

Noxopharm Limited
ACN 608 966 123

**PRO-RATA NON-RENONCEABLE RIGHTS
ISSUE PROSPECTUS**

For the non-renounceable rights issue of approximately 60,914,458 New Shares at \$0.13 per New Share on the basis of 1 New Share for every 2.5 Shares held by Eligible Shareholders as at the Record Date to raise up to a total of \$7,918,879 and the grant of approximately 20,304,819 New Options for no additional consideration on the basis of 1 New Option for every 3 New Shares subscribed for under this Prospectus

The Offer is fully underwritten by Canaccord Genuity (Australia) Limited

IMPORTANT NOTICE

This Prospectus is a transaction specific prospectus issued in accordance with section 713 of the *Corporations Act 2001* (Cth). This is an important document which requires your immediate attention and should be read in its entirety. If you are in doubt about what to do, you should consult your stockbroker, accountant, solicitor, or other professional adviser.

An investment in the securities offered by this Prospectus should be considered speculative in nature.

IMPORTANT NOTICES

General

This Prospectus is dated 13 May 2020 and was lodged with ASIC on that date. None of ASIC, ASX or their respective officers or employees takes any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

This Prospectus is issued by Noxopharm Limited (ACN 608 966 123) (**Company**) and contains an invitation to eligible persons to acquire fully paid ordinary shares in the Company (**New Shares**) at an issue price of \$0.13 per New Share and, for no additional consideration, options over fully paid ordinary shares in the Company (**New Options**) (the New Shares and the New Options are together the **New Securities**).

The Offer is fully underwritten by Canaccord Genuity (Australia) Limited (**Underwriter**).

It is important that you read this Prospectus carefully and in full before deciding whether to subscribe for New Securities and invest in the Company. In particular, you should consider the risk factors set out in Section 4 which could affect the financial performance of the Company in light of your personal circumstances (including financial and taxation issues).

Interpretation

In this Prospectus:

- a reference to "the Company", "we", "our" or "us" is to Noxopharm Limited (ACN 608 966 123);
- a reference to "you" or "your" is to a person to whom the Offer is made (see further Section 2.7(a));
- a reference to "Section" is to a section of this Prospectus;
- the words "include", "including", "for example", "such as" and similar expressions are not used as words of limitation and, when introducing specific examples, do not limit the meaning of the words to which those examples relate or examples of a similar kind; and
- headings, boldings, italics and underlines are for convenience only and do not affect the interpretation of this Prospectus.

Defined terms

Some of the terms used in this Prospectus have defined meanings. These are capitalised and are defined in the Glossary in Section 7.

Continuously quoted securities

In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus is issued pursuant to section 713 of the Corporations Act. This Prospectus 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 all information that would be included in a prospectus for an initial public offering.

Exposure period

No exposure period applies to the Offer.

Expiry date

No New Securities will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus.

Not financial product advice

The information in this Prospectus is not financial product advice and has been prepared without taking into account your financial and investment objectives, financial situation or particular needs (including financial or taxation issues).

It is important that you read this Prospectus carefully and in full before deciding whether to invest in the Company. In particular, in considering the prospects of the Company, you should consider the risks that could affect the financial performance of the

Company. You should carefully consider these risks in light of your financial and investment objectives, financial situation and particular needs (including financial and taxation issues) and seek professional advice from your accountant, financial adviser, stockbroker, lawyer, tax adviser or other independent and qualified professional adviser if you have any questions.

Some of the risks that Eligible Shareholders and their professional advisers should consider before deciding whether to invest in the Company are set out in Section 4. There may be additional risks to those set out in Section 4 that should be considered in light of your personal circumstances.

Disclaimer

No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not contained in this Prospectus may not be relied on as having been authorised by the Company, the Board or any other person in connection with the Offer.

An investment in the New Securities should be considered speculative. Refer to Section 4 for details of the key risks applicable to an investment in the Company.

Except to the extent required by law, no person named in this Prospectus, nor any other person, warrants or guarantees the performance of the Company, the repayment of capital by the Company, the payment of a return on the Shares (including New Shares) or the New Options, or the future value of the Shares (including New Shares) or the New Options. The business, financial condition, operating results and prospects of the Company may change after the date of this Prospectus. You should be aware that past performance is not indicative of future performance. Any new or change in circumstances that arise after the date of this Prospectus will be disclosed by the Company to the extent required and in accordance with the Corporations Act.

No cooling-off rights

Cooling-off rights do not apply to an investment in New Securities issued under this Prospectus. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

Geographical restrictions

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law. Persons residing in any such jurisdiction who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of law.

This Prospectus does not constitute an offer to issue or sell, or invitation to apply for or buy, New Securities in any jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer or invitation. No action has been taken to register or qualify the New Securities or to otherwise permit an offer of the New Securities outside of Australia.

Before making an Application for New Securities, it is your personal responsibility, as an investor, to ensure that you have complied with the applicable laws of each jurisdiction that may be relevant to your Application. By submitting an Application Form, you are taken to have warranted and represented to the Company that you are not restricted by law from applying for New Securities and have observed the applicable laws of all relevant jurisdictions in making the Application.

Nominees and custodians may not distribute this Prospectus and may not permit any beneficial shareholder to participate in the Offer, in any country other than Australia except where the Company has determined it is lawful and practical to make the Offer and provided its written consent.

Notice to U.S. residents

This Prospectus may not be distributed to, or relied upon by, persons in the U.S. New Securities have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the U.S. and may not be offered or sold, directly or indirectly, in the U.S., except in a transaction exempt from, or not subject to, registration under the U.S. Securities Act and applicable state securities laws of the U.S. Hedging transactions involving Shares (including New Shares) or New Options may not be conducted except in accordance with the U.S. Securities Act.

New Zealand

The New Securities 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.

Obtaining a copy of this Prospectus

You can obtain a hard copy of this Prospectus, free of charge, by contacting the Company Secretary, David Franks, on +61 2 8098 1169 between 8.00am and 6.00pm (AEST), Monday to Friday, or by email at David.Franks@automicgroup.com.au, during the Offer Period.

This Prospectus is also available in electronic form on the Company's website: <https://www.noxopharm.com>.

Where this Prospectus has been dispatched to or accessed by persons other than Eligible Shareholders, this Prospectus is provided for information purposes only.

New Securities will only be issued under the electronic version of this Prospectus on receipt by the Company of a printed copy of the personalised Application Form provided to the relevant Applicant together with the electronic version of this Prospectus. If you access the electronic version of this Prospectus, you should ensure that you download and consider the document in full.

By submitting an Application Form, you are taken to have warranted and represented to the Company that you were given access to this Prospectus, together with the Application Form. The Corporations Act prohibits any person from passing on to another person an Application Form unless it is attached to, or accompanied by, a paper version of this Prospectus or a complete and unaltered electronic version of this Prospectus.

Forward looking statements

Some of the statements appearing in this Prospectus are in the nature of forward looking statements, including statements of intention, opinion and belief and predictions as to possible future events. Such statements are not statements of fact and are subject to inherent risks and uncertainties (both known and unknown) which may or may not be within the control of the Company. You can identify these statements by words such as "aim", "anticipate", "assume", "believe", "could", "estimate", "expect", "goal", "intend", "may", "objective", "plan", "predict", "potential", "should", "target" and other similar expressions that are predictions or indicative of future events and trends.

Although the Directors believe that the expectations reflected by the forward looking statements in this Prospectus (including the assumptions on which they are based) are reasonable as at the date of this Prospectus, no assurance can be given that such expectations or assumptions will prove to be correct. Actual outcomes, events or results may differ – possibly to a material extent – from the outcomes, events or results expressed or implied in any forward looking statement in this Prospectus. Factors that may cause such differences include the risks described in Section 4 of this Prospectus. You are urged to consider these factors carefully in evaluating the forward looking statements contained in this Prospectus, and are cautioned not to place undue reliance on such statements.

