cell penetrating peptide and therapeutics RNA drug*	\$5m
US corporate expansion including 3 executive roles in clinical development, IR, and finance	\$6m
Working capital	\$4m
<b>Total</b>	<b>\$55m</b>

The table above is an indication of current intentions as at the date of this Retail Offer Booklet. For further information, please read the Investor Presentation attached to this Retail Offer Booklet.

The Entitlement Offer is not underwritten. If the proceeds from the Entitlement Offer are less than is required to meet the Company's proposed use of funds, the Company may review its proposed use of funds (including whether to scale back or defer investments) as well as consider alternative funding options. Uses flagged with \* are likely to be deferred in such a scenario.

As with any budget, intervening events and new circumstances have the potential to affect the ultimate way that the funds will be applied. The Board reserves the right to alter the way funds are applied on this basis.

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## 1.9 Entitlements and acceptance

The Entitlement of Eligible Retail Shareholders to participate in the Retail Entitlement Offer will be determined on the Record Date. Your Entitlement is shown on the Entitlement and Acceptance Form accompanying this Retail Offer Booklet.

Acceptance of a completed Entitlement and Acceptance Form by the Company creates a legally binding contract between the Applicant and the Company for the number of New Shares applied for by the Applicant. The Entitlement and Acceptance Form does not need to be signed to be a binding application for New Shares.

If the Entitlement and Acceptance Form is not completed correctly, it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

## 1.10 No rights trading

The rights to New Shares under the Entitlement Offer are non-renounceable. Accordingly, there will be no trading of rights on ASX and you may not dispose of your rights to subscribe for New Shares under the Retail Entitlement Offer to any other party. If you do not take up your Entitlement to New Shares under the Retail Entitlement Offer by the Retail Closing Date, your Entitlement will lapse.

## 1.11 Shortfall and scale back

Eligible Retail Shareholders who take up their full Entitlement may also apply for Additional New Shares in excess of their Entitlement from the Shortfall at the Offer Price per Additional New Share. Applications for Additional New Shares will only be satisfied to the extent that there is Shortfall available. The allocation of Additional New Shares under the Shortfall will be at the discretion of the Directors.

Where the total applications for Additional New Shares exceeds the Shortfall, to the extent practical, Additional New Shares will be allocated to Eligible Retail Shareholders in proportion to their respective Entitlements. If there are excess oversubscription applications, PYC reserves the right to scale back applications for New Shares in its absolute discretion.

There is no guarantee that an Eligible Retail Shareholder will receive any of the Additional New Shares they have applied for. The Company will have no liability to any Eligible Retail Shareholder who receives less than the number of Additional New Shares they applied for. If an Eligible Retail Shareholder receives less Additional New Shares than they have applied for, the Application Monies for those Additional New Shares which have not been allocated will be returned to the relevant Eligible Retail Shareholder without interest.

The Directors also reserve the right, subject to the requirements of the Corporations Act and ASX Listing Rules, to place any New Shares under the Shortfall within 3 months after the Retail Closing Date.

Shortfall Shares will be issued at a price not less than the Offer Price of New Shares under the Retail Entitlement Offer. The Directors reserve the right to issue any New Shares at a price higher than the Offer Price.

No Additional New Shares will be issued to an Applicant if doing so would, to the extent of the knowledge of the Company, result in a breach of the ASX Listing Rules or the restrictions on obtaining or increasing relevant interests of greater than 20% of the Company's issued voting shares under Chapter 6 of the Corporations Act, or would be otherwise contrary to the Corporations Act or ASX Listing Rules.

#### 1.12 **No Underwriting**

The Entitlement Offer is not underwritten.

#### 1.13 **Retail Opening and Closing Dates**

The Retail Entitlement Offer opens on the Retail Opening Date, being 26 October 2020. The Company will accept Entitlement and Acceptance Forms until the Retail Closing Date, being 5.00 pm AEDT on 11 November 2020, or such other date as the Directors shall determine, subject to the ASX Listing Rules.

Please note that payment made by cheque, bank draft or money order must be received by no later than 5:00 pm AEDT on the Retail Closing Date. Please note that payment made by BPAY® must be received by no later than 5:00 pm AEDT on the Retail Closing Date. It is the responsibility of all Eligible Retail Shareholders to ensure that their BPAY® payments are received by the Company on or before the Retail Closing Date.

The Directors may at any time decide to withdraw this Retail Offer Booklet or the Entitlement Offer, in which case the Company will return all Application Monies (without interest) in accordance with the Corporations Act.

#### 1.14 **Issue and dispatch**

The expected date for the issue of New Shares offered by this Retail Offer Booklet and dispatch of holding statements are expected to occur on the date specified in the Indicative Timetable.

It is the responsibility of Applicants to determine their allocation prior to trading in New Shares. Applicants who sell New Shares before they receive their holding statements will do so at their own risk.

All Application Monies will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Retail Offer Booklet until the New Shares are issued. All Application Monies will be returned (without interest) if the New Shares are not issued. The Company will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim any such interest.

**1.15 Quotation and trading**

The Company will apply to ASX for the official quotation of the New Shares in accordance with Listing Rule requirements. Subject to approval being granted, it is expected that normal trading of New Shares issued under the Retail Entitlement Offer will commence on 19 November 2020.

**1.16 Investor Presentation**

Please refer to the Investor Presentation annexed to this Retail Offer Booklet for further information on the rationale of the Entitlement Offer, use of proceeds of the Entitlement Offer, and for further information on PYC and its strategy.

**1.17 Risk factors**

An investment in New Shares should be regarded as highly speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company that are detailed in the Investor Presentation.

**1.18 Enquiries concerning Retail Offer Booklet**

If you have any questions in relation to this Retail Offer Booklet should be directed to the Company Secretary, Mr Kevin Hart, on +61 8 9316 9100.

If you have any questions on the Entitlement and Acceptance Form, please contact the Share Registry on 1300 288 664 (from within Australia) or +61 2 9698 5414 ( from outside Australia) at any time between 9.00am and 5.00pm (AEDT), Monday to Friday before the Entitlement Offer closes.

## **2. ACTION REQUIRED BY SHAREHOLDERS**

### **2.1 What Eligible Retail Shareholders may do**

The number of New Shares to which Eligible Retail Shareholders are entitled to is shown on the accompanying personalised Entitlement and Acceptance Form.

Eligible Retail Shareholders may:

- (a) accept their Entitlement in full (refer to Section 2.2);
- (b) accept their Entitlement in full and apply for Additional New Shares (refer to Section 2.3);
- (c) accept a proportion of their Entitlement (refer to Section 2.4); or
- (d) not take up any of their Entitlement (refer to Section 2.5).

### **2.2 Acceptance of your full Entitlement**

If you wish to accept your Entitlement to New Shares in full, you should complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on the form and submit your acceptance either electronically by EFT or BPAY® or together with a cheque by mail to reach the Share Registry by the times set out in Section 1.9. Please read the instructions on the Entitlement and Acceptance Form carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided, including the total number of New Shares you wish to apply for and the Application Monies (calculated at \$0.17 per New Share accepted).

Refer to Sections 2.6 and 2.7 for further details regarding payment.

### **2.3 Acceptance of your full Entitlement and application for Additional New Shares**

If you wish to accept your Entitlement to New Shares in full and apply for Additional New Shares, you should complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on the form and submit your acceptance either electronically by BPAY® or together with a cheque by mail to reach the Share Registry by the times set out in Section 1.12. Please read the instructions on the Entitlement and Acceptance Form carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided, including the number of New Shares you wish to apply for (being your Entitlement plus the Additional New Shares) and the Application Monies (calculated at \$0.17 per New Share accepted).

Refer to Sections 2.6 and 2.7 for further details regarding payment.

## 2.4 **Acceptance of part of your Entitlement**

Should you wish to only take up part of your Entitlement, you should complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on the form and submit your acceptance either electronically by BPAY® or together with a cheque by mail to reach the Share Registry by the times set out in Section 1.12. Please read the instructions on the Entitlement and Acceptance Form carefully.

Please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided, including the number of New Shares you wish to accept and the Application Monies (calculated at \$0.17 per New Share accepted).

Refer to Sections 2.6 and 2.7 for further details regarding payment.

## 2.5 **Entitlement not taken up**

If you do not wish to accept any of your Entitlement under the Retail Entitlement Offer, you do not need to do anything.

The number of Shares you currently hold and the rights attaching to those Shares will not be affected should you choose not to accept your Entitlement, however, your percentage holding in the Company will be diluted.

## 2.6 **Payment by cheque / bank draft / money order**

If you wish to pay other than by EFT or BPAY®, your completed Entitlement and Acceptance Forms must be accompanied by a cheque, bank draft or money order in Australian dollars, crossed "Not Negotiable" and made payable to "PYC Therapeutics Limited".

Your completed Entitlement and Acceptance Form and cheque, bank draft or money order must reach the Share Registry, at the address detailed below, no later than 5.00 pm AEDT on the Retail Closing Date.

By Post:

**Automic Group**  
Level 5, 126 Phillip Street  
Sydney, New South Wales 2000

## 2.7 **Payment by BPAY®**

If you wish to pay by EFT or BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY® you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form.

It is your responsibility to ensure that your EFT or BPAY® payment is received by the Share Registry by no later than 5.00 pm AEDT on the Retail Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

## 2.8 **Application Monies**

Application Monies will be held on trust for Applicants until allotment of the New Shares. Interest earned on Application Monies will be for the benefit of the Company. No interest will be paid on any Application Monies received or refunded.

## 2.9 **Entitlement and Acceptance Form is binding**

Completing and returning your personalised Entitlement and Acceptance Form or paying any Application Monies by BPAY® will be taken to constitute a binding acceptance of New Shares on the terms and conditions set out in this Retail Offer Booklet and, once lodged or paid, cannot be withdrawn.

