

ASX Announcement

21 October 2019



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FOR IMMEDIATE RELEASE

21 October 2019

UNDERWRITTEN ACCELERATED NON-RENOUCEABLE ENTITLEMENT OFFER

Cogstate Limited (**Cogstate** or **Company**) is pleased to announce the launch of a 1 for 10 accelerated pro-rata non-renounceable entitlement offer of fully paid ordinary shares in Cogstate (**New Shares**) at an offer price of A\$0.27 per New Share (**Offer Price**) to raise approximately A\$4 million (approximately US\$2.7 million¹) (**Entitlement Offer**).

Certain Eligible Retail Shareholders may, in addition to their entitlements, also apply for New Shares over and above their entitlement at the Offer Price (**Additional New Shares**), to the extent that there are New Shares available due to other Eligible Shareholders not taking up their full entitlements or due to ineligible shareholders being unable to subscribe for their entitlements. Those Eligible Shareholders may apply for such number of Additional New Shares that are up to a maximum of the greater of 100% of their entitlement, or A\$2,000 worth of Additional New Shares at the Offer Price.

The Offer Price of A\$0.27 per New Share represents a 10% discount to the closing price of Cogstate's Shares on 18 October 2019, a 9.7% discount to the 5 day volume-weighted average price of the Company's shares on ASX over the 5 trading days up to and including 18 October 2019 and a 3.5% discount to the 14 day volume-weighted average price of the Company's shares on ASX over the 14 trading days up to and including 18 October 2019.

The net proceeds from the Entitlement Offer will be applied:

- to explore further commercial opportunities for Cogstate technology in the healthcare segment (general practice medicine and on-line direct-to-consumer assessment) that will enable Cogstate to replicate opportunities such as the one identified in Japan, both in Japan and in other foreign jurisdictions, including provision for regional specific product adaptation, including:
 - o seeking appropriate regulatory clearances;
 - o alteration of Cogstate's product to allow for cultural or business model differences;
 - o appropriate validation studies, as and if required;

¹ Based on the AUD:USD exchange rate as at 18 October 2019

- to continue to advance Cogstate technology, including development and validation of mobile applications, including design and validation of consumer engagement strategies; and
- for general working capital.

Further to the Company's announcement on 28 August 2019, the Company is undertaking the Entitlement Offer to provide existing shareholders with the opportunity to increase their investment in the Company on terms similar to those offered to Eisai under the second tranche of the Eisai placement previously announced to the market.

As announced on 28 August 2019, the Company has conducted a placement of new shares to Eisai Co., Ltd. (**Eisai**), to raise A\$2.86 million (approximately US\$1.9 million), part of which is subject to shareholder approval, proposed to be sought at the Company's Annual General Meeting today (**Eisai Placement**). If shareholder approval is obtained, the second tranche of shares to be issued to Eisai under the Eisai Placement will be issued within 5 business days of the date of the Annual General Meeting. As such, Eisai will only be entitled to participate in the Entitlement Offer in respect of the 6.7 million shares issued to Eisai pursuant to tranche 1 of the Eisai Placement on 2 September 2019.

DETAILS OF THE ENTITLEMENT OFFER

Under the Entitlement Offer, Eligible Shareholders (defined below) will be able to subscribe for 1 New Share for every 10 existing Cogstate shares held on the Record Date of 7:00pm 23 October 2019 (**Entitlements**).

The Entitlement Offer is available to all registered shareholders who hold shares on the Record Date with a registered address in Australia, New Zealand, or certain other foreign jurisdictions determined by the Directors of Cogstate (as described in the "Selling Restrictions" section of the Investor Presentation released to ASX at the same time as this announcement and which includes an eligible existing shareholder in the United States) (**Eligible Shareholders**).

The Directors of Cogstate are supportive of the Entitlement Offer and all eligible Directors as at the Record Date who have a shareholding (either directly or indirectly) in Cogstate (which equates to approximately 35% of the issued shares in the Company) intend to fully participate in the Entitlement Offer.

The Entitlement Offer is being underwritten by Taylor Collison Limited (**Underwriter**). The Entitlement Offer is being sub-underwritten by David Dolby Investments II LLC (**Sub-underwriter**). The Sub-underwriter is not currently a shareholder of the Company but is related to Dagmar Dolby as trustee for the Dagmar Dolby Trust (**Dolby**) (together, the **Dolby Entities**) which is a substantial holder in the Company, with voting power of approximately 14.4% in the Company's shares as at the date of this notice. Dolby has committed to take up to its full pro rata entitlement under the Entitlement Offer. Under the sub-underwriting agreement, the Sub-underwriter has agreed with the Underwriter to subscribe for up to 75% of any shortfall from the Entitlement Offer, or such lesser percentage such that the Sub-underwriter's Dolby Entities' voting power in the Company will not increase to a level of more than 20% as a consequence of such sub-underwriting commitments). No fees are payable to the Sub-underwriter and the Dolby Entities pursuant to the sub-underwriting arrangements.

Further details of the underwriting and sub-underwriting arrangements are provided in the Retail Offer Booklet released to ASX in connection with the Retail Entitlement Offer.

Entitlements are non-renounceable, meaning that Eligible Shareholders who do not take up their Entitlements will not be able to transfer or receive any value in respect of those Entitlements and their percentage shareholding in CGS will be diluted as a result of the Entitlement Offer. If you are not an Eligible Shareholder, you cannot participate in the Entitlement Offer and your percentage shareholding in CGS will be diluted as a result of the Entitlement Offer.