None of the Company nor its directors, officers, employees or advisers, nor any other person named in or involved in the preparation of this Prospectus, makes any representation, warranty or guarantee (expressed or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement in this Prospectus, or any outcome expressed or implied in any such statement.

The forward looking statements in this Prospectus reflect views held only as at the date of this Prospectus. The Company does not intend to publicly update or revise such statements to reflect new or changes in circumstances arising after the date of this

Prospectus except to the extent required by the Corporations Act.

Website

No document or information included on the Company's website is incorporated by reference into this Prospectus.

Privacy

The Application Form accompanying this Prospectus requires you to provide information that may be "personal information" for the purposes of the *Privacy Act 1988* (Cth) (**Privacy Act**) to the Company, its officers, employees, agents, contractors, third party service providers (such as the Share Registry) (collectively, **Collecting Parties**). The personal information collected may include your full name, date of birth, address and phone number.

The collection and management of your personal information will be conducted in accordance with the Privacy Act, which governs the use of a person's personal information and sets out principles governing the ways in which organisations should treat personal information.

The personal information that the Collecting Parties collect from you on the Application Form will be used to evaluate your Application for New Shares and if your Application is successful, to issue securities in the Company to you and provide services and appropriate administration in relation to your security holdings in the Company. In particular, if you become a security holder in the Company, the Corporations Act, ASX Settlement Operating Rules and Australian taxation legislation require that the Company includes information about you (including your name, address and details of the securities that you held) in its public register. The information contained in the Company's public register must remain there even if you cease to be a security holder. Information contained in the Company's registers may be used, from time to time, to:

- facilitate dividend and distribution payments;
- facilitate corporate communications (including the Company's financial results, annual report and other information that the Company may wish to communicate to its security holders);
- inform security holders about other products and services offered by the Company that it considers may be of interest to security holders; and
- comply with legal and regulatory requirements.

The types of agents and service providers that may be provided with your personal information and the circumstances in which such information may be shared include:

- the Company's share registry for ongoing administration of the Company's share register;
- printers and mail houses for the purpose of preparing, distributing and mailing statements and other communications;
- market research companies for the purpose of analysing the Company's investor base; and
- legal and accounting firms, auditors, contractors, consultants and other professional advisers for the purpose of administering the Shares and advising on the Company's rights and obligations with respect to Shareholders and associated actions.

If the Collecting Parties are obliged to do so by law, your personal information will be passed on to other parties in accordance with legal requirements. Once personal information is no longer needed for the Company's records, the Collecting Parties will destroy or de-identify it.

By submitting an Application Form, you agree that the Collecting Parties may:

- hold and use any information on your Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company and its officers, employees, agents, contractors, third party service providers (including printers, mailing houses) and professional advisers, and to ASX, ASIC and other regulatory authorities; and
- disclose your personal information to recipients in Australia for the purposes set out in this privacy disclosure statement or as otherwise required by law.

If you do not provide the information required on the Application Form, the Collecting Parties (as relevant) may not be able to accept or process your Application.

You have a right to gain access to the information that the Collecting Parties hold about you subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the relevant Collecting Party's registered office. If you wish to make an access request to the Company or the Share Registry, please direct your request to the Company's Privacy Officer at info@noxopharm.com or the Share Registry's Privacy Officer at +61 2 9698 5414 or AlistairMcKeough@automicgroup.com.au (as applicable).

Currency and time

Unless otherwise specified in this Prospectus, a reference to a monetary amount is a reference to that amount in Australian dollars and a reference to a time is a reference to Australian Eastern Standard Time (AEST).

Rounding adjustments

Some of the numerical figures included in this Prospectus have been subject to rounding adjustments. Accordingly, the numerical figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that preceded them.

Questions

If you have any other questions in relation to the Offer, please:

- contact the Company Secretary, David Franks, on +61 2 8098 1169 between 8.00am and 6.00pm (AEST), Monday to Friday, during the Offer Period; and/or
- seek professional advice from your accountant, financial adviser, stockbroker, lawyer, tax adviser or other independent and qualified professional adviser.

This is an important document and should be read in its entirety before making any investment decision in relation to the Company and the New Securities.

Key Dates

| Event | Date |
|---|--------------|
| Lodgement of Prospectus with ASIC and ASX | 13 May 2020 |
| Ex Date | 19 May 2020 |
| Record Date | 20 May 2020 |
| Anticipated despatch of Prospectus and Application Forms | 21 May 2020 |
| Offer Opening Date | 21 May 2020 |
| Offer Closing Date | 11 June 2020 |
| New Shares quoted on deferred settlement basis | 12 June 2020 |
| Issue of New Shares and grant of New Options | 18 June 2020 |
| Anticipated date for despatch of holding statements for New Shares and New Options | 18 June 2020 |
| Anticipated trading of quotation of New Shares and New Options on ASX and trading commences | 19 June 2020 |

Other than the date of lodgement of this Prospectus with ASIC, the above dates are indicative only and subject to change. The Company reserves the right to vary the dates and times of the Offer, including, subject to the ASX Listing Rules and the Corporations Act, to close the Offer early, to extend the Closing Date or to accept late Applications for New Shares (either generally or in particular cases), without notifying any recipient of this Prospectus or any Applicants. The Company also reserves the right to cancel or withdraw the Offer at any time before New Shares are issued to successful Applicants. Any extension of the Closing Date will have a consequential effect on the date of issue of New Shares and grant of New Options. If the Offer is cancelled or withdrawn before the issue of the New Shares, all Application Money received by or on behalf of the Company will be refunded to Applicants, without interest, within the time prescribed by or otherwise permitted in accordance with the Corporations Act.

Chairman's Letter

Dear Shareholders

On behalf of Noxopharm Limited ACN 608 966 123 (**Company**), I am pleased to invite you to participate in the Company's non-renounceable pro-rata rights issue of securities on the basis that for every 2.5 Shares held as at the Record Date, Eligible Shareholders will have the right to subscribe for 1 New Share at an issue price of \$0.13 each. Each subscriber will also be entitled to receive 1 New Option (exercisable at \$0.30 on or before the date which is 3 years from the date of grant) for every 3 New Shares subscribed for and received under this Prospectus, for no additional consideration.

The New Options will comprise a new class of listed security, subject to satisfying the Official Quotation conditions.

As outlined in this Prospectus, the purpose of the Offer is to raise up to \$7,918,879 (before costs) in order to fund:

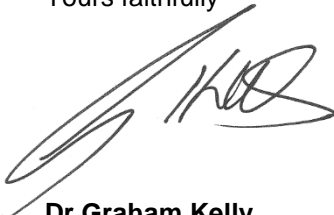
- preparation for commencement in early 2021 of the DARRT-2 Phase 2b clinical trial of Veyonda® in late stage prostate cancer patients;
- completion of the Company's LuPIN Phase 2 trial, currently in its final stages;
- continued building of a pipeline of first-in-class drugs, starting with a focus on the treatment of brain cancer and pancreatic and bile duct cancers;
- initiation of a dose-response study in the U.S. and other territories testing the ability of Veyonda® to block the development of septic shock syndrome in patients with COVID-19; and
- working capital costs of the Company and the costs of the Offer.

Accompanying the hard copy of this Prospectus is a personalised Application Form which details your invitation to participate in the Offer. Before deciding whether or not to participate, you should consider the key risk factors associated with an investment in the Company outlined in Section 4 of this Prospectus.

Further information about the Company and its operations is contained in publicly available documents lodged by the Company with ASX and ASIC. This Prospectus should be read in conjunction with this material.

On behalf of the Board, I invite you to consider this investment opportunity.