If the Entitlement and Acceptance Form is not completed correctly, it may still be treated as a valid application for New Shares. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

## 2.10 **Representations by acceptance**

By completing and returning your personalised Entitlement and Acceptance Form or paying any Application Monies by EFT or BPAY®, in addition to the representations set out elsewhere in this Retail Offer Booklet and in the Entitlement and Acceptance Form, you:

- (a) represent to the Company that you are an Eligible Retail Shareholder;
- (b) acknowledge that you have received a copy of this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (c) agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Retail Offer Booklet and the Constitution;
- (d) authorise the Company to register you as the holder(s) of the New Shares allotted to you;
- (e) declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (f) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- (g) acknowledge that once the Entitlement and Acceptance Form is returned, or a EFT or BPAY® payment instruction is given in relation to any Application

Monies, the Application may not be varied or withdrawn except as required by law;

- (h) agree to accept and be issued up to the number of New Shares specified in the Entitlement and Acceptance Form at the issue price of \$0.17 per New Share;
- (i) authorise the Company and its respective officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Entitlement and Acceptance Form;
- (j) declare that you were the registered holder at 7:00pm AEDT on the Record Date of the Shares indicated on your personalised Entitlement and Acceptance Form as being held by you at 7:00pm AEDT on the Record Date;
- (k) acknowledge that this Retail Offer Booklet is not a prospectus or product disclosure statement, does not contain all of the information that you may reasonably require in order to make an informed assessment of an investment in the Company and is given in the context of the Company's past and ongoing continuous disclosure announcements to ASX;
- (l) acknowledge that neither the Company, its Directors, officers, employees, agents, consultants nor advisers guarantee the performance of the New Shares offered under the Retail Entitlement Offer or the performance of the Company, nor do they guarantee the repayment of capital from the Company;
- (m) acknowledge the statement of risks in the "Key Risks" section of the Investor Presentation included in Attachment A of this Retail Offer Booklet and that an investment in the Company is subject to risk;
- (n) acknowledge that the information contained in this Retail Offer Booklet and the Entitlement and Acceptance Form does not constitute investment advice, nor a recommendation that New Shares are suitable for you given your individual investment objectives, financial situation or particular needs;
- (o) represent and warrant that the law of any place does not prohibit you from being given this Retail Offer Booklet and the Entitlement and Acceptance Form, nor does it prohibit you from accepting New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer;
- (p) represent and warrant that you are not in the United States and you are not acting for the account or benefit of a person in the United States;
- (q) understand and acknowledge that New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction in the United States and accordingly, the New Shares may not be offered or sold to, or for the account or benefit of, any person in the United States;

- (r) agree not to send this Retail Offer Booklet, the Entitlement and Acceptance Form or any other material relating to the Retail Entitlement Offer to any person in the United States or elsewhere outside Australia or New Zealand, except as contemplated as permitted under the following clause;
- (s) if acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the entitlement and acceptance form (i) is resident in Australia or New Zealand, or is an Institutional Investor in Singapore or Switzerland, and (ii) is not in the United States, and you have not sent this Retail Offer Booklet or the entitlement and acceptance form to any such person;
- (t) agree that if in the future you decide to sell or otherwise transfer your New Shares you will only do so in transactions where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, in the United States or a person in the United States; and
- (u) agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and/or of your holding of Shares on the Record Date.

### 3. OTHER IMPORTANT INFORMATION

#### 3.1 Risk factors

The Investor Presentation annexed to this Retail Offer Booklet sets out important factors and risks that could affect the financial and operating performance of PYC. When making an investment decision in connection with this Retail Entitlement Offer, it is important that you consider these risk factors carefully in light of your individual personal circumstances, including financial and taxation issues.

#### 3.2 Effect on capital structure

The effect of the Entitlement Offer on the capital structure of the Company, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, is set out below:

Shares	Number
Existing Shares currently on issue <sup>1</sup>	2,931,577,991
New Shares offered pursuant to Entitlement Offer	293,157,799
New Shares offered pursuant to the Placement	29,411,765

<b>Maximum number of Total Shares on issue after completion of the Entitlement Offer and Placement<sup>1</sup></b>	3,254,147,555
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**Notes:**

- The above figures assume that no existing options over Shares will be exercised prior to the Record Date. At the date of this Retail Offer Booklet, the Company has the following Options outstanding:

10,000,000 Unlisted options expiring 16/11/2021, exercise price \$0.039

20,000,000 Unlisted options expiring 28/02/2023, exercise price \$0.063

15,000,000 Unlisted options expiring 28/02/2023, exercise price \$0.06

No Shares or Options on issue are subject to escrow restrictions, either voluntary or ASX imposed.

**3.3 Details of substantial shareholders**

The substantial Shareholders of the Company prior to the date of this Offer Document (and excluding any shares proposed to be issued under the Institutional Entitlement Offer) are as follows:

<b>Name</b>	<b>Number of Shares</b>	<b>% of Issued Capital</b>
Australian Land Pty Ltd	882,563,760	30.11
David Sietsma	291,950,000	9.97
B E and D C Hockings	263,659,571	8.99
Anthony Barton and Associates	155,200,314	5.3
<b>TOTAL</b>	<b>1,593,373,645</b>	<b>54.37</b>

**Notes:**

- These figures are obtained from the latest substantial holder notices lodged with the Company as at the date of this Retail Offer Booklet.

### 3.4 Potential effect of the Placement and Entitlement Offer

The conduct of the Placement in conjunction with the Entitlement Offer means that all Eligible Retail Shareholders will have their percentage interest in the Company diluted if they only accept their Entitlement and do not apply for (and receive) a sufficient number of Additional New Shares from any Shortfall. If Eligible Retail Shareholders take up their Entitlements in full without receiving Additional New Shares, the voting power of Eligible Retail Shareholders will be reduced by a maximum of approximately 10%.

Given that the Institutional Entitlement Offer and Placement has now taken place, there are only approximately 115,347,528 New Shares on offer under the Retail Entitlement Offer representing approximately 3.5% of the Company's issued capital following completion of the Entitlement Offer and Placement. Accordingly, the Company does not expect that the acceptance of Entitlements under the Retail Entitlement Offer or the allocation of any New Shares under any Shortfall will result in existing Shareholders or new investors significantly increasing their interest in the Company or obtaining a substantial interest in the Company.

Any New Shares issued under any Shortfall will only be placed to the extent that such placement is in compliance with the takeover provisions of the Corporations Act, which restrict a person and their associates from having a relevant interest in the Company of more than 19.99%, subject to a number of exemptions.

For further details regarding the allocation of Additional New Shares under the Shortfall, please see Section 1.11.

#### **Possible control implications – General**

Under section 606 of the Corporations Act, a person cannot acquire a relevant interest in the issued voting shares of a company if, because of a transaction in relation to securities of that company, a person's Voting Power in the company increases from 20% or below to more than 20% (or from a starting point that is above 20% and below 90%).

There are certain exceptions to the above prohibition in section 611 of the Corporations Act. Item 10A of the table in section 611 of the Corporations Act (as notionally inserted by ASIC Corporations (Takeovers – Accelerated Rights Issues) Instrument 2015 / 1069) (Rights Issue Exception) provides an exception for an acquisition of securities pursuant to a rights issue if the following conditions (as notionally modified by ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84) are satisfied:

- (a) the company offers to issue securities to every person who holds securities on a pro-rata basis;
- (b) all of those persons have a reasonable opportunity to accept the offers made to them;
- (c) agreements to issue securities are not entered into until the closing date of the offer; and
- (d) the terms of all offers are the same.

If the Rights Issue Exception is to be relied upon then section 615 of the Corporations Act (regarding of the appointment of a nominee for the sale of foreign shareholders' rights) must be complied with, which includes a requirement for ASIC to approve the nominee.

As mentioned in Section 1.5, the Company has appointed Bell Potter as its Nominee and this appointment has been approved by ASIC.

#### **Possible control implications – Australian Land**

Australian Land is controlled by the Company's Chairman Mr Alan Tribe.

Australian Land's voting power immediately before the Entitlement Offer and Placement was 30.11%.

Whilst the voting power of Australian Land immediately following the completion of the Institutional Entitlement Offer and Placement will increase to 30.9%, immediately following the completion of the Retail Entitlement Offer, Australian Land's voting power will reduce to approximately 29.8% (assuming the maximum number of shares are issued under the Retail Entitlement Offer).

The following table shows the potential change in Australian Land's voting power based on different assumptions on acceptance of the Retail Entitlement Offer.

<b>% Acceptance of Retail Entitlement Offer</b>	<b>Company's issued shares (post Placement and Entitlement Offer)</b>	<b>Australian Land's Voting Power</b>
100%	3,254,147,555	29.83%
75%	3,225,310,673	30.1%
50%	3,196,473,791	30.37%
25%	3,167,636,909	30.65%
0% (Placement and Institutional Entitlement Offer only)	3,138,800,027	30.93%

### 3.5 Potential Dilution

Shareholders should note that if they do not participate in the Retail Entitlement Offer, their holdings are likely to be diluted (as compared to their holdings and number of Shares on issue as at the Record Date). Examples of how the dilution from the Retail Entitlement Offer may impact Shareholders are set out in the table below:

Example Shareholder	# Existing Shares at Record Date	% at Record Date	Entitlement	No Shares if Entitlement declined	% after issue of New Shares
Shareholder 1	200,000,000	6.8%	20,000,000	200,000,000	6.14%
Shareholder 2	150,000,000	5.1%	15,000,000	150,000,000	4.61%
Shareholder 3	100,000,000	3.4%	10,000,000	100,000,000	3.1%
Shareholder 4	50,000,000	1.7%	5,000,000	50,000,000	1.54%

#### Notes:

- The table assumes that no Shares are issued other than under the Placement and Entitlement Offer.
- The dilution effect shown in the table is the maximum percentage of dilution on the assumption that the Offer is fully subscribed. If the Retail Entitlement Offer is not fully subscribed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

### 3.6 Taxation

There may be tax consequences for Shareholders who decide to participate in the Retail Entitlement Offer and receive New Shares. The Company does not consider that it is appropriate to give advice regarding the taxation consequences of applying for New Shares under the Retail Entitlement Offer. The taxation consequences will depend on the circumstances of each Applicant. Applicants should consult their own professional adviser in connection with the taxation implications of subscribing for New Shares offered in the Retail Entitlement Offer.

### 3.7 **Notice to nominees and custodians**

Nominees and custodians may not distribute this document, and may not permit any beneficial shareholder to participate in the Offer, in any country outside Australia and New Zealand except, with the consent of the Company, to beneficial shareholders resident in certain other countries where the Company may determine it is lawful and practical to make the Offer.

Where any person is acting as a nominee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Retail Entitlement Offer by the beneficiary complies with applicable foreign laws, consistent with the guidance provided in this Retail Offer Booklet.

### 3.8 **Rights and liabilities attaching to New Shares**

The New Shares offered under this Retail Offer Booklet will rank equally in respect of dividends and have the same rights in all other respects (e.g. voting, bonus issues) as existing Shares. Full details of the rights and liabilities attaching to New Shares are set out in the Constitution, a full copy of which is available from Company on request free of charge.