Key dates of the Entitlement Offer are provided in the Appendix to this announcement.

In conjunction with this announcement, the Company will release to ASX a Cleansing Notice (in accordance with section 708AA(2)(f) of the Corporations Act, Investor Presentation, Retail Offer Booklet (including the Investor Presentation and a sample entitlement and acceptance form) and Appendix 3B (New Issue Announcement) in connection with the Entitlement Offer. Further details about the Entitlement Offer are set out in these documents.

Eligible Retail Shareholders will be sent the Retail Offer Booklet and a personalised entitlement and acceptance form. Eligible Retail Shareholders wishing to participate in the Entitlement Offer should carefully read the Retail Offer Booklet (and their personalised entitlement and acceptance form). Copies of the Retail Offer Booklet will also be available on the ASX website at www.asx.com.au and on the Company's website for Eligible Retail Shareholders at <https://events.miraqle.com/CGS-IPO>.

CONTACT DETAILS

Further details about Cogstate can be found at www.cogstate.com. For further information, contact:

Brad O'Connor, Cogstate Chief Executive Officer
+613 9664 1300 or 0411 888 347

If you have any questions about the Entitlement Offer, please call the Company on 1300 553 490 (within Australia) or +61 1300 553 490 (outside Australia) from 9.00am to 5.00pm.

APPENDIX - INDICATIVE TIMETABLE

Event	Date
Trading halt and announcement of the Entitlement Offer	21 October 2019
Institutional Entitlement Offer closes	4.30pm (Melbourne time) 21 October 2019
Resume trading, announce results of Institutional Entitlement Offer	22 October 2019
Record Date for the Entitlement Offer	7.00pm (Melbourne time) 23 October 2019
Retail Offer Booklet despatched, Retail Entitlement Offer opens	28 October 2019
Institutional Entitlement Offer settlement	29 October 2019
New Shares under the Institutional Entitlement Offer allotted and quoted	30 October 2019
Retail Entitlement Offer closes	5.00pm (Melbourne time) 8 November 2019
Announce results of Retail Entitlement Offer	13 November 2019
Retail Entitlement Offer settlement	14 November 2019
Issue of New Shares and Additional New Shares under the Retail Entitlement Offer	15 November 2019
New Shares under Retail Entitlement Offer quoted on a deferred settlement basis	18 November 2019
Despatch of holding statements for New Shares issued under Retail Entitlement Offer	19 November 2019

The Indicative Timetable is subject to change. Cogstate reserves the right to vary the timetable for the Entitlement Offer without notice, subject to the Corporations Act, ASX Listing Rules and other applicable laws. The commencement of quotation of New Shares under the Entitlement Offer is subject to confirmation from ASX.

Cogstate also reserves the right not to proceed with the whole or part of the Entitlement Offer any time prior to allotment and issue of the New Shares and any Additional New Shares under the Entitlement Offer. In that event, the relevant application monies (without interest) will be returned in full to applicants.

For further information contact:

Brad O'Connor

Cogstate Chief Executive Officer

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About Cogstate

Cogstate Ltd (ASX:CGS) is a neuroscience technology company optimising brain health assessments to advance the development of new medicines and to enable earlier clinical insights in healthcare. Cogstate technologies provide rapid, reliable and highly sensitive computerised cognitive tests across a growing list of domains and support electronic clinical outcome assessment (eCOA) solutions to replace costly and error-prone paper assessments with real-time data capture. The company's clinical trials solutions include quality assurance services for study endpoints that combine innovative operational approaches, advanced analytics and scientific consulting. For nearly 20 years, Cogstate has proudly supported the leading-edge research needs of biopharmaceutical companies and academic institutions and the clinical care needs of physicians and patients around the world. For more information, please visit www.cogstate.com.

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This release is for information purposes only and is not financial product or investment advice or a recommendation to acquire Cogstate shares (nor does it or will it form any part of any contract to acquire Cogstate shares). The information in this release is in summary form and does not contain all the information necessary to fully evaluate the Entitlement Offer or any potential investment in Cogstate. It should be read in conjunction with Cogstate's other periodic and continuous disclosure announcements lodged with ASX. This release has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives and financial situation and seek legal, financial and taxation advice.

This release may not be distributed or released in the United States. This release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or to any person who is acting for the account or benefit of any person in the United States (to the extent such person is acting for the account or benefit of a person in the United States), or in any other jurisdiction in which, or to any person to whom, such an offer would be illegal. None of the Entitlements nor the New Shares and Additional New Shares have been, or will be, registered under the U.S. Securities Act of 1933 (Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, none of the Entitlements nor the New Shares and Additional New Shares may be offered or sold, directly or indirectly, in the United States or to any person who is acting for the account or benefit of any person in the United States (to the extent such person is acting for the account or benefit of a person in the United States), except in transactions exempt from, or not subject to, the registration requirements of the Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States.

This document contains forward-looking statements. Forward looking statements are only predictions and are subject to risks, uncertainties and assumptions which include (but are not limited to) commodity prices, currency fluctuations, economic, legal and financial market conditions in various countries and regions, environmental risks and legislative, fiscal or regulatory developments, political risks, project delay or advancement, approvals and cost estimates.

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of Cogstate's views on its future financial performance or condition. Investors should note that past performance, including past share price performance, of Cogstate, cannot be relied upon as an indicator of (and provides no guidance as to) future Cogstate performance including future share price performance.

All dollar values are in Australian dollars (A\$) unless otherwise stated.