Yours faithfully



Dr Graham Kelly
Executive Chairman

Table of Contents

| | |
|--------------------------------|----|
| Key Dates | 5 |
| Chairman's Letter | 6 |
| 1. Investment Overview | 8 |
| 2. Details of the Offer | 11 |
| 3. Company Update | 23 |
| 4. Risk Factors | 27 |
| 5. Additional Information..... | 33 |
| 6. Directors' Statement | 42 |
| 7. Glossary | 43 |

1. Investment Overview

| Question | Answer | Further Information |
|--|---|---------------------|
| Who is the issuer of this Prospectus? | Noxopharm Limited (ACN 608 966 123) (ASX: NOX) (Company). | N/A |
| What is the Offer? | <p>The Offer is a non-renounceable pro-rata rights issue of securities on the basis that for every 2.5 Shares held as at the Record Date, Eligible Shareholders will have the right to subscribe for 1 New Share at an issue price of \$0.13 each. Each subscriber will also be entitled to receive 1 New Option (exercisable at \$0.30 on or before the date which is 3 years from the date of grant) for every 3 New Shares subscribed for and received under this Prospectus, for no additional consideration.</p> <p>The Offer is fully underwritten by Canaccord Genuity (Australia) Limited (Underwriter).</p> | Section 2.1 |
| What is the purpose of the Offer? | The purpose of the Offer is to fund the ongoing R&D activities of the Company and to provide additional working capital for the Company to continue its activities. | Section 2.5 |
| Who is eligible to participate in the Offer? | <p>The Offer is made to Eligible Shareholders, being Shareholders who:</p> <ul style="list-style-type: none"> • is registered as a holder of Shares as at the Record Date; • has a registered address on the Register in Australia or New Zealand or is otherwise eligible under all applicable securities laws to receive an offer to subscribe for New Shares under the Offer; and • is not in the United States and is not acting for the account or benefit of a person in the United States. | Section 2.1 |
| What is the issue price for the New Shares? | New Shares are being offered for issue at an issue price of \$0.13 per Share (Offer Price). The Offer Price represents a 33.2% discount to the volume weighted average trading price of the Shares on ASX for the 15 days ended 6 May 2020, being the last day on which Shares were traded prior to the date of this Prospectus. | Section 2.4 |
| What are the minimum and maximum amounts that will be raised under the Offer? | The maximum amount that will be raised under the Offer is \$7,918,879 (before costs). There is no minimum subscription level. | Section 2.1 |
| How will the proceeds of the Offer be used? | <p>The proceeds of the Offer will be used to fund:</p> <ul style="list-style-type: none"> • preparation for commencement in early 2021 of the DARRT-2 Phase 2b clinical trial of Veyonda® in late stage prostate cancer patients; • completion of the Company's LuPIN Phase 2 trial, currently in its final stages; • continued building of a pipeline of first-in-class drugs, starting with a focus on the treatment of brain cancer and pancreatic and bile duct cancers; • initiation of a dose-response study in the U.S. and other territories testing the ability of Veyonda® to block the development of septic shock syndrome in patients with COVID-19; and • working capital costs of the Company and the costs of the Offer. | Section 2.5 |
| What is the effect of the Offer on the | If the Offer is fully subscribed, then the effect of the Offer on the | Section |

| | | |
|---|---|----------------|
| Company? | <p>Company's cash reserves and issued capital will be to:</p> <ul style="list-style-type: none"> • increase the Company's cash reserves by \$7,918,879 before the costs of the Offer; • increase the total number of Shares on issue from 152,286,146 to 213,200,604 (subject to rounding); and • increase the total number of Options on issue from 30,814,617 to 76,424,255 (subject to rounding). | 2.6(a) |
| What is the effect of the Offer on control of the Company? | <p>The Offer is not expected to have any material effect on the control of the Company as Shareholders are restricted under the Corporations Act from acquiring New Shares that would increase their Voting Power in the Company to a level that is above 20%, unless they make an off-market takeover bid for all of the Shares in the Company or are able to rely on another statutory exception. As at the date of this Prospectus, the Directors are not aware of any proposal by any person to make a takeover bid for the Company.</p> | Section 2.6(b) |
| What is the maximum possible dilutionary effect of the Offer? | <p>There are currently 152,286,146 Shares on issue. If the maximum number of New Shares offered under the Offer are issued (being approximately 60,914,458 New Shares), those New Shares would represent approximately 40% of the current number of Shares on issue.</p> | |
| What are the key risks associated with an investment in the Company? | <p>An investment in the Company has risks that you should consider before making a decision to invest. These risks include (but are not limited to):</p> <ul style="list-style-type: none"> • the Company's ability to commercialise its intellectual property is reliant on its ability to generate clinical data, starting with gaining the necessary approvals to conduct clinical trials. There are numerous regulatory issues to pass before agencies might be prepared to grant permission for a drug candidate to undergo human studies. Further, there is no certainty that any of the drug candidates will ever receive that permission. • the Company's current business strategy is to focus on drug discovery and to develop each asset to a stage of value determination leading to a commercial realisation. Typically that will be a trade sale or license of individual drug candidates to a third party with greater resources and expertise to undertake late-stage drug development, regulatory approvals, and sales and marketing. There is no certainty that any of the Company's drug candidates will be of interest to such a third party or, if a drug candidate is of interest to such a third party, that terms can be negotiated that are commercially acceptable to the Company or will adequately realise the value of the drug candidate. • pharmaceutical R&D activities require a high level of funding over a protracted period of time. Notwithstanding the money raised under the Offer, additional development costs may arise during this period and the Company may require additional funding to meet its stated objectives or may decide to accelerate or diversify its activities within the same area. • the Company relies on its trade secrets, including information relating to the manufacture, development and administration of its drug candidates. The protective measures employed by the Company may not provide adequate protection for its trade secrets. This may erode the Company's competitive advantage and materially harm its business. | Section 4 |
| | <p>Please carefully consider these risks and the information contained in the other Sections before deciding whether or not to apply for New Shares.</p> | |
| Is any brokerage, commission or stamp | <p>No brokerage, commission or stamp duty is payable by Applicants on acquisition of New Securities under the Offer.</p> | Section 2.14 |

duty payable?

What are the tax implications of investing in New Shares?

Shareholders may be subject to Australian tax on dividends and potentially capital gains tax on a future disposal. The tax consequences of any investment in New Shares (and New Options) will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to investing.

Section 2.15

What are the key dates of the Offer?

Please see page 5 of this Prospectus – "Key Dates".

Page 5

Where can I find more information?

Enquiries relating to this Prospectus should be directed to the Company Secretary, David Franks, on +61 2 8098 1169 between 8.00am and 6.00pm (AEST), Monday to Friday, during the Offer Period.

N/A

You should read this document in its entirety before making any investment decision. If after reading this document, you have any questions about the Offer, you should speak to your professional adviser.

2. Details of the Offer

2.1 The Offer

The Company is making a non-renounceable pro-rata issue of New Shares to Shareholders who are registered as at 7.00pm AEST on 20 May 2020 (**Record Date**) and have a registered address in Australia or New Zealand.

The Offer is made on the basis that for every 2.5 Shares held as at the Record Date, Eligible Shareholders will have the right to subscribe for 1 New Share at an issue price of \$0.13 each. Each Eligible Shareholder will be entitled to receive 1 New Option for every 3 New Shares subscribed for and received under this Prospectus for no additional consideration. The exercise price of the New Options is \$0.30 and the exercise period is three years from the date of grant.

In the calculation of any Entitlement, fractions will be rounded to the nearest whole number.

Assuming the Offer is fully subscribed, whereby all Eligible Shareholders subscribe for the maximum number of New Shares that they are invited to apply for, it is expected that, on Completion of the Offer, the Company will raise gross proceeds of \$7,918,879 and the total number of Shares on issue will be approximately 213,200,604, including approximately 60,914,458 New Shares (constituting approximately 28.57% of the total issued capital) and the total number of Options on issue will be approximately 76,424,255, including approximately 20,304,819 New Options.

The Offer is made on a non-renounceable basis, which means that Eligible Shareholders may not sell or transfer all or part of the Entitlement. If an Entitlement is not taken up under the Offer by the Closing Date, the Entitlement will lapse.

The Entitlement of each Eligible Shareholder is shown on the Application Form accompanying this Prospectus.