### 3.9 **Continuous disclosure obligations**

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX. As such, the Company is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules.

Specifically, the Company is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the securities markets conducted by ASX. In particular, the Company has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price of value of its securities.

This Retail Offer Booklet is intended to be read in conjunction with the publicly available information in relation to the Company, which has been notified to ASX, and does not include information that would be included in a disclosure document or which investors ought to have regard to in deciding whether to subscribe for New Shares under the Retail Entitlement Offer. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

All announcements made by the Company are available from ASX's website at [www.asx.com.au](http://www.asx.com.au).

Additionally, the Company is required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors' statement and report, and an audit report or review. These reports are released to ASX and published on the ASX website.

### 3.10 **Jurisdiction**

This Retail Offer Booklet (including the Entitlement and Acceptance Form) and the contracts that arise from the acceptance of the Applications are governed by the laws applicable in Western Australia and each Applicant submits to the non-exclusive jurisdiction of the courts of Western Australia.

### 3.11 **Privacy**

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes set out in this Retail Offer Booklet and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application. An Applicant has a right to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

#### 4. GLOSSARY

In this Retail Offer Booklet, unless the context requires otherwise:

<b>\$ or dollars</b>	means Australian dollar.
<b>Additional New Shares</b>	means New Shares in excess of a Shareholder's Entitlement.
<b>AEDT</b>	means Australian Eastern Daylight Saving Time.
<b>Applicant</b>	refers to a person who submits an Entitlement and Acceptance Form under the Retail Entitlement Offer.
<b>Application</b>	refers to the submission of an Entitlement and Acceptance Form by an Applicant to the Company under the Retail Entitlement Offer.
<b>Application Monies</b>	means application monies for New Shares received by the Company from an Applicant.
<b>ASIC</b>	means Australian Securities & Investments Commission.
<b>ASX</b>	means ASX Limited ACN 008 624 691 or the financial products market operated by that entity known as the Australian Securities Exchange.
<b>ASX Listing Rules</b>	means the official ASX Listing Rules of ASX, as amended or replaced from time to time and as waived in respect of PYC by ASX.
<b>Board</b>	means the board of directors of PYC.
<b>Company or PYC</b>	means PYC Therapeutics Limited ACN 098 391 961.
<b>Constitution</b>	means the constitution of the Company as at the date of this Retail Offer Booklet.
<b>Corporations Act</b>	means the Corporations Act 2001 (Cth).

<b>Eligible Retail Shareholder</b>	is defined in Section 1.4.
<b>Eligible Shareholder</b>	means a person who is an Eligible Institutional Shareholder or an Eligible Retail Shareholder.
<b>Entitlement</b>	means the entitlement to subscribe for 1 New Share for every 10 Existing Shares held on the Record Date by Eligible Shareholders.
<b>Entitlement and Acceptance Form</b>	means the entitlement and acceptance form accompanying this Retail Offer Booklet.
<b>Entitlement Offer</b>	means the offer of approximately 293,157,799 New Shares to Eligible Shareholders.
<b>Existing Share</b>	means a Share on issue before the Record Date.
<b>Indicative Timetable</b>	means the indicative timetable set out on page 6 of this Retail Offer Booklet.
<b>Ineligible Institutional Shareholder</b>	means an Institutional Shareholder who is not an Eligible Institutional Shareholder.
<b>Ineligible Retail Shareholder</b>	means a Shareholder that is not an Eligible Retail Shareholder, an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder.
<b>Institutional Entitlement Offer</b>	means the offer of New Shares to Eligible Institutional Shareholders as part of the Entitlement Offer as set out in Section 1.2.

<b>Institutional Investor</b>	means an institutional or professional investor (and any person for whom it is acting):  (a) in Australia, to whom an offer of securities in a company may be made in Australia without a disclosure document (as defined in the Corporations Act) on the basis that such a person is an 'exempt investor' as defined section 9A(5) of the Corporations Act (as inserted by ASIC Corporations ( <i>Non-Traditional Rights Issues</i> ) Instrument 2016/84);  (b) in Singapore, is an "institutional investor" or an "accredited investor" (as such terms are defined in the Securities and Futures Act of Singapore ("SFA"));  (c) in Switzerland, is a "professional client" within the meaning of article 4(3) of the Swiss Financial Services Act ("FinSA") or have validly elected to be treated as a professional client pursuant to article 5(1) of the FinSA; and  (d) an institutional or professional investor to whom an offer of New Shares may be made without registration, lodgement of a formal disclosure document or other formal filing in accordance with the laws of that foreign jurisdiction.
<b>Institutional Shareholder</b>	means a Shareholder on the Record Date who is an Institutional Investor.
<b>Investor Presentation</b>	means the investor presentation in connection with the Placement and Entitlement Offer dated 20 October 2020, a copy of which is attached to this Retail Offer Booklet.
<b>Lead Manager</b>	means Bell Potter Securities Limited (AFSL 243480).
<b>New Shares</b>	means the Shares offered under the Entitlement Offer.
<b>Offer Price</b>	means \$0.17 per New Share.
<b>Option</b>	means an option to acquire a Share.
<b>Permitted Jurisdiction</b>	means each of Australia and New Zealand.

<b>Placement</b>	means the institutional placement of New Shares at the Offer Price.
<b>Placement Shares</b>	means New Shares issued under the Placement.
<b>Record Date</b>	means the time and date for determining which Shareholders are entitled to an Entitlement under the Entitlement Offer, being 7.00 pm AEDT on 22 October 2020.
<b>Retail Closing Date</b>	means 5.00pm AEDT on 11 November 2020 (unless extended). This is the final date that Eligible Retail Shareholders can take up some or all of their Entitlement.
<b>Retail Offer Booklet</b>	means this booklet dated 26 October 2020, including (for the avoidance of doubt) the ASX Announcement and Investor Presentation set out in Attachment A.
<b>Retail Opening Date</b>	means the opening date of the Retail Entitlement Offer as set out in the Indicative Timetable.
<b>Section</b>	means a section of this Retail Offer Booklet.
<b>Share</b>	means a fully paid ordinary PYC share in PYC.
<b>Shareholder</b>	means the registered holder of an Existing Share.
<b>Share Registry</b>	means PYC's share registry, being mic Group of Level 2, 267 St Georges Terrace, Perth, Western Australia 6000.
<b>Shortfall</b>	means those New Shares not applied for under the Entitlement Offer.
<b>US Securities Act</b>	means the US Securities Act of 1933, as amended.

## CORPORATE DIRECTORY

### Directors

Mr Alan Tribe	Non-Executive Chair
Dr Rohan Hockings	Chief Executive Officer & Executive Director
Mr Douglas Huey	Executive Director
Dr Bernard Hockings	Non-Executive Director

### Company Secretary

Mr Kevin Hart

### Principal Place of Business

Address: Level 5, The Harry Perkins Institute of Medical Research, QEII Medical Centre, 6 Verdun Street, Nedlands, WA

Tel: +61 8 6151 0992  
Fax: +61 8 9315 5475  
Email: [info@pyctx.com](mailto:info@pyctx.com)  
Website: [www.pyctx.com](http://www.pyctx.com)  
ASX Code: PYC

### Share Registry

Automic Group  
Level 2, 267 St Georges Terrace  
Perth, Western Australia 6000

Telephone: Within Australia: 1300 228 664  
Outside Australia: +61 2 9698 5414

### Lawyers

Tenzing Partners Pty Ltd  
Level 6, 105 St Georges Terrace  
Perth Western Australia 6000  
<http://www.tenzingpartners.com.au>

### Lead Manager

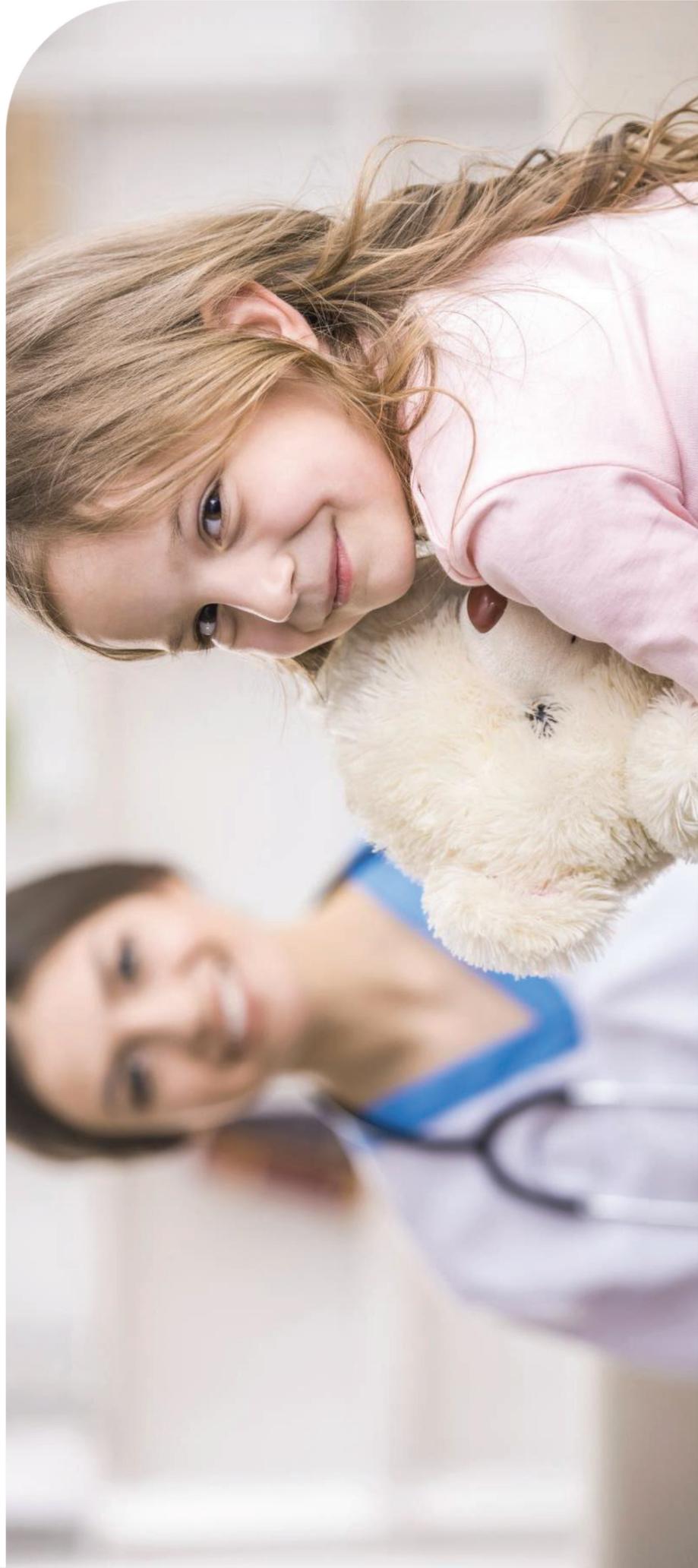
Bell Potter Securities Limited  
Level 37, Exchange Plaza  
2 The Esplanade WA 6000

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October 2020

# Important notice and disclaimer

## page 1 of 2



The following notice and disclaimer applies to this investor presentation (Presentation). You should carefully read this notice and disclaimer before reading or making any other use of this Presentation or any information contained within it.

