



23 November 2022

**Vectus completes \$3.5 million placement to accelerate both
Phase Ib VB0004 clinical trial work and other drug programmes**

Vectus Biosystems Limited (ASX:VBS) (Vectus or the Company) is pleased to announce that it has received firm commitments from sophisticated investors to raise \$3,500,000, before costs, through a placement (Placement) of 4,375,000 new fully paid ordinary shares at \$0.80 per share.

The new shares to be issued under the Placement will rank *pari passu* with existing fully paid ordinary shares. Vectus will be utilising the Company's placement capacity in accordance with ASX Listing Rules 7.1. Vectus looks forward to updating its shareholders today at its 23 November 2022 Annual General Meeting.

The Placement was supported by a range of sophisticated investors, including healthcare industry professional investors, which do not include any related parties of the Company. The new share quotation on ASX is expected to occur on or about 30 November 2022.

The net proceeds of the Placement will be used to accelerate the Phase Ib clinical trial for VB0004, which targets the prevention and reversal of fibrosis in the heart and kidneys. Proceeds will also be used to advance Vectus' other emerging lead compounds and for working capital.

All eligible existing shareholders will be offered the opportunity to subscribe for Vectus shares under a Share Purchase Plan (SPP). The SPP will be conducted at the same price as the Placement, being \$0.80 per share, and is to be offered to shareholders who were on the Company's Share Register as at 7:00pm AEST on 22 November 2022 (Record Date). Details and terms of the SPP, which is proposed to be capped at \$1 million, will be announced and mailed to shareholders during the week commencing 28 November 2022.

The Company's Chairman, Ronald Shnier, said:

"We are very pleased with the support received for the Placement and welcome new shareholders, and are particularly grateful for the healthcare industry investor support. Vectus now has the ability to fast track work on its additional compounds to get them to lead status and move them towards human trials. A stronger balance sheet will underpin the Company's capabilities in pursuing post Phase Ia work on VB0004, its other drugs and its Accugen product."

Ronald Shnier
Chairman

Karen Duggan
Executive Director and CEO

This announcement is authorised by the Board of Directors.



About Vectus Biosystems Limited

Vectus Biosystems Limited is developing a treatment for fibrosis and high blood pressure, which includes the treatment for three of the largest diseases in the fibrotic market, namely heart, kidney and liver diseases. Vectus successfully completed its Initial Public Offering (IPO) on the Australian Securities Exchange (ASX:VBS) and commenced trading on ASX on 23 February 2016, after raising A\$5.1 million. Funds from the IPO were predominantly used to develop the Company's lead compound, VB0004, which aims to treat the hardening of functional tissue and high blood pressure. Vectus has conducted a range of successful pre-clinical trials, which have shown that VB0004 slows down the advances of fibrosis, potentially repairs damaged cell tissue and reduces high blood pressure. VB0004 is now progressing through a number of important milestones, including pharmaceutical scale-up and additional toxicity studies. Following successful results, the late 2019 convertible note fundraising, and the late 2020 share placement, the Company had funding for its Human Phase Ia trial, which was successfully completed and announced to ASX on 14 September 2022. Vectus' strategy is to develop and perform early validation of its drug candidates to the point where they may become commercially attractive to potential pharmaceutical partners.

The Company has also developed technology aimed at improving the speed and accuracy of measuring the amount of DNA and RNA in samples tested in laboratories. The technology, called Accugen, is owned by Vectus' wholly-owned subsidiary Accugen Pty Limited. The technology offers a time, cost and accuracy benefit compared to currently-available systems. The Company's current stage of investment in Accugen is a commercialisation programme that may include direct sales, distribution partnerships and licensing opportunities.