The Offer has no minimum subscription level. There is no shortfall offer to Shareholders for any Entitlement not taken up under the Offer.

The Offer is made on the terms, and is subject to the conditions, set out in this Prospectus.

2.2 Underwriting

The Offer is fully-underwritten by Canaccord Genuity (Australia) Limited ACN 075 071 466 (**Underwriter**). A summary of the terms of the underwriting agreement between the Company and the Underwriter is set out in Section 5.4.

2.3 New Shares and New Options

The New Shares offered under this Prospectus are fully paid and will, once issued, rank equally in all respects with all other Shares then on issue.

The rights, liabilities and obligations attaching to Shares (including New Shares) are governed by the Company's Constitution, the Corporations Act and general law. An overview of some of the key provisions of the Constitution relating to the rights and liabilities that attach to the Shares is contained in Section 5.1.

A full copy of the Company's Constitution is available on the Company's website at <https://www.noxopharm.com/site/investors/company-constitution>.

The full terms of the New Options are set out in Section 5.3.

2.4 Issue Price

The Offer Price represents:

- a 33.2% discount to the volume weighted average trading price of the Shares on ASX

for the 15 days ended 6 May 2020, (being the last day on which Shares were traded prior to the date of this Prospectus); and

- a 33.3% discount to the closing price of the Shares on ASX on 6 May 2020 (being the last day on which Shares were traded prior to the date of this Prospectus).

Eligible Shareholders are cautioned that the price at which Shares trade on the ASX from time to time may be different to the Offer Price.

For the highest and lowest closing market price of Shares on ASX during the three months preceding the date of this Prospectus and the closing price of Shares on the last day on which Shares were traded prior to 13 May 2020, see Section 3.2.

2.5 Purpose of Offer and proposed use of Offer proceeds

The purpose of the Offer is to fund the ongoing R&D activities of the Company and to provide additional working capital for the Company to continue its activities.

It is expected that the Company will receive, from the issue of New Shares, gross proceeds of up to \$7,918,879.

As at the date of this Prospectus, it is proposed that the proceeds of the Offer will be applied as follows:

| Proposed expenditure | Amount (\$m) |
|--|--------------|
| Clinical programs (including planning and preparation for the DARRT-2 Phase 2b clinical trial in early-2021, completion of the Phase 2a LuPIN-1 trial, and preparation for initiation of a dose-response trial in COVID-19 patients) | 5.4 |
| Ongoing development of the pre-clinical pipeline drug candidates | 1.0 |
| Costs of Offer (see Sections 5.6 and 5.9) | 0.7 |
| Working capital | 0.8 |
| Total | 7.9 |

The above expenditure table reflects the intention of the Directors as at the date of this Prospectus, based on the current condition of, and the Board's current plans for, the Company and its business. Please note however that, as with any budget, the allocation of funds may change (possibly to a significant extent) depending on a number of factors, including changes in the scope of planned R&D projects, variations in the cost of laboratory work and clinical trials, variation in cost and number of staff required to undertake R&D and changes in the costs of manufacture, transportation and storage of chemical compounds and drugs. In light of this, the Board reserves the right to alter the way the Company ultimately applies its funds as well as the commercial objectives and priorities of the Company.

It is expected that the Offer will be fully subscribed, whether by Eligible Shareholders or with the shortfall being made up by the Underwriter. However, if the Offer is undersubscribed (and the Underwriting Agreement is terminated) and the Company raises not less than \$4,000,000 (before costs) from the issue of New Shares, the Directors intend to apply the net proceeds of the Offer to undertake prioritised pre-clinical (\$0.8m) and clinical programs (\$2.0m) and with the balance to fund working capital.

Completion of the Offer is not subject to meeting any minimum level of subscription.

The Board considers that on Completion of the Offer the Company will have adequate capital to enable it to carry out its business plans until February 2021. The Company will need to raise additional funding before February 2021 in order to continue implementation of its business strategy after that date.

2.6 Effect of the Offer

(a) Effect on capital structure

The capital structure of the Company as at the date of this Prospectus comprises 152,286,146 Shares and 30,814,617 Options. Specifically,

- the following persons (or their associates) hold Relevant Interests in 5% or more (by number) of the total Shares on issue in the capital of the Company (based on the last Notice of change of interests of substantial holder released to the ASX by each person):

| Shareholder | Number of Shares before Offer | % of total issued capital before Offer |
|---------------------------|-------------------------------|--|
| <i>Directors</i> | | |
| Dr Graham Kelly | 31,540,756 | 20.71% |
| <i>Other Shareholders</i> | | |
| Eleanore Goodridge | 10,628,590 | 6.99% |

- the following persons (or their associates) hold Options that are exercisable into Shares at the exercise prices specified below:

| Optionholder | Total number of Options held | Exercise price per Option* | Expiry date |
|----------------------------|------------------------------|----------------------------|------------------|
| <i>Directors</i> | | | |
| Dr Graham Kelly | 12,075,000 | \$0.30 | 28 February 2021 |
| Dr Graham Kelly | 162,037** | Various prices | Various dates |
| Mr Peter Marks | 200,000 | \$0.30 | 28 February 2021 |
| Mr Peter Marks | 250,000 | \$1.0158 | 27 November 2020 |
| Mr Peter Marks | 250,000 | \$1.2189 | 27 November 2020 |
| Dr Ian Dixon | 700,000 | \$0.30 | 28 February 2021 |
| Dr Ian Dixon | 250,000 | \$1.0158 | 27 November 2020 |
| Dr Ian Dixon | 250,000 | \$1.2189 | 27 November 2020 |
| <i>Other Optionholders</i> | | | |
| 10 holders | 7,268,216 | \$0.30 | 28 February 2021 |
| 2 holders | 4,722,222 | \$0.58 | 23 July 2023 |
| 2 holders | 2,666,666 | \$0.325 | 3 December 2023 |
| ESOP*** | 2,020,476 | Various prices | Various dates |

*The exercise price per Option may be adjusted as a result of the Offer in accordance with the ASX Listing Rules.

These Options have been issued under the Company's employee share option plan (ESOP**).

***ESOP rights and options cannot exceed 5% of the issued share capital of the Company.

The following table sets out the expected capital structure of the Company immediately after

Completion of the Offer, on an undiluted and fully diluted basis (subject to rounding):

| | If 25% subscription achieved | If 50% subscription achieved | If 75% subscription achieved | If maximum subscription achieved* |
|---|---|---|---|--|
| <i>Undiluted basis</i> | | | | |
| Shares currently on issue | 152,286,146 (90.9%) | 152,286,146 (83.3%) | 152,286,146 (76.9%) | 152,286,146 (71.4%) |
| New Shares to be issued under the Offer | 15,228,614 (9.1%) | 30,457,229 (16.7%) | 45,685,843 (23.1%) | 60,914,458 (28.6%) |
| Total Shares on issue on Completion of the Offer | 167,514,760 (100.0%) | 182,743,375 (100.0%) | 197,971,989 (100.0%) | 213,200,604 (100.0%) |
| <i>Fully diluted basis</i> | | | | |
| Shares currently on issue | 152,286,146 (66.5%) | 152,286,146 (61.1%) | 152,286,146 (56.5%) | 152,286,146 (52.6%) |
| Options currently on issue | 30,814,617 (13.5%) | 30,814,617 (12.4%) | 30,814,617 (11.4%) | 30,814,617 (10.6%) |
| New Shares to be issued under the Offer | 15,228,614 (6.7%) | 30,457,229 (12.2%) | 45,685,843 (17.0%) | 60,914,458 (21.1%) |
| New Options to be issued under the Offer | 5,076,205 (2.2%) | 10,152,410 (4.1%) | 15,228,614 (5.7%) | 20,304,819 (7.0%) |
| Options to be issued to Underwriter** | 5,000,000 (2.2%) | 5,000,000 (2.0%) | 5,000,000 (1.9%) | 5,000,000 (1.7%) |
| Options to be issued to sub-underwriters** | 20,304,819 (8.9%) | 20,304,819 (8.2%) | 20,304,819 (7.5%) | 20,304,819 (7.0%) |
| Total Shares on issue on Completion of the Offer | 228,710,401 (100.0%) | 249,015,221 (100.0%) | 269,320,039 (100.0%) | 289,624,859 (100.0%) |

*The Offer is fully underwritten, so, unless the Underwriting Agreement is terminated, this is the outcome expected by the Company. Please see Section 5.4 for further information.