This Presentation is dated 20 October 2020 and has been prepared by PYC Therapeutics Limited (ACN 098 391 961) (PYC or Company). This Presentation has been prepared in connection with PYC's proposed maximum \$55m offer of new fully paid ordinary shares (New Shares) in PYC, comprising:

- a placement of New Shares to institutional and sophisticated investors (Placement) under section 708A of the Corporations Act 2001 (Cth) (Corporations Act); and
- a 1 for 10 pro rata accelerated non-renounceable entitlement offer to certain eligible shareholders of PYC (Entitlement Offer). The Entitlement Offer is being made to:
  - eligible institutional shareholders of PYC (Institutional Entitlement Offer); and
  - eligible retail shareholders of PYC (Retail Entitlement Offer).

under section 708AA of the Corporations Act as modified by the Australian Securities and Investments Commission Corporations (Non-Traditional Rights Issues) Instrument 2016/84. The Placement and the Entitlement Offer together form the Offer.

### **The Offer is not underwritten.**

### **Summary information**

This Presentation contains summary information about PYC and its subsidiaries (Group) and their respective activities which are current as at the date of this Presentation. The information in this Presentation is of a general nature and does not purport to be complete nor does it contain all information which a prospective investor may require in evaluating a possible investment in PYC or that would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act.

This Presentation should be read in conjunction with PYC's other periodic and continuous disclosure information lodged with the ASX, which are available at [www.asx.com.au](http://www.asx.com.au).

### **Not an offer**

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The Retail Entitlement Offer will be made on the basis of the information contained in the retail offer booklet to be prepared for eligible retail shareholders in Australia and New Zealand (Retail Offer Booklet), and made available following its lodgement with ASX. Any eligible retail shareholder in Australia or New Zealand who wishes to participate in the Retail Entitlement Offer should consider the Retail Offer Booklet before deciding whether to apply for New Shares under the Retail Entitlement Offer. Anyone who wishes to apply for New Shares under the Retail Entitlement Offer will need to apply in accordance with the instructions contained in the Retail Offer Booklet and the entitlement and acceptance form.

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### **Investment risk**

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You should have regard to the risk factors outlined in Appendix A of this Presentation.

### **Financial information**

All references to dollars, cents or \$ in this Presentation are to Australian currency, unless otherwise stated. Unless otherwise noted, all references to financial information are presented as at the full financial year ended 30 June 2020.

## Important notice and disclaimer page 2 of 2

### **Effect of rounding**

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Presentation are subject to the effect of rounding. The actual calculation of these figures may differ from the figures set out in this Presentation.

### **Future performance and forward-looking statements**

This Presentation contains certain "forward-looking statements". The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements.

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Group's performance, including past share price performance of PYC and pro forma financial information given in this Presentation, is given for illustrative purposes only and should not be relied upon as (and is not) an indication of the Group's views on its future financial performance or condition. Investors should also note that the pro forma financial information is for illustrative purpose only and does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the US Securities and Exchange Commission. Investors should note that past performance, including past share price performance, of PYC cannot be relied upon as an indicator of (and provides no guidance as to) future performance of the Group including future share price performance. Nothing contained in this Presentation nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee, whether as to the past, present or future.

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This Presentation has been authorised for release to ASX by the PYC Board of Directors.

### **Disclaimer**

Bell Potter Securities Limited (ABN 25 006 390 772) is acting as lead manager to the Offer (Lead Manager).

The Lead Manager, together with its shareholders, affiliates or related bodies corporate, and their respective directors, officers, affiliates, partners, employees or agents or advisers (each a Limited Party), and PYC's agents or advisers, have not authorised, permitted or caused the issue, lodgement, submission, dispatch or provision of this Presentation and do not make or purport to make any statement in this Presentation and there is no statement in this Presentation which is based on any statement by any of them.

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The Limited Parties make no recommendations as to whether you or your related parties should participate in the Offer nor do they make any representations or warranties to you concerning the Offer. You represent, warrant and agree that you have not relied on any statements made by the Limited Parties in relation to the Offer. You further expressly disclaim that you are in a fiduciary relationship with any of the Limited Parties.

You acknowledge and agree that the determination and eligibility of investors for the purposes of the Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of PYC and the Lead Manager. You further acknowledge and agree that PYC, the Beneficiaries and the Limited Parties exclude and expressly disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law. The Limited Parties may rely on information provided by or on behalf of institutional investors in connection with managing, conducting and underwriting the Offer and without having independently verified that information and the Limited Parties do not assume any responsibility for the accuracy or completeness of that information.

Statements made in this Presentation are made only as at the date of this Presentation. None of the Limited Parties, PYC, nor the Beneficiaries have any obligation to update this Presentation. The information in this Presentation remains subject to change without notice. PYC reserves the right to withdraw the Offer or vary the timetable for the Offer without notice.

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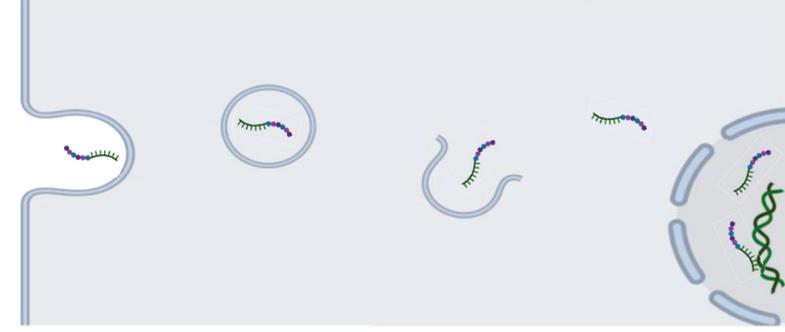
## Investment highlights

**PYC**  
THERAPEUTICS

## Key investment highlights



### PYC is an RNA therapeutics company specialising in diseases of the eye

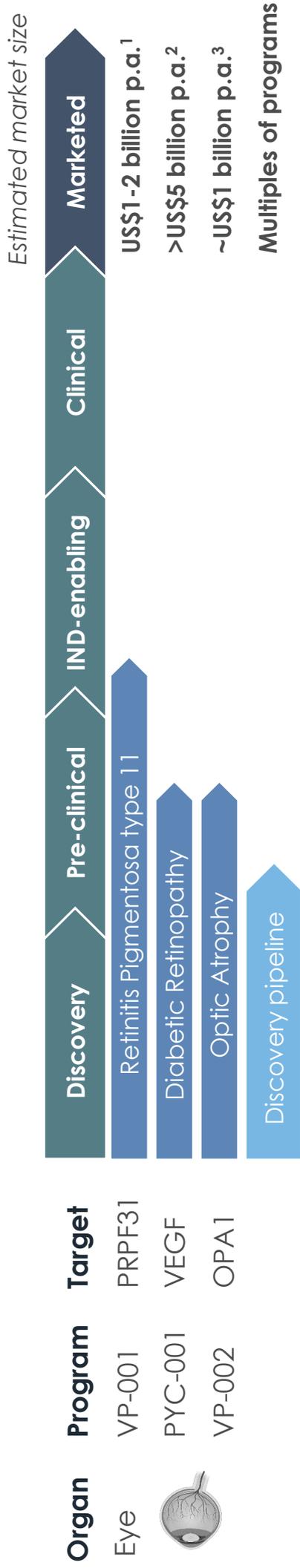


- **RNA therapeutics have come of age**  
But their ongoing success is impeded by inefficient or toxic delivery inside cells
- **PYC's cell-penetrating peptide (CPP) delivery platform solves this 'delivery' problem**  
PYC's competitive advantage is getting more drug safely into the target cell
- **PYC applies its advantages in precision drugs for eye disease: an area of unmet need**  
PYC's lead program is the first disease-modifying therapy for Retinitis Pigmentosa type 11 - a USD1-2B p.a. target market
- **PYC's technology scales rapidly in the eye: same delivery tech for other RNA cargoes**  
PYC has multiple drug programs, each progressing towards multi-billion dollar markets
- **Building on its success in the eye, PYC is expanding the application of its technology**  
The Company's initial focus outside the eye is on neurodegenerative diseases

**PYC has multiple assets heading towards multi-billion dollar target markets – each with a clear competitive advantage**

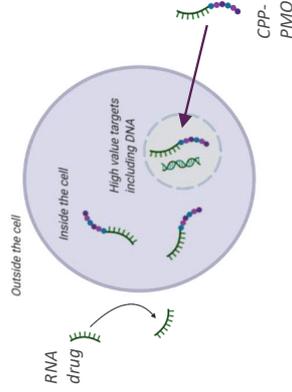


① **PYC is a drug development company with multiple assets – each heading towards a multi-billion dollar market**



② **Each asset has a clear competitive advantage that addresses the greatest challenge in RNA drug development**

Delivering large drugs inside cells is the greatest challenge in the genetic medicine field



