

ASX Announcement

AdAlta Receives A\$1.78m Research and Development Tax Refund

MELBOURNE, Australia 7th August 2017: AdAlta Limited (ASX: 1AD), the biotechnology company developing a new class of protein-based therapeutics called i-bodies is pleased to announce the receipt of a Research and Development (R&D) Tax Incentive refund of A\$1,777,030 for the 2016/2017 financial year.

The cash refund is based on ~A\$4.09million of eligible R&D expense in Australia invested in development of the Company's lead i-body AD-114.

AD-114 has shown promise in treating fibrosis, notably idiopathic pulmonary fibrosis (IPF) and other fibrotic diseases, for which current therapies have limited efficacy and where there is a high-unmet medical need.

The R&D Tax Incentive is a program jointly administered by the Australian Taxation Office and AusIndustry, under which companies can receive a 43.5 per cent refundable tax offset of expenditures on eligible research and development activities. The program is designed to support and encourage R&D activity in Australia.

AdAlta CEO Samantha Cobb said, "These non-dilutive Government schemes are invaluable in supporting innovation and in ensuring valuable innovations reach the market. The funds received under the R&D tax rebate will bolster AdAlta's cash reserves and assist us with moving AD-114 through the clinic."

Further information can be found at: www.adalta.com.au

At the Company

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