**Please see Section 5.4 for further information.

(b) Effect on control

The Offer is not expected to have any material effect on the control of the Company as Shareholders are restricted under the Corporations Act from acquiring New Shares that would increase their Voting Power in the Company to a level that is above 20%, unless they make an off-market takeover bid for all of the Shares in the Company or are able to rely on another statutory exception. As at the date of this Prospectus, the Directors are not aware of any proposal by any person to make a takeover bid for the Company.

(i) *Underwriter*

As detailed in Section 5.4, the Underwriter has agreed to fully underwrite the Offer.

The Underwriter has advised the Company that neither it, nor any of its associates, currently has a Relevant Interest in any Shares and will not, as a result of the Offer, have a Voting Power of 20% or more in the Company.

The Underwriter's Relevant Interest in the Company following Completion of the Offer will depend upon the number of New Shares taken up and the number of New Shares subscribed for by sub-underwriters.

Assuming no further Shares are issued prior to the Record Date, the maximum number of Shares the Underwriter will have a Relevant Interest in and its Voting Power will be approximately 5%.

(ii) *Substantial Shareholders*

As at the date of this Prospectus (based on the last Notice of change of interests of substantial holder released to the ASX by each person), the following persons hold Relevant Interests in 5% or more (by number) of the total Shares on issue in the capital of the Company (**Substantial Shareholders**):

| Shareholder | Number of Shares before Offer | % Voting Power before Offer |
|--|-------------------------------|-----------------------------|
| Milligene Pty Limited as trustee for The GE and PR Kelly Fam Trust and its associates* | 31,540,756 | 20.71% |
| Eleanore Goodridge** | 10,628,590 | 6.99% |

*An entity associated with Graham Kelly, a director of the Company. Dr Kelly has advised that he intends to take up a proportion of his Entitlement subject to his Voting Power not exceeding 27.65%. As the Offer is fully underwritten, it is unlikely that this Dr Kelly's Voting Power will increase as a result of the Offer.

**Elenore Goodridge has not indicated whether she will elect to take up her Entitlements. If she takes up her Entitlements, it is expected her Voting Power will remain the same. If she does not take up her Entitlements, then her Voting Power will decrease as a result of the Offer.

Accordingly, based on a fully underwritten Offer and subject to rounding, it is expected that, immediately after Completion of the Offer, the Relevant Interests of the Substantial Shareholders in Shares will be within the levels specified in the below table:

| Shareholder | % Voting Power with no Entitlements taken up by the Substantial Shareholder | % Voting Power with full Entitlements taken up by the Substantial Shareholder |
|--|---|---|
| Milligene Pty Limited as trustee for The GE and PR Kelly Fam Trust and it associates | 14.79% | 20.71% |
| Eleanore Goodridge | 4.98% | 6.99% |

(c) Financial impact – pro-forma statement of financial position

To illustrate the financial effect of the Offer on the Company, a pro forma balance sheet has been prepared based on the reviewed consolidated statement of financial position of the Company as at 31 December 2019 (**HY20 Balance Sheet**). The table below shows:

- the HY20 Balance Sheet;
- pro-forma adjustments to the HY20 Balance Sheet to take into account the impact of the Offer as if the Offer were fully subscribed (i.e. on the basis that 60,914,458 New Shares, 25,304,819 New Options and 45,609,638 Underwriting Options are offered and issued); and
- pro-forma adjusted HY20 Balance Sheet, showing the impact of the pro-forma adjustments, as detailed below. The primary adjustments relate to the:
 - the deconsolidation of Nyrada Inc. from the consolidated financial statements of the Company;
 - the Company raising \$4.2 million as a short-term loan from an existing Shareholder to pay out the convertible note balances; and

- the proceeds from the Company's capital raise in February 2020.

Pro-forma Balance Sheet:

| | Reviewed Accounts as at 31 December 2019 | Subsequent events | Pro-Forma as at 31 December 2019 (unaudited) |
|--|---|----------------------|--|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | \$1,651,317 | \$10,624,842 | \$12,276,159 |
| Other | \$859,598 | -\$200,000 | \$659,598 |
| Total current assets | <u>\$2,510,915</u> | | <u>\$12,935,757</u> |
| Non-current assets | | | |
| Property, plant and equipment | \$228,555 | -\$6,032 | \$222,523 |
| Right of use assets - building | \$652,157 | \$- | \$652,157 |
| Intangibles | \$37,000 | -\$37,000 | \$- |
| Investment in Nyrada Inc. | \$- | \$6,674,649 | 6,674,649 |
| Term deposit for rental agreement | \$118,818 | \$- | \$118,818 |
| Nyrada Inc. loan (post IPO) | \$- | \$342,321 | \$342,321 |
| Total non-current assets | <u>\$1,036,530</u> | | <u>\$8,010,468</u> |
| Total assets | <u>\$3,547,445</u> | | <u>\$20,946,225</u> |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | \$1,266,877 | -467,771 | \$799,106 |
| Borrowings | \$3,573,613 | \$724,900 | \$4,298,513 |
| Employee benefits | \$298,928 | -\$69,537 | \$229,391 |
| Total current liabilities | <u>\$5,139,418</u> | | <u>\$5,327,010</u> |
| Non-current liabilities | | | |
| Borrowings | \$3,890,080 | -\$3,336,436 | \$553,644 |
| Provisions | \$29,658 | -\$7,795 | \$21,863 |
| Total non-current liabilities | <u>\$3,919,738</u> | | <u>\$575,507</u> |
| Total liabilities | <u>\$9,059,156</u> | | <u>\$5,902,517</u> |
| Net liabilities | <u>-\$5,511,711</u> | | <u>\$15,043,708</u> |
| Equity | | | |
| Issued capital | \$30,090,897 | \$7,334,690 | \$37,425,587 |
| Reserves | \$6,493,524 | \$1,641,172 | \$8,134,696 |
| Accumulated losses | -\$40,206,858 | \$3,015,635 | -\$37,191,223 |
| Investment in Nyrada Inc. | | \$6,674,649 | \$6,674,649 |
| Deficiency in equity attributable to the owners of Noxopharm Limited | -\$3,622,437 | \$- | \$- |
| Non-controlling interest | -\$1,889,274 | \$1,889,274 | \$- |
| Total surplus/(deficiency) in equity | <u>-\$5,511,711</u> | <u>\$-</u> | <u>\$15,043,708</u> |

The historical and pro-forma financial information presented above is in an abbreviated form, and does not include all of the disclosures required by AAS applicable to annual financial statements. A copy of the Company's 2019 Annual Report and its half-year report for the period ending 31 December 2019 can be obtained free of charge by contacting the Company Secretary, David Franks, on +61 2 8098 1169 from 8.00am to 6.00pm (AEST), Monday to Friday, or by email at David.Franks@automicgroup.com.au, during the Offer Period.

The above pro-forma adjusted HY20 Balance Sheet has been prepared to show the impact on

the financial position of the Company as set out in its last reviewed financial report of the following matters only:

- deconsolidation of Nyrada Inc. from the Company's consolidated financial statements from the date of Nyrada Inc.'s listing on the ASX;
- proceeds from a loan to the Company by an existing Shareholder to pay out the convertible notes in February 2020;
- proceeds from the Company's capital raise in February 2020;
- Completion of the Offer, by way of full subscription (on the basis that 60,914,458 New Shares, 25,304,819 New Options and 45,609,638 Underwriting Options are offered and issued), raising \$7,918,879, and before the expenses of the Offer; and
- expenses of the Offer (assuming full subscription of New Shares) are estimated at \$727,825 (see further Sections 5.6 and 5.9). These costs have been offset against proceeds of the Offer.