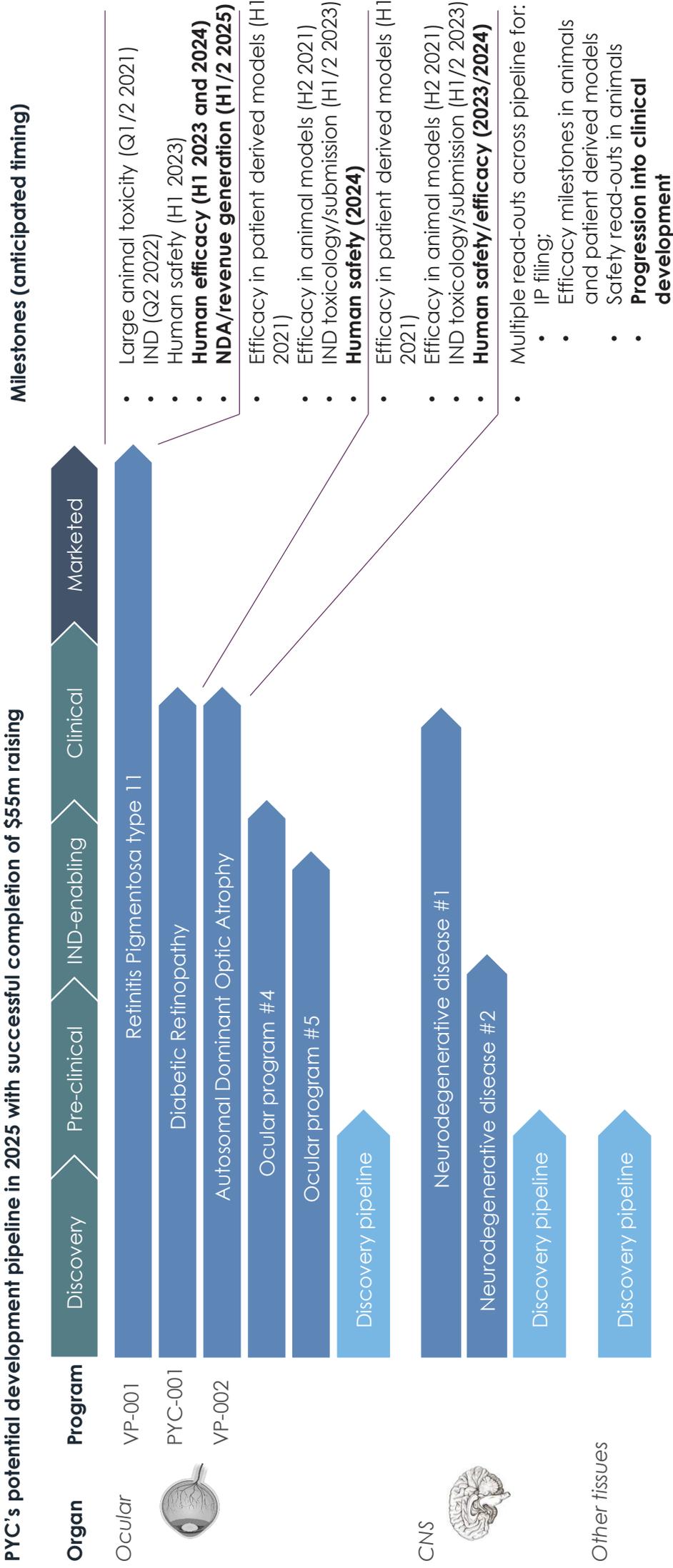
PYC's technology overcomes this challenge and consequently holds the promise of first in class therapies for patients who currently have no treatment options available

<sup>1</sup> Based on patient population of 4-8k in the western world and pricing of 250k per patient. For detailed breakdown and underlying assumptions see ASX announcement "Technical Presentation - October 2020" dated 9 October 2020  
<sup>2</sup> based on sales of VEGF-inhibitors on the market (Eylea and Lucentis), reference: Roche and Genentech Annual reports  
<sup>3</sup> Equal pricing to VP-001 and similar patient population and need (see Nasca A, et al. 'Not only dominant, not only optic atrophy: expanding the clinical spectrum associated with OPA1 mutations', Orphanet J Rare Dis. 2017 May 12;12(1):89)

# Equity Raising to fund multiple programs through clinical read-outs



## PYC's potential development pipeline in 2025 with successful completion of \$55m raising



**Organ**    **Program**

Ocular    VP-001

            PYC-001

            VP-002



**CNS**

Neurodegenerative disease #1

Neurodegenerative disease #2



**Other tissues**

Discovery pipeline

Discovery pipeline

NOTE: this assumes successful progression of PYC's current lead program in RP11 into and through clinical development as well as efficient progression of multiple other pipeline programs into clinical development. PYC will prioritise programs according to the company's corporate strategy

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## A\$55m Equity Raising Overview

**PYC**  
THERAPEUTICS

## A\$55m Equity Raising Overview



### Rationale and Summary

PYC is accelerating multiple drug programs towards clinical development on the back of a series of successful milestones in pre-clinical development. The Company is seeking to raise gross proceeds of up to ~A\$55m to progress multiple drug programs into clinical development in parallel and to expand the Company's presence in the US in preparation for a US securities exchange listing.

### Offer size and structure

- 1 for 10 Accelerated Non-Renounceable Entitlement Offer (ANREO) to eligible shareholders to raise up to \$50m comprising an institutional entitlement offer and a retail entitlement offer.
- Parallel Placement of up to \$5 million of New Shares at the same price as the ANREO
- Approximately 323m New Shares to be issued under the ANREO and Placement if fully subscribed.
- The offer is not underwritten.

### Use of proceeds

Funding PYC's lead drug program through to market as well as multiple drug programs through to 'first in human' clinical read-outs and expansion of the Company's earlier stage drug development pipeline (see page 11 for detailed breakdown).

### Pricing

- Entitlement Offer at \$0.17/share, represents a:
- 8% discount to the closing price of \$0.185 on 15 October 2020
  - ~7.4% discount to the Theoretical Ex-Rights Price (TERP) of \$0.184 per share

### Director participation

Mr. Alan Tribe, Non-Executive Chairman of PYC, has agreed to take up 100% of his related entity's full entitlement under the Entitlement Offer

### Ranking

New Shares will rank equally with the existing ordinary shares at allotment

### Lead manager

Bell Potter Securities Limited (AFSL 243480) is the sole lead manager to the ANREO and Placement.

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 16 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.

## Indicative timetable

<b>Key event</b>	<b>Indicative Date</b>
Announcement of the Entitlement Offer	20 October 2020
Institutional Entitlement Offer Opens	20 October 2020
Placement and Institutional Entitlement Offer Closes	21 October 2020
Shares recommence trading on ASX on an “ex-entitlement” basis	22 October 2020
Record Date for eligibility in the Retail Entitlement Offer	7.00pm (AEDT) on 22 October 2020
Retail Entitlement Offer opens and despatch of Offer Booklet	26 October 2020
Settlement of Placement and Institutional Entitlement Offer	27 October 2020
Issue and commencement of trading of New Shares issued under the Placement and Institutional Entitlement Offer	28 October 2020
Retail Entitlement Offer closes	5:00pm (AEDT) on 11 November 2020
Announcement of Results of the Retail Offer	13 November 2020
Settlement of Retail Entitlement Offer	17 November 2020
Issue of New Shares under the Retail Entitlement Offer	18 November 2020
Trading of New Shares issued under the Retail Entitlement Offer	19 November 2020
Dispatch of holding statements for the New Shares issued under the Retail Entitlement Offer	19 November 2020

## Use of funds



### Company objectives

- Continued development of VP-001 for Retinitis Pigmentosa Type 11, reaching clinical development early in 2022
- Proof of concept and IND-enabling studies for PYC-001 and VP-002 in the development of the ocular pipeline
- Development of PYC's CPP-ASO platform in the central nervous system including identification of a target in neurodegenerative disease
- Expansion of PYC's corporate presence in the US to support the clinical development of PYC's drug pipeline and support engagement with US equity capital markets

### Intended use of funds

Clinical development of VP-001 through to market including Phase 1/2 and Phase 2/3 trials	\$10M
IND-enabling studies for PYC-001*	\$15M
IND-enabling studies for VP-002	\$15M
Development of central nervous system cell penetrating peptide and therapeutics RNA drug*	\$5M
US corporate expansion including 3 executive roles in clinical development, IR, and finance	\$6M
Working capital	\$4M
<b>Total</b>	<b>\$55M</b>

NOTE: The Equity Raising is not underwritten. If the proceeds from the Equity Raising are less than is required to meet the Company's proposed use of funds, the Company may review its proposed use of funds (including whether to scale back or defer investments) as well as consider alternative funding options. Uses flagged with \* are likely to be deferred in such a scenario

## Proforma Balance Sheet



### PYC balance sheet, A\$

	FY2020	Pro forma <sup>1</sup>
Cash and cash equivalents <sup>2</sup>	25,428,095	77,428,095
Other current assets	133,024	133,024
<b>Total current assets</b>	<b>25,561,119</b>	<b>77,561,119</b>
Property, plant, and equipment <sup>3</sup>	1,135,195	1,135,195
Intangible assets	4,850,000	4,850,000
<b>Total non-current assets</b>	<b>5,985,195</b>	<b>5,985,195</b>
<b>Total assets</b>	<b>31,546,314</b>	<b>83,546,314</b>
Current liabilities	705,605	705,605
Non-current liabilities	645,178	645,178
<b>Total liabilities</b>	<b>1,350,783</b>	<b>1,350,783</b>
<b>Net assets</b>	<b>30,195,531</b>	<b>82,195,531</b>

- Entitlement Offer net proceeds of up to \$52m after costs of approximately \$3m
- Pro forma cash available on completion of the Offer of ~\$77m

NOTE: all financials assume full take-up of the ANREO and Placement

1 See PYC financial position for FY2020 number presented in the Annual report found at [pyctx.com](http://pyctx.com)

2 Includes term deposits

3 Includes right of use assets

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## Peer comparisons in RNA therapeutics



PYC trades at a substantial discount to its US peers



	Market Cap. USD M <sup>1</sup>	Cash, USD M <sup>2</sup>	Stage	IND date	Platform	Lead target
	380 → 418 <sup>3</sup>	18 → 56 <sup>3</sup>	Pre-clinical	1H 22	RNA delivery	Rare Ocular
	1,070	345	Pre-clinical	2H 21	RNA delivery	Rare Muscle
	790	375	Pre-clinical	1H 22	RNA delivery	Rare Muscle
	1,310	215	Phase 1	1H 20	RNA targets	Rare Neuro
	810	380	IND	1H 20	DNA delivery	Rare Neuro
	1,210	340	Pre-clinical	2H 22	DNA delivery	Rare Liver

<sup>1</sup> As at 16<sup>th</sup> October 2020, AUD:USD of 0.7

<sup>2</sup> From SEC 10-Q and S-1 filings

<sup>3</sup> Pro forma cash balance, using TERP for market cap and assuming full uptake of ANREO and Placement

