

ASX ANNOUNCEMENT

Exopharm Receives Firm Commitments to Raise \$12 million

HIGHLIGHTS

- Exopharm to place 16,666,667 shares at \$0.72 per share to institutional and sophisticated investors to raise \$12 million before costs
- Strong demand from existing and new investors – well above the minimum raise level of \$6 million and three times the \$0.24 price per share in the previous raising in 2020
- Funds will be used to accelerate the commercialisation of the company's technology platforms and products – using exosomes to deliver a new class of transformative medicines with the aim of generating revenue from multiple partnership deals
- Canary Capital acted as lead manager and Alto Capital as a broker to the issue

20 April 2021

Melbourne, Australia: Exopharm Limited (ASX: EX1) ("**Exopharm**" or the "**Company**") has received firm commitments from institutional and sophisticated investors for 16,666,667 shares to raise a total of \$12 million (before costs) in a well-supported placement (Placement).

Placement commitments exceeded the Company's minimum target of \$6 million, with strong support from existing and new shareholders including institutional investors.

The proceeds from the Placement will be used to accelerate Exopharm's development activities and support future potential partnerships and licenses, as detailed in recent communications to shareholders.

Commenting on the financing and the outlook towards CY 2022 CEO Dr Ian Dixon said "This additional funding provides an operational runway into CY 2022 and supports our partnering efforts. Potential partners of Exopharm will always assess our financial merits, so this additional funding strengthens our negotiating position."

The Placement

The Placement will be completed by the issue of 16,666,667 ordinary fully paid shares at a price of \$0.72 per share to raise a total of \$12 million before costs. 13,941,366 shares will be issued under the Company's Listing Rule 7.1A capacity and 2,725,301 shares will be issued under the Company's Listing Rule 7.1 placement capacity.

Canary Capital Pty Ltd acted as Lead Manager to the Placement and Alto Capital acted as a broker to the issue. A 6% fee is payable on the funds raised.

The ongoing support of Canary Capital and Alto Capital is appreciated. This Placement sees some new fund manager investors joining the Exopharm share register for the first time, showing that Exopharm is an increasingly attractive investment option.

"We are encouraged by such strong demand for the Placement from both existing and new institutional and sophisticated investors. The proceeds from the capital raise together with the 2021 R&D rebate later in the year will put the Company in a strong financial position to realise its strategy of becoming a world leader in exosome medicines through the commercialisation of its technology platforms and the development of new exosome medicines," said Dr Ian Dixon, CEO of Exopharm.

Indicative Timeline*

Event	Expected date
Settlement Date	27 April 2021
Issue of shares	30 April 2021

*Please note these dates are subject to change

By the Board - this announcement has been authorised for release by the Board.

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ABOUT EXOPHARM

Exopharm (ASX:EX1) is a clinical-stage biopharmaceutical company using exosomes to deliver a new class of transformative medicines and generate revenue from multiple partnership deals.

Exosomes are seen by the biopharma industry as a highly differentiated platform with the potential to enhance tissue delivery for a variety of payloads like mRNA and proteins – part of the global market for

drug delivery systems growing at a compound annual growth rate (CAGR) of 5% and valued at around US\$170 billion in 2021.

For some medicines, exosomes are an alternative and superior means for delivery inside the body, alongside technologies such as lipid nanoparticles (LNP), cell penetrating peptides, viral vectors and liposomes.

Exopharm's LEAP technology solves the challenge of purifying clinical-grade exosomes at large scale and low cost.

Exopharm also has two exclusive proprietary technologies that allow advanced customisation of exosomes – the LOAD technology improves loading of nucleic medicines into exosomes and the EVPS technology allows exosomes to be directed towards selected cell types.

Exopharm uses variations and combinations of LOAD and EVPS to enable its Biopharma partners to improve delivery of their drug candidates and help them design and test new exosome medicines aimed at treating a wide scope of medical problems including neurological disease, infectious disease, cancer, and fibrosis.

FORWARD LOOKING STATEMENTS

This announcement contains forward-looking statements which incorporate an element of uncertainty or risk, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets', 'aims', 'plans' or 'expects'. These statements are based on an evaluation of current corporate estimates, economic and operating conditions, as well as assumptions regarding future events. These events are, as at the date of this announcement, expected to take place, but there cannot be any guarantee that such events will occur as anticipated or at all given that many of the events are outside of Exopharm's control.