Below are further details of the various items referred to above:

- the Company's consolidated financial statements at 31 December 2019 included the assets and liabilities of Nyrada Inc. as a subsidiary entity of the Company. As a consequence of Nyrada Inc.'s listing on the ASX, the Company no longer has control of Nyrada Inc, and it has subsequently been deconsolidated from the Company's financial statements. As a result of the deconsolidation, the Company has recognised its investment in Nyrada Inc., recognised the resulting gain from the deconsolidation, the extinguishment of part of the inter-company loan and removal of any residual asset and liability balances from the consolidated financial statements;
- the Company secured a \$4.2 million loan from an existing shareholder in February 2020. The proceeds of the loan were used to pay out the balance of the convertible notes on issue. This is a short-term loan and will be repaid from the proceeds of the Company's 2020 research and development rebate when received from the Australian Taxation Office; and
- the Company raised \$3.1 million through a capital raise in February 2020.

2.7 **General terms and conditions**

(a) Eligibility to apply

The Offer in this Prospectus is being made to any Shareholder whose registered address is, as at the Record Date, situated in Australia or New Zealand.

Before making an Application for New Shares, it is the personal responsibility of each Applicant to ensure that it has complied with the applicable laws of each jurisdiction that may be relevant to its Application. By submitting an Application Form, Applicants are taken to have warranted and represented to the Company that it is not restricted by law from applying for New Securities and has observed the applicable laws of all relevant jurisdictions in making the application.

(b) Discretions regarding Applications

The lodgement of an Application with the Company (or its authorised agents) constitutes an offer by the Applicant to the Company to subscribe for up to such number of New Shares as the Application Money specified in and accompanying the Application Form will pay for, at the Offer Price and on the terms and conditions of the Offer as set out in this Prospectus (including the acknowledgments and representations in Sections 2.7(a), 2.9 and 2.11).

Applications and Application Money must be received by the Company by no later than 5.00pm (AEST) on the Closing Date, which will occur on 11 June 2020 unless varied by the Company at the discretion of the Board. You are therefore encouraged to submit your Application as early as possible.

Cooling-off rights do not apply to an investment in the New Shares offered under this Prospectus. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

If the amount of your payment for Application Money is insufficient to pay for the total number of New Shares you have applied for, you may be taken to have applied for such lower number of New Shares as your cleared Application Money will pay for, or your Application may be rejected, at the discretion of the Board.

Applicants whose Applications are rejected, or who are allocated a lesser number of New Shares than the amount applied for, will receive a refund of all or the surplus portion of their Application Money, within the time prescribed by or otherwise permitted in accordance with the Corporations Act. Interest will not be paid on any Application Money refunded.

Pending the allotment and issue of the New Securities, or the payment of any refunds, all Application Money will be held by the Company in trust for Applicants in a separate bank account as required by the Corporations Act. By submitting an Application Form, each Applicant agrees that the Company is entitled to retain all interest that accrues on the bank account whether or not the issue of New Securities takes place, and waives its right to claim any such interest.

To the extent permitted by law, an Application is irrevocable, once submitted to the Company or any of its agents.

The Board retains its discretion not to allocate New Securities to an Applicant to the extent doing so would result in a breach of the Corporations Act or other applicable law (whether by the Applicant, the Company or otherwise), or would require regulatory approval to be obtained.

(c) Discretions regarding the Offer

The Company reserves the right to:

- extend the Offer or any part of it;
- close the Offer or any part of it early; and
- not proceed with the Offer or any part of it,

at any time before the allocation of New Securities to Applicants.

If the Offer or any part of the Offer is cancelled or withdrawn, all Application Money that is received by or on behalf of the Company, or the relevant Application Money, will be refunded within the time prescribed by or otherwise permitted in accordance with the Corporations Act.

Interest will not be paid on any Application Money refunded.

2.8 **Timetable**

The key dates in relation to the Offer are set out page 5 of this Prospectus.

2.9 **How to apply for New Shares**

If you wish to take up all or part of your Entitlement, you must:

- (1) complete and submit the personalised Application Form attaching to or accompanying this Prospectus (or a printed copy of the personalised Application Form attached to the electronic version of this Prospectus), in accordance with the instructions on that form; and
- (2) mail or email your completed Application Form together with bank confirmation of electronic funds transfer of the relevant Application Money into the Company's bank account (as detailed in your personalised Application Form), to the following address:

Noxopharm Limited
C/- Automic Registry Services
GPO Box 5193
Sydney NSW 2001

Corporate.actions@automicgroup.com.au

Payments must be in Australian currency.

Alternatively, you can pay by BPAY® or electronic funds transfer (EFT) in accordance with the instructions on the Application Form. It is your responsibility to ensure that the payment is received by the Company no later than 5.00pm (AEST) on the Closing Date.

The Company accepts no responsibility for late or incorrectly completed BPAY® or EFT payments.

If paying by BPAY® or EFT in accordance with the instructions on the Application Form, there is no need to forward the completed Application Form to the Share Registry.

To allow sufficient time for your Application to be processed before the Offer is closed, please ensure that:

- you have adequate cleared funds in your bank account to pay for the New Shares that you have applied for in your Application Form. Otherwise, you may be taken to have applied for such lower number of New Shares as your cleared Application Money will pay for, or your Application may be rejected, at the discretion of the Board; and
- your Application Form (including Application Money) is received by the Company as soon as practicable after the Offer opens, but in any case, by no later than 5.00pm (AEST) on the Closing Date, which will occur on 11 June 2020, unless varied by the Company at the discretion of the Board.

Please be aware that your financial institution may implement earlier cut-off times with regard to electronic payment than the time at which the Offer close. You should take this into consideration when making payment. The Company takes no responsibility for any failure to receive Application Money before the Offer closes arising as a result of, among other things, delays in the processing of payments by financial institutions or acts and omissions of your broker in submitting your Application.

By submitting an Application Form, you are taken to have warranted and represented to the Company that you were given access to this Prospectus together with an Application Form.

The Corporations Act prohibits any person from passing an Application Form to another person unless it is attached to, or accompanied by, a hard copy of this Prospectus or the complete and unaltered electronic version of this Prospectus.

If you decide not to accept your Entitlement, you do not need to take any action.

2.10 **Trading of Shares and administration of Shareholdings**

(a) Trading on market

The Company will apply to ASX for Official Quotation of the New Shares and New Options on ASX, within 7 days after the date of this Prospectus.

If ASX does not grant permission for the quotation of the New Shares offered under this Prospectus within three months after the date of this Prospectus (or such longer period permitted by the Corporations Act or with the consent of ASIC), the Offer will be withdrawn and all Application Money received by or on behalf of the Company will be refunded to Applicants, without interest, within the time prescribed by or otherwise permitted in accordance with the Corporations Act.

The New Options will comprise a new class of listed security, subject to satisfying the Official Quotation conditions. If the Official Quotation conditions are not satisfied, the New Options will

remain unquoted until such time as those conditions are able to be satisfied.

A decision by ASX to grant official quotation of the New Shares or the New Options is not to be taken in any way as an indication of ASX's view as to the merits of the Company, the New Shares or the New Options. ASX and its officers do not take any responsibility for this Prospectus or the investment to which it relates.

Quotation of the New Shares and New Options issued under the Offer, if granted, is expected to commence on ASX under company code "NOX" on or about 19 June 2020, shortly after holding statements are despatched (see further Section 2.10(b)).

It is the responsibility of each Applicant to confirm their holding before trading in Shares or Options. Applicants who sell Shares or Options before they receive an initial holding statement do so at their own risk. The Company disclaims all liability, whether in negligence or otherwise, if an Applicant sells Shares before receiving a holding statement, even if the Applicant obtained details of their holding from the Company or the Share Registry.