## PYC has charted a path to 'closing the gap'

### Value drivers

#### Focus to 'close the gap' in 2021

- 
- 1 Progress VP-001 to clinic**
    - Demonstrate safety in large animal toxicity studies
- 
- 2 Scale PYC's CPP-PMO technology**
    - Progress VEGF and OPA1 programs through IND-enabling efficacy read-outs
    - Add initial CNS program and further ocular programs to the pipeline
- 
- 3 Build the capabilities to ensure value is recognised**
    - Prepare for US capital market listing
      - Industry-recognised US Board representation
      - Build executive capability in the US (strategy, clinical, regulatory, IR, BD, translation)
      - Consolidate scientific capability in Australia
      - Identify strategic investors to join shareholder register

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## Forward view of milestones

**PYC**  
THERAPEUTICS

2021 will see PYC deliver a significant milestone across each of its three pipeline programs (and beyond)



Organ	Program	Target	Milestone and anticipated timing	Importance
Eye 	VP-001	PRPF31	1H21 Large animal toxicity studies	<ul style="list-style-type: none"> <li>Final two major milestones before clinical trials begin</li> <li>Clinical programs have ~50% chance of reaching market (\$1-2bn p.a.)<sup>1</sup></li> </ul>
	PYC-001	VEGF	2H21 Evaluation in geographic atrophy patient cells	<ul style="list-style-type: none"> <li>Major milestone to determine whether program will progress into IND-enabling studies</li> </ul>
	VP-002	OPA1	Evaluation in patient derived '3D organoid' and/or animal models	<ul style="list-style-type: none"> <li>Major milestone to determine whether program will progress into IND-enabling studies</li> </ul>
CNS 	Other		Anticipated conversion of discovery program through to fourth development program (IP filing)	<ul style="list-style-type: none"> <li>Expanding the breadth of PYC's pipeline into other high value applications</li> <li>Rapid development path due to ability to leverage existing pre-clinical data</li> </ul>
	TBD	TBD	Anticipated announcement of first CNS development program (IP filing)	<ul style="list-style-type: none"> <li>Demonstrated ability to apply PYC's technology beyond the eye</li> </ul>
			Finalisation of lead CNS molecule (following selection of lead Cell Penetrating Peptide)	

<sup>1</sup> Wong CH, Siah KW, Lo AW. Estimation of clinical trial success rates and related parameters. Biostatistics. 2019 Apr 1;20(2):273-286.

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## Corporate overview



# PYC Corporate Snapshot (ASX: PYC)



## Financial Information (15 October 2020, AUD)

<b>Share price</b>	<b>\$0.185</b>
Number of shares	2,930M
<b>Market Capitalisation</b>	<b>\$542M</b>
Cash (30-Jun-20)	\$25M
Debt (30-Jun-20)	Nil
<b>Enterprise Value</b>	<b>\$517M</b>

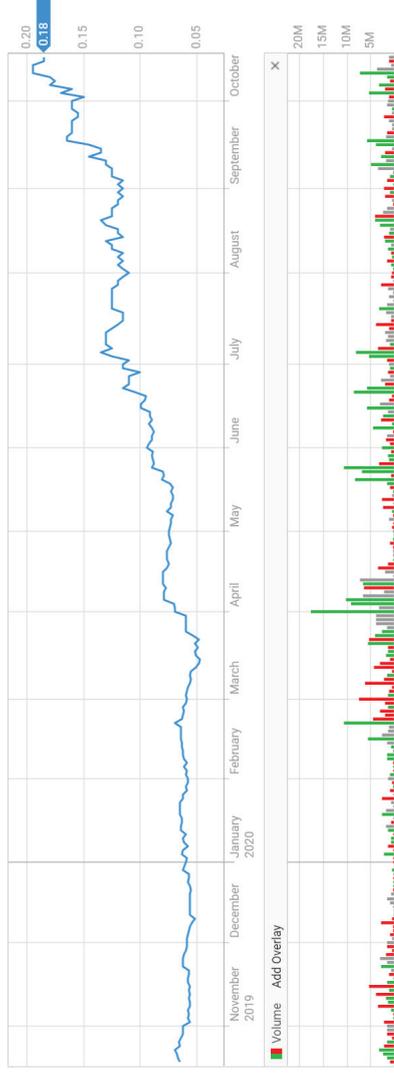
## Board of Director

Alan Tribe – Chairman
Doug Huey – Executive Director
Dr Rohan Hockings – Chief Executive Officer
Dr Bernard Hockings – Non-Executive Director

## Top Shareholders (15 October 2020)

	%
Alan Tribe	30.11%
David Sietsma	9.97%
Dr Bernard Hockings	8.99%
Anthony Barton and Associates	5.3%

**Share Price Performance (12 months)**  
ASX website



## Leadership team



### Executive management

#### Dr Rohan Hockings

MBBS (Hons), JD GDLP  
Chief Executive Officer



Experience across both clinical and commercial roles including Private Equity, Commercial Law, and Strategy, prior to joining PYC

#### Professor Sue Fletcher

PhD, BSc  
Chief Scientific Officer



Leading global expert and pioneer in RNA therapeutics. Co-inventor of Exondys-51, Vyondys-53, and Casimersen, commercialised by Sarepta. Prof. Fletcher leads PYC's discovery team and is the co-inventor of VP-001

#### Kaggen Ausma

LLB, Becons (Hons)  
Chief Business Officer



Previous roles in McKinsey & Co across Strategy, Commercial, VC and PE, and CLSA Asia-Pacific

### Advisory Board

#### Dr Fred Chen

MBBS (Hons), PhD, FRANZCO  
Chair Ophthalmic Advisory Board



Retinal clinician, co-inventor of VP-001 and leader of Ocular Tissue Engineering Laboratory at Lions Eye Institute

#### Professor Judy Lieberman

MD, PhD  
Scientific Advisory Board Member



Leader and pioneer in the field of siRNA, Chair in Cellular and Molecular Medicine at Boston Children's Hospital, Professor of Pediatrics at Harvard Medical School

#### Asc. Professor Rakesh N. Veedu

MSc, PhD, MRACI  
Scientific Advisory Board Member



Extensive expertise in basic and translational research in the field of oligonucleotide therapeutic development

## Appendix A: General risks



<p><b>COVID-19 and global health risks</b></p>	<p>Global health risks or the potential for these events could have a negative impact on PYC. Since early 2020 the coronavirus pandemic, now known as COVID19, has spread rapidly to many countries globally. The impact of COVID-19 has led to the adoption of extreme preventative measures by governments and other authorities, including the imposition of limits on public gatherings, restrictions on travel, the closure of borders, requirements for self-isolation, restriction of access to services and the closure of stores and businesses, including in Australia. Given the high degree of uncertainty surrounding the extent and duration of COVID-19 it is not possible to assess the impact of COVID-19 on PYC's business. These events have had and can be expected to continue to precipitate sudden significant changes and volatility in regional and global economic conditions and financial markets.</p> <p>If there is a significant increase in the number of COVID-19 cases, this may burden hospitals and healthcare institutions to the extent that all non-urgent medical procedures, including clinical trials, may be cancelled or postponed indefinitely. This may impact the ability of PYC to progress the phases of their clinical trials. As a result, the operations of PYC may be significantly adversely affected by such events.</p>
<p><b>Technology risk</b></p>	<p>For PYC to be competitive in the drug discovery and development market, the Directors expect it will need to continue to develop or acquire new technologies and platforms, develop niche markets and to take early advantage of technological advancements. While the Directors regard PYC's "Peptide Libraries" and "Antisense Oligonucleotide design capabilities" as being at the forefront of drug discovery, competition and new technologies have the potential to negatively impact market share, product prices, profit margins, and the financial value of products. Further, it may render PYC's research projects and the high costs associated with such research and development obsolete. Outcomes of research and development work will affect the future performance of PYC and its Shares.</p>
<p><b>Drug development</b></p>	<p>Drug development is a long and highly regulated process with many identified potential risks. Therapeutics derived from peptides and oligonucleotides are subject to some of these potential risks as described below. These risks can indirectly influence the possibility of PYC to obtain downstream revenue from drug sales or milestone payments and royalties from drugs it discovers or develops being taken through clinical development and subsequent marketing. Difficulty could be encountered with absorption, delivery, metabolism, toxicity, stability, delivery or efficacy in animal or human trials. This could result in early termination of a specific drug candidate program. Formulation difficulties such as poor solubility may also be encountered or other chemical or manufacturing controls related issues which may occur with the drug candidate. Drugs developed from peptides and oligonucleotides may not be suitable for all individuals such as different genetic backgrounds, patients suffering from particular conditions. Unforeseen interactions with other pharmaceuticals or substances may be encountered. Peptides and oligonucleotides that appear specific at early stages of drug discovery may nonetheless exhibit unforeseen side effects in animal or human trials resulting in early termination of the specific drug candidate program. Government regulatory bodies are the final arbiters of approval of drugs for market. Applications for approval may not be granted in all instances in all markets.</p>
<p><b>Research and development</b></p>	<p>PYC can make no representations that any of its research and development will be successful, that PYC's development milestones will be achieved or that PYC will develop products that are commercially exploitable. Prior to commercialisation, projects may be delayed or terminated for a range of unexpected scientific, preclinical, clinical, regulatory or commercial reasons. Being at the forefront of both peptide and antisense oligonucleotide drug discovery and development, PYC is entering uncharted territory which may present unforeseen biological complexities. PYC may need to develop new technologies to resolve these complexities and to advance its programs.</p>

## Appendix A: General risks

<p><b>Operational success is uncertain</b></p>	<p>Clinical trials are complex projects and sometimes fail to provide the anticipated data. For example, the inability to recruit sufficient numbers of patients, or the practical challenges associated with capturing the necessary data, can cause a study to fail, even though the drug itself may be efficacious.</p>
<p><b>Pre-clinical development risk</b></p>	<p>Before PYC's drug candidates can be considered appropriate for human clinical trialling, candidates must successfully satisfy a number of preclinical requirements. These include the ability to manufacture sufficient amounts of drug of sufficient quality to be used in both preclinical studies and also early stage human clinical trialling. Candidates must demonstrate acceptable safety and tolerability in rigorous toxicology studies. These studies must also reveal a suitable initial dose for use in human trials. There is no guarantee that these requirements will be met, failing which PYC would be unable to develop its products.</p>
<p><b>Clinical development risk</b></p>	<p>The nature of clinical drug development is inherently risky, with many drug candidates failing to be successfully developed into marketable products. PYC is positioning its drug candidates for clinical trialling. Clinical trials have many associated risks which may impact commercial potential and therefore future profitability. Such trials may fail to recruit patients, be terminated for safety reasons, or fail to be completed within acceptable timeframes. Clinical trialling may reveal drug candidates to be unsafe, poorly tolerated or non-effective. Any of these outcomes will likely have a significant adverse effect on PYC, the value of its securities and the future commercial development of its drug candidates including RP11. Clinical trials might also potentially expose PYC to product liability claims in the event its products in development have unexpected effects on clinical subjects.</p>
<p><b>Regulatory approvals necessary for clinical trials</b></p>	<p>PYC may be unable to secure necessary approvals from regulatory agencies and institutional bodies (clinics and hospitals) to conduct its planned clinical trials. There is also no assurance that drug candidates trialled by PYC will prove to be safe and efficacious in clinical trials, or that the regulatory approval to manufacture and market its products will be received.</p>
<p><b>Competition</b></p>	<p>The biotechnology and pharmaceutical industries are intensely competitive and subject to rapid and significant technological change, both in Australia and internationally, and there are no guarantees about PYC's ability to successfully compete. Although the Board believes that PYC's technology is unique and will be effective in identifying and developing drug candidates, there are competing technologies which will continue to be used and other competitors unknown to PYC may emerge from time to time. The introduction of new competitors or a more successful outcome from existing participants may affect the operating performance of PYC.</p>
<p><b>Funding</b></p>	<p>PYC's long-term value requires its in-house drug candidates and potential partner's to be successful in development and to reach the market. Otherwise, it may be dependent upon the funds raised by this the Entitlement Offer, existing collaboration agreements, and its ability to obtain future equity or debt funding to support commercialisation of its technology and in-house research and development. PYC's ability to raise further equity or debt or to divest part of its interest in its technology, and the terms of such transactions, will vary according to a number of factors, including the success of research and development results and the future development of PYC's technology and stock market conditions.</p>
	<p>While the Directors believe that PYC will have sufficient funds to fund its activities in the short term, PYC is operating in a dynamic and complex industry. There can be no assurance that PYC will not seek to exploit business opportunities of a kind which will require it to raise additional funding from equity or debt sources. There can be no assurance that PYC will be able to raise such funding on favourable terms or at all. Any additional equity raising may dilute the interest of Shareholders and any debt financing may involve financial covenants which limit PYC's operations. If PYC is unable to obtain such additional funding, PYC may be required to reduce the scope of any expansion, which could adversely affect its financial performance.</p>

## Appendix A: General risks



<p><b>PYC is dependent on protection of its intellectual property</b></p>	<p>PYC's lead drug program is protected by an extensive suite of granted and pending international patents, and also depends on proprietary know-how, trade secrets, and confidential information. If any of these be compromised, struck down, or otherwise rendered indefensible, PYC's ability to realise value from the asset may be severely compromised.</p>
<p><b>PYC is dependent on key personnel</b></p>	<p>PYC depends on being able to attract and retain personnel with specialist expertise, and to ensure continuity of key management. The loss of one or more key members of the management team could material affect PYC's ability to pursue its business plan and to realise value for investors.</p>
<p><b>Research &amp; Development (R&amp;D) Tax Rebate</b></p>	<p>PYC is currently entitled to receive an R&amp;D rebate on part of its expenditure in research and development. There is a risk that the Australian Government may make material changes to the rebate scheme, which may adversely impact the funding available to PYC to fund its operations. In order to obtain an R&amp;D rebate on that part of its expenditure that is incurred out of Australia PYC must first gain approval for that expenditure from the Australian Government. Such an approval is called an Advanced Finding. PYC is currently preparing an Advanced Finding application. There is no guarantee that this application will be approved</p>
<p><b>Partnerships and collaborations</b></p>	<p>PYC relies on partners, collaborators, licensees, and vendors to drive forward its drug development and commercialisation efforts. PYC's ability to engage such parties in the future is uncertain, and the performance of current parties, while reasonably ensured by customary legal agreements, is also ultimately uncertain.</p>
<p><b>Product liability and uninsured risks</b></p>	<p>Through its intended business, PYC is exposed to potential product liability risks which are inherent in the research and development, manufacturing, marketing and use of its products or products developed with future co-development alliance partners. It will be necessary to secure insurance to help manage such risks. PYC may not be able to maintain insurance for product or service liability on reasonable terms in the future and, in addition, PYC's insurance may not be sufficient to cover large claims, or the insurer could disclaim coverage on claims. Although PYC endeavours to work to rigorous standards there is still the potential for the products to contain defects which may result in system failures. These defects or problems could result in the loss of or delay in generating revenue, loss of market share, failure to achieve market acceptance, diversion of development resources, injury to PYC's reputation or increased insurance costs. If PYC fails to meet its clients' expectations, PYC's reputation could suffer and it could be liable for damages. Further PYC is exposed to the risk of catastrophic loss to necessary laboratory equipment, computer equipment or other facilities which would have a serious impact on PYC. PYC gives no assurance that all such risks will be adequately managed through its insurance policies to ensure that catastrophic loss does not have an adverse effect on its performance.</p>
<p><b>Regulatory Approval</b></p>	<p>PYC operates within a highly regulated industry, relating to the manufacture, distribution and supply of pharmaceutical products. Accordingly, PYC is continually exposed to the risk of changes in laws, regulation and government policies in Australia, US, EU and other international target markets. If we fail to comply with the regulatory requirements and receive applicable marketing approvals, our target market will be reduced and our ability to realise the full market potential of our product candidates will be harmed and our business will be adversely affected. We may not obtain regulatory approvals on a timely basis, if at all. Our failure to obtain approval of any of our product candidates by regulatory authorities in another country may significantly diminish the commercial prospects of that product candidate and our business prospects.</p>

## Appendix A: General risks



<p><b>Dependence on commercial partners</b></p>	<p>PYC utilises third parties, including suppliers and third-party service providers for product development and commercialisation of products, and certain financial transactional processes. For example, the operation of clinical trials may be outsourced to a contract research organisation. Outsourcing these functions involves the risk that the third party service provider may not comply with regulatory and legal requirements, may not produce reliable results, may not perform in a timely manner or fail to perform at all, may not maintain confidentiality or meet contractual or other obligations. Failure of these third parties could have a material adverse effect on PYC.</p>
<p><b>Competitive environment may change</b></p>	<p>Despite customary competitor surveillance, it is possible that development of therapeutic products by other companies will materially, and in an unforeseen way, limit the commercial opportunity associated with PYC's lead drug program, even if it should be successful in clinical trials.</p>
<p><b>Future access to funding is uncertain</b></p>	<p>PYC is a pre-revenue company and, as such, is substantially dependent on investors to fund its operations until it is able to generate sufficient cashflows. Future access to equity capital is uncertain. If PYC is unable to fund its continuing operations, the value of PYC may be significantly and adversely affected.</p>
<p><b>Litigation</b></p>	<p>There has been substantial litigation and other proceedings in the pharmaceutical and biotechnology industries. There is a risk that PYC may in future be the subject of or required to commence litigation. There is, however, no litigation currently underway or threatened.</p>
<p><b>Dividends</b></p>	<p>PYC has never paid a dividend and PYC does not intend on paying dividends in the foreseeable future which means that holders of shares may not receive any return on their investment from dividends.</p>

## Appendix A: Risks specific to an investment in the Company



<b>Demand may exceed available shares</b>	Under the Offer eligible existing shareholders will have the ability to apply for new shares pro rata, and any such applications will be met. PYC's ability to meet applications by new shareholders and by existing shareholders for shares beyond their pro rata entitlement will be contingent upon the availability of shares to place.
<b>PYC is a speculative investment</b>	PYC is a pre-revenue precision medicine company, with substantial value attributed to its lead drug candidate, RP11. It should be considered a speculative investment, primarily suited to experienced, sophisticated, and professional investors in the context of a suitably balanced and risk managed portfolio. Investors should take appropriate advice prior to participation.
<b>Dilution</b>	Eligible shareholders that do not take up all or part of their entitlements will be diluted by not participating to the full extent in the Entitlement Offer, but and will not be exposed to future increases or decreases in PYC's share price in respect of those shares which would have been issued to them had they taken up all of their entitlement.
<b>Non-renounceable entitlements worthless if not</b>	Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferrable. If shareholders do not take up their entitlement, they will not receive any value for these entitlements.
<b>Future performance of PYC is uncertain</b>	PYC's share price following the transaction cannot be predicted. It is possible that PYC's shares may at times trade at a lower price than the Offer Price. No assurances or guarantees as to the future performance of PYC's shares can be offered by any person including PYC's Directors or by the Lead Manager.
<b>Major shareholders may choose to sell shares</b>	PYC has several substantial shareholders on its register and may have additional substantial shareholders following the Offer. If any of these investors choose to wholly or partially liquidate their positions in the open market, it may put downward pressure on the price of PYC's shares.
<b>Not underwritten</b>	The Entitlement Offer is not underwritten. If the proceeds from the Entitlement Offer are less than is required to meet the Company's proposed use of funds, the Company may review its proposed use of funds (including whether to scale back or defer investments) as well as consider alternative funding options.