(b) CHES and issuer sponsored holdings

The Company participates in ASX's Clearing House Electronic Sub-register System (**CHES**), in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules. CHES is an electronic transfer and settlement system for transactions in securities quoted on ASX under which transfers are affected in an electronic form.

Holdings of New Shares and New Options, once issued, will be registered in one of two sub-registers, an electronic CHES sub-register or an issuer sponsored sub-register. For all Applicants, the Shares and Options of a Shareholder who is a participant in CHES or a Shareholder sponsored by a participant in CHES will be registered on the CHES sub-register. All other Shares and New Options will be registered on the issuer sponsored sub-register.

Following Completion of the Offer, successful Applicants will be sent a holding statement that sets out the number of New Shares and New Options that they have been issued. This statement will also provide details of a Shareholder's Holder Identification Number (HIN) for CHES holders or, where applicable, the Shareholder Reference Number (SRN) of issuer sponsored holders.

Shareholders will subsequently receive statements showing any changes to their shareholding. Share certificates and option certificates will not be issued.

Initial holding statements are expected to be despatched by post to relevant Applicants on or around 18 June 2020.

2.11 **Restrictions on distribution**

This Prospectus does not constitute an offer or invitation to subscribe for New Securities in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer, invitation or issue under this Prospectus.

Where this Prospectus has been dispatched to or accessed by persons other than Eligible Shareholders, this Prospectus is provided for information purposes only.

No action has been taken to register or qualify this Prospectus, the New Securities or the Offer, or otherwise to permit a public offering of New Securities in any jurisdiction other than Australia, although Shareholders in New Zealand may be eligible to participate in the Offer and should refer to Section 2.12 for further information. In particular, the Offer does not constitute an offer to sell, or solicitation of an offer to buy, securities in the United States. The New Securities have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable US state securities laws.

This Prospectus may not be released or distributed in the United States or any other jurisdiction outside of Australia, and may only be distributed to persons to whom the Offer may lawfully be

made in accordance with the laws of any applicable jurisdiction.

By submitting an Application Form, you are taken to have represented, warranted and agreed that you:

- understand that the New Securities have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered, sold or resold in the United States except in transactions exempt from, or not subject to, registration requirements of the U.S. Securities Act and applicable US state securities laws;
- are not in the United States;
- have not and will not send this Prospectus or any other material relating to the Offer to any person in the United States; and
- will not offer or sell the Shares in the United States or in any other jurisdiction outside of Australia except in transactions exempt from, or not subject to, registration requirements of the U.S. Securities Act and in compliance with all applicable laws in the jurisdiction which Shares and Options are offered and sold.

2.12 **Overseas Shareholders**

The Offer in this Prospectus is not being extended to any Shareholder whose registered address is not, as at the Record Date, situated in Australia or New Zealand.

Recipients must not send or otherwise distribute this Prospectus or the Application Form to any person outside Australia (other than to Eligible Shareholders).

It is the responsibility of any Shareholder who submits an Application Form to obtain all necessary approvals for the allotment and issue of the New Securities under this Offer. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by the applicant to the Company that there has been no breach of such laws and that all relevant approvals have been obtained.

New Zealand Shareholders

The New Securities 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 Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This Prospectus 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.

Persons resident outside Australia should consult their professional advisers as to whether any governmental or other consents are required, or whether formalities need to be observed, to enable them to accept the offer of New Securities under this Prospectus.

Given the relatively small number of Shareholders outside Australia and New Zealand, it is not reasonable for the Company to meet the requirements of the securities laws of countries other than Australia and New Zealand and the Offer has not been, and will not be, registered under the relevant securities laws of those jurisdictions. For that reason, no Application Forms can be or are being sent to Shareholders with registered addresses outside Australia and New Zealand, and this Prospectus is being sent to them for information purposes only.

2.13 **Beneficial holders, nominees, trustees and custodians**

Nominees and custodians should not that the Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a

nominee or the identity or residence of any beneficial owners of securities. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with the beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

2.14 **Brokerage, commission and stamp duty**

No brokerage, commission or stamp duty is payable by Applicants on the acquisition of New Securities under the Offer.

2.15 **Tax consequences**

As with any investment, there may be taxation implications associated with you applying for New Securities. The Directors do not consider that it is appropriate to give advice regarding the taxation consequences of applying for the New Securities offered under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation consequences for individual investors.

The taxation consequences of an investment in the Company will depend upon your particular circumstances and it is your personal obligation to make your own enquiries or seek personalised professional tax advice about the taxation consequences of an investment in New Securities.

The Company, and its advisers, officers, employees and agents do not accept any responsibility or liability for any taxation consequences of investing in the Offer.

2.16 **Enquiries**

If you require more information about this Prospectus or the Offer, please contact the Company Secretary, David Franks, on +61 2 8098 1169 from 8.00am to 6.00pm (AEST), Monday to Friday, or by email at David.Franks@automicgroup.com.au, during the Offer Period.

You should read this Prospectus in its entirety, including the risk factors set out in Section 4, before deciding whether or not to invest in the Company.

If you are unclear about any matter or are uncertain as to whether New Securities in the Company is a suitable investment for you, you should seek professional advice from your accountant, financial adviser, stockbroker, lawyer, tax adviser or other independent professional adviser before deciding whether to invest.

3. Company Update

3.1 Transaction-specific prospectus and continuous disclosure obligations

The Company is a disclosing entity (as defined in section 111AC of the Corporations Act) and is therefore subject to regular reporting and disclosure obligations. Under those obligations, the Company is required to comply with all applicable continuous disclosure and reporting requirements in the Corporations Act and the ASX Listing Rules. In particular, the Company must comply with the requirement to disclose to ASX any information held by the Company which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

This Prospectus is a "transaction specific prospectus" to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the 3 months prior to the date of the prospectus (or options to acquire those securities). In general terms, "transaction specific prospectuses" are only required to contain information in relation to the effect of the Offer on the Company and the rights and liabilities attaching to the securities offered. It is not required to provide information regarding the Company's assets and liabilities, financial position and performance, profits and losses or prospects on the basis that, as at the date of this Prospectus, the Company has not withheld from its continuous disclosure reporting any information about such matters that investors and their professional advisers would reasonably require to make an informed assessment of such matters and expect to find in this Prospectus.

This Prospectus 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 all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. 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.

Generally, information that is already in the public domain has not been reported in this Prospectus other than to the extent considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act, confirms that:

- it is subject to regular reporting and disclosure obligations;
- copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, the offices of ASIC; and
- it will provide a copy of each of the following documents, free of charge, to any person on request provided the Company receives the request before the close of the Offer:
 - the annual financial report most recently lodged by the Company with ASIC, namely, its 2019 Annual Report;
 - any half-year financial report lodged with ASIC after lodgement of the 2019 Annual Report and before lodgement of this Prospectus with ASIC; and
 - any continuous disclosure notices given by the Company after the lodgement of the 2019 Annual Report and before the lodgement of this Prospectus with ASIC.