## Appendix A: Risks specific to an investment in the Company



<p><b>Investment in equity capital markets and COVID-19</b></p>	<p>There are risks associated with investment in any company listed on the ASX, which include both the financial and operational performance of PYC and external factors outside PYC's control, such as economic conditions, investor sentiment, changes in the regulatory environment, and other factors.</p> <p>The share prices for many companies have in recent months been subject to significant fluctuations and volatility, which may reflect a diverse range of non-company specific influences referred to above, including the general state of the economy, the response to the COVID-19 pandemic, investor uncertainty, geo-political instability, and global hostilities and tensions. In particular, the events relating to the COVID-19 pandemic have recently resulted in significant market falls and volatility both in Australia and overseas, including in the prices of equity securities. There is continued uncertainty as to the further impact of the COVID-19 pandemic on the Australian economy and share markets including in relation to governmental action, work stoppages, university and school stoppages, lockdowns, quarantines and travel restrictions. Any of these events and resulting fluctuations may materially adversely impact the market price of PYC's shares.</p>
<p><b>Liquidity of PYC's shares is uncertain</b></p>	<p>At any given time, there may be fewer or many potential buyers or sellers of PYC shares on the ASX. This may increase the volatility of the market price of PYC's shares. It may also affect the prevailing market price at which shareholders are able to sell PYC shares.</p>
<p><b>Taxation treatment is uncertain, and is the responsibility of each investor</b></p>	<p>Future changes in taxation law, including changes in interpretation, application, and tax rates, in any of the jurisdictions in which PYC operates or in which investors are domiciled, may affect how the holding or disposal of shares is treated for certain investors. Each investor should take professional advice as to their individual tax position and risks.</p>
<p><b>Negative economic conditions may affect the value of PYC's shares</b></p>	<p>Negative conditions or sentiment in equity markets and in the broader economy, including those relating to political uncertainty, pandemic disease, or deteriorating economic parameters, in Australia and internationally, may adversely affect the valuation of listed companies such as PYC, and may limit their access to future capital</p>
<p><b>Investment in equity capital markets and COVID-19</b></p>	<p>There are risks associated with investment in any company listed on the ASX, which include both the financial and operational performance of PYC and external factors outside PYC's control, such as economic conditions, investor sentiment, changes in the regulatory environment, and other factors.</p> <p>The share prices for many companies have in recent months been subject to significant fluctuations and volatility, which may reflect a diverse range of non-company specific influences referred to above, including the general state of the economy, the response to the COVID-19 pandemic, investor uncertainty, geo-political instability, and global hostilities and tensions. In particular, the events relating to the COVID-19 pandemic have recently resulted in significant market falls and volatility both in Australia and overseas, including in the prices of equity securities. There is continued uncertainty as to the further impact of the COVID-19 pandemic on the Australian economy and share markets including in relation to governmental action, work stoppages, university and school stoppages, lockdowns, quarantines and travel restrictions. Any of these events and resulting fluctuations may materially adversely impact the market price of PYC's shares.</p>
<p><b>Liquidity of PYC's shares is uncertain</b></p>	<p>At any given time, there may be fewer or many potential buyers or sellers of PYC shares on the ASX. This may increase the volatility of the market price of PYC's shares. It may also affect the prevailing market price at which shareholders are able to sell PYC shares.</p>
<p><b>Taxation treatment is uncertain, and is the responsibility of each investor</b></p>	<p>Future changes in taxation law, including changes in interpretation, application, and tax rates, in any of the jurisdictions in which PYC operates or in which investors are domiciled, may affect how the holding or disposal of shares is treated for certain investors. Each investor should take professional advice as to<sup>2,6</sup> their individual tax position and risks.</p>

## Appendix B: International Offer Restrictions

### **INTERNATIONAL OFFER RESTRICTIONS**

#### **Overseas Shareholders**

This presentation does not constitute an offer of New Shares in any jurisdiction in which it would be unlawful. In particular, this presentation may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

#### **Hong Kong**

**WARNING:** The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

#### **New Zealand**

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct Act 2013 and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

#### **Switzerland**

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares constitutes a prospectus or a similar notice, as such terms are understood under art. 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland.

No offering or marketing material relating to the New Shares has been, nor will be, filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA). Neither this document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to investors who qualify as "professional clients" (as defined in the Swiss Financial Services Act). This document is personal to the recipient and not for general circulation in Switzerland.

**Not for release or distribution in the United States.**

## Disclaimer



The purpose of this presentation is to provide an update of the business of PYC Therapeutics Limited trading as PYC Therapeutics Limited (ASX:PYC) ('PYC'). These slides have been prepared as a presentation aid only and the information they contain may require further explanation and/or clarification. Accordingly, these slides and the information they contain should be read in conjunction with past and future announcements made by PYC Therapeutics and should not be relied upon as an independent source of information. Please contact PYC and/or refer to the Company's website for further information.

The views expressed in this presentation contain information derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information.

Any forward looking statements in this presentation 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 PYC's control. Important factors that could cause actual results to differ materially from assumptions or expectations expressed or implied in this presentation include known and unknown risks. Because actual results could differ materially to assumptions made and PYC's current intentions, plans, expectations and beliefs about the future, you are urged to view all forward looking statements contained in this presentation with caution.

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

## PYC Equity Raising Launch Announcement

*Not for release to US wire services or distribution in the United States*

20 October 2020

**PYC Therapeutics Limited announces equity raising to raise up to approximately \$55 million to accelerate its lead drug development program and expand the Company's development pipeline**

- 1 for 10 pro-rata accelerated non-renounceable entitlement offer and institutional placement to raise approximately A\$50 million
- A parallel Placement of approximately A\$5 million of New Shares at the same price as the entitlement offer.
- New Shares to be issued at A\$0.17 per share, representing an 8% discount to last close and a 7.4% discount to TERP<sup>1</sup>
- Proceeds from the equity raising will be used to fund progression of the Company's existing drug pipeline into clinical development and expansion of the pipeline across new indications
- Strengthened balance sheet positions the Company to deliver key milestones across multiple programs and expand corporate, business development and investor relations activities in the USA
- Equitable opportunity for all eligible existing PYC shareholders to participate in the entitlement offer on a pro-rata basis while eligible new institutional investors have an opportunity to gain exposure to PYC's unique drug design and delivery capabilities

PYC Therapeutics Limited (ASX:PYC) (**PYC** or the **Company**) is pleased to announce that the Company is undertaking an equity raising comprising a pro-rata accelerated non-renounceable entitlement offer and institutional placement to raise approximately A\$55 million (collectively, the **Equity Raising**).

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<sup>1</sup> 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.

CEO, Dr Rohan Hockings commented on the Equity Raising:

*“The strength that this transaction adds to our balance sheet positions the Company well to execute on the next phase of PYC’s growth. We are excited to continue the progression of multiple drug programs into clinical development and build a stronger presence in the United States”*

### Offer Details

PYC is conducting the Equity Raising to raise up to approximately ~A\$55 million, comprising:

- Institutional placement of approximately 29 million new fully paid ordinary shares in PYC (**New Shares**) to raise approximately A\$5 million (**Placement**); and
- 1-for-10 pro-rata accelerated non-renounceable entitlement offer of up to approximately 293 million New Shares to raise up to approximately A\$50 million (**Entitlement Offer**).

Neither the Placement nor Entitlement Offer are underwritten.

The Entitlement Offer provides eligible shareholders the opportunity to subscribe for 1 New Share for every existing 10 shares held as at Wednesday 7pm Sydney time on Thursday, 22 October 2020 (**Record Date**).

All New Shares offered under the Equity Raising will be issued at a price of A\$0.17 per New Share, which represents a:

- 8% discount to the last traded price of A\$0.185 on 15 October 2020; and
- ~7.4% discount to the Theoretical Ex-Rights Price (**TERP**)<sup>2</sup> of A\$0.184.

Each New Share issued under the Equity Raising will rank equally with the existing fully paid ordinary shares on issue in PYC. The Company will, upon issue of the New Shares under the Equity Raising, seek quotation of the New Shares on the ASX.

### Use of funds

The Company plans to use the proceeds from the Equity Raising for:

- Development of the Company’s lead drug program, VP-001, through to market
- Pre-clinical development of 2 new ocular drugs, PYC-001 and VP-002, recently added to the Company’s drug development pipeline
- Development of cell penetrating peptides for delivery of RNA therapeutics to the central nervous system, and proof of concept studies for the Company’s first drug program for a tissue beyond the eye (a therapeutic for neurodegenerative diseases)

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<sup>2</sup> See above footnote 1.

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- Expansion of the US corporate office including a potential NASDAQ listing by 2022 and the appointment of 2-3 executives across clinical development, corporate development, and business development
  - General working capital and offer costs

As mentioned, the Equity Raising is not underwritten. If the proceeds from the Equity Raising are less than is required to meet the Company's proposed use of funds, the Company may review its proposed use of funds (including whether to scale back or defer investments) as well as consider alternative funding options.

### **Placement**

The Placement to institutions, sophisticated and professional investors, is expected to raise up to A\$5 million (before transaction related costs), with approximately 29,412,000 New Shares to be issued at A\$0.17 per New Share (**Offer Price**) under the Placement.

The Placement is within the Company's existing placement capacity under ASX Listing Rule 7.1 and as such no shareholder approval is required.

The Placement is expected to occur at the same time as the Institutional Entitlement Offer (see below) with settlement on 27 October 2020 and allotment and normal trading of the New Shares issued under the Placement expected on 28 October 2020.

New Shares issued under the Placement do not have rights to participate in the Entitlement Offer.

### **Entitlement Offer**

In addition to the Placement, PYC will undertake an Entitlement Offer for existing shareholders at the same price as the Placement to raise up to approximately A\$50 million (before costs).

The Entitlement Offer provides eligible shareholders the opportunity to subscribe for 1 New Share for every 10 existing shares held as at 7.00pm Sydney Time on Thursday, 22 October 2020 (**Record Date**).

The Entitlement Offer will be conducted in two parts, an institutional component (**Institutional Entitlement Offer**) and a retail component (**Retail Entitlement Offer**).

The Entitlement Offer is non-renounceable, and entitlements will not be tradable or otherwise transferable. Eligible shareholders who do not take up their entitlement under the Entitlement Offer in full or in part, will not receive any value with respect to those entitlements not taken up.

Major shareholder Australian Land Pty Ltd (controlled by the Chairman of PYC, Mr Alan Tribe) has committed to taking up 100% of its pro rata entitlement, representing a total financial commitment of approximately \$15 million.

### **Institutional Entitlement Offer**

Eligible institutional shareholders will be invited to participate in the Institutional Entitlement Offer, which is being conducted today, Tuesday 20 October 2020 through until 5pm Sydney time on Wednesday 21 October 2020. Eligible institutional shareholders can choose to take up all, or part or none of their entitlements under the Entitlement Offer.

Institutional entitlements that eligible institutional shareholders do not take up by the close of the Institutional Entitlement Offer, and institutional entitlements that would otherwise have been offered to ineligible institutional shareholders, will be offered to eligible institutional shareholders who apply for New Shares in excess of their entitlement, as well as to certain other eligible institutional investors who bid into the institutional bookbuild being conducted concurrently with the Institutional Entitlement Offer.

### **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.

### **Offer timetable**

An indicative timetable of key dates in relation to the Equity Raising is attached to this release.

Bell Potter Securities Limited is acting as the lead manager to the Equity Raising. Tenzing Partners Pty Ltd is acting as legal counsel to the Company.

### **Further Information**

Further details of the Equity Raising are set out in the Investor Presentation also lodged on the ASX today. 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.

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

**ENDS** For further information, please contact:

**INVESTORS**

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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.

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**PYC Therapeutics Limited**

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