The Company lodged its 2019 Annual Report with ASIC on 26 September 2019. Since then, the Company has made the following announcements to ASX prior to the date of this Prospectus:

| Date | Title of announcement |
|------------|---|
| 08/05/2020 | Initial Director's Interest Notice - FB |
| 08/05/2020 | Appointment of New Board Member |

| Date | Title of announcement |
|------------|--|
| 07/05/2020 | Trading Halt |
| 01/05/2020 | Change in substantial holding |
| 01/05/2020 | Change in substantial holding |
| 30/04/2020 | Noxopharm March 2020 Quarterly Report & Appendix 4C |
| 30/04/2020 | Abscopal Responses Achieved in Prostate Cancer |
| 23/04/2020 | Pipeline Expands With Potential New Brain Cancer Treatment |
| 21/04/2020 | Approval to be sought for COVID-19 Clinical Study in U.S. |
| 20/04/2020 | Receipt of cash payment for collateral shares |
| 07/04/2020 | Noxopharm trial data to be presented at ASCO 2020 |
| 02/04/2020 | Updated Noxopharm Virtual Roadshow Corporate Presentation |
| 01/04/2020 | Noxopharm Investigating Potential COVID-19 Treatment |
| 31/03/2020 | Noxopharm Virtual Roadshow Corporate Presentation |
| 26/03/2020 | Initial Director's Interest Notice |
| 26/03/2020 | Appointment of New Board Member |
| 17/03/2020 | Veyonda Awarded First Allowed Patent Application |
| 13/03/2020 | Veyonda Clinical Program Update and Guidance |
| 03/03/2020 | LuPIN Prostate Cancer Trial Fully Recruited |
| 27/02/2020 | Noxopharm Corporate Presentation February 2020 |
| 25/02/2020 | Half Year Accounts and Chairman Letter |
| 21/02/2020 | Section 708 Certificate |
| 21/02/2020 | Appendix 2A |
| 21/02/2020 | FDA grants IND approval to Veyonda |
| 18/02/2020 | Termination of Convertible Loan |
| 18/02/2020 | Section 708 Certificate |
| 18/02/2020 | Appendix 2A |
| 18/02/2020 | Noxopharm Alliance With GenesisCare |
| 14/02/2020 | Proposed issue of Securities - NOX |
| 14/02/2020 | \$8.1M Financing & Re-Set of Capital Structure |
| 14/02/2020 | Pronounced survival benefit in LuPIN interim trial data |
| 12/02/2020 | Trading Halt |
| 11/02/2020 | LuPIN interim trial data to be presented at ASCO GU 2020 |
| 06/02/2020 | Lapsing of Unlisted Options |
| 31/01/2020 | Noxopharm Dec 2019 Appendix 4C |
| 29/01/2020 | Noxopharm Non-Deal Roadshow Presentation |
| 20/01/2020 | Appendix 3B |
| 16/01/2020 | Listing of Nyrada Inc. spin-off on ASX |
| 16/01/2020 | Becoming a substantial holder for NYR |
| 15/01/2020 | Noxopharm Corporate Presentation |

| Date | Title of announcement |
|------------|--|
| 27/12/2019 | Ceasing to be a substantial holder |
| 23/12/2019 | Change of Director's Interest Notice - GK |
| 23/12/2019 | Section 708 Certificate |
| 23/12/2019 | Appendix 3B |
| 20/12/2019 | DARRT-1 Clinical Data Webinar |
| 17/12/2019 | Nyrada IPO Offer Fully Subscribed |
| 13/12/2019 | Unlisted Options Expiring 18 January 2020 |
| 09/12/2019 | Lodgement of Nyrada Inc Supplementary Prospectus |
| 04/12/2019 | Nyrada Inc Initial Public Offering Opens |
| 03/12/2019 | Section 708 Certificate - Notes |
| 03/12/2019 | Section 708 Certificate |
| 03/12/2019 | Appendix 3B |
| 03/12/2019 | AU\$2.4m Increase to Funding Agreement |
| 03/12/2019 | Section 708 Certificate |
| 03/12/2019 | Appendix 3B |
| 02/12/2019 | Positive DARRT-1 Data in Late-Stage Prostate Cancer |
| 28/11/2019 | Trading Halt |
| 26/11/2019 | Lodgement of Nyrada Inc Prospectus - Initial Public Offering |
| 20/11/2019 | Constitution |
| 20/11/2019 | Updated Share Trading Policy |
| 20/11/2019 | Results of Meeting |
| 20/11/2019 | Noxopharm 2019 AGM Corporate Presentations |
| 12/11/2019 | DARRT-1 Interim Data Presented To Conference |
| 12/11/2019 | LuPIN Data Being Presented To Conference |
| 06/11/2019 | Appointment of Chief Commercial Officer |
| 30/10/2019 | Noxopharm October 2019 Newsletter |
| 30/10/2019 | Appendix 4C - Quarterly |
| 28/10/2019 | Dr Graham Kelly to Assume CEO Role |
| 25/10/2019 | Appendix 3B |
| 25/10/2019 | Section 708 Certificate |
| 22/10/2019 | NOX and Nyrada TechKnow Invest Roadshow Presentations |
| 21/10/2019 | Durable Anti-Cancer Effect Confirmed in DARRT-1 Study |
| 18/10/2019 | Notice of 2019 Annual General Meeting & Proxy Form |
| 18/10/2019 | Potential Fundamental Change in Treatment of Brain Cancer |
| 16/10/2019 | New Executive Appointments and Board Change |
| 16/10/2019 | Final Director's Interest Notice |
| 02/10/2019 | Noxopharm 2019 Annual General Meeting Details |
| 02/10/2019 | FNN Interview with Graham on recent LuPIN interim data |

| Date | Title of announcement |
|------------|---|
| 30/09/2019 | Further Review Shows Major Clinical Benefits from Veyonda |

The full text of these announcements can be found on ASX's website at www.asx.com.au, using ASX code: "NOX". Copies of the abovementioned documents and announcements can also be obtained free of charge from the Company by contacting the Company Secretary, David Franks, on +61 2 8098 1169 between 8.00am and 6.00pm (AEST), Monday to Friday, or by email at David.Franks@automicgroup.com.au, during the Offer Period.

Having taken such precautions and having made such inquiries as are reasonable, the Directors believe that the Company has complied with the general and specific disclosure and notification requirements of ASX throughout the period from the date of lodgement of the Company's 2019 Annual Report with ASIC to the date of this Prospectus.

3.2 Market price of Shares

The Company's Shares are quoted on ASX.

The highest and lowest closing market price of the Company's Shares on ASX during the sixty calendar days up to and including 6 May 2020, being the last day on which Shares were traded prior to the date of this Prospectus, are:

| | Price per Share | Date |
|----------------|-----------------|----------------------|
| Highest | \$0.27 | 1 April 2020 |
| Lowest | \$0.11 | 24 and 25 March 2020 |

The closing price of the Shares on ASX on 6 May 2020, being the last day on which Shares were traded prior to the date of this Prospectus is as follows:

| | Price per Share | Date |
|--|-----------------|------------|
| Last trading day prior to the date of this Prospectus | \$0.195 | 6 May 2020 |

The Offer Price of \$0.13 per New Share represents:

- a 40.6% discount to the volume weighted average trading price of the Shares on ASX over the sixty (60) consecutive days ended 6 May 2020, being the last day on which Shares were traded prior to the date of this Prospectus.
- a 33.2% discount to the volume weighted average trading price of the Shares on ASX over the fifteen (15) consecutive days ended 6 May 2020, being the last day on which Shares were traded prior to the date of this Prospectus; and
- a 33.3% discount to the closing price of the Shares on ASX on 6 May 2020, being the last day on which Shares were traded prior to the date of this Prospectus.

4. Risk Factors

4.1 Introduction

This Section describes some of the potential risks associated with investing in the Company and in New Securities. The Company is subject to risks that are specific to the Company and its business. There are also risks that are associated with external events unrelated to the usual course of the business, or risks that are common to all investments in shares and not specific to an investment in the Company

If any of these risks were to occur, the future operating and financial performance and prospects of the Company could be materially and adversely affected and you could lose part or all of your investment in the Company. Whilst some of the risk factors may be mitigated by appropriate commercial action, many are either wholly or in part outside of the control of the Company, the Directors and management. The New Securities being offered carry no guarantee as to maintenance of or appreciation in value, the payment of dividends or return of capital. Further, there can be no guarantee that the Company will achieve its stated objectives or that any forward-looking statement will eventuate.

Please note that this Section does not purport to list every risk that may be associated with an investment in the Shares or the New Options, whether now or in the future. The risks highlighted in this Section have been selected based on an assessment of the key risks that the management and the Directors would focus on when managing the Business, the probability of the risk occurring as well the significance of the impact on the Company if the relevant risk did occur. The assessment is based on the knowledge of the Directors as at the date of this Offer, but there is no guarantee or assurance that the importance of risks will not change or other risks will not emerge. Further, your individual financial objectives, financial situation and particular needs have not been taken into account in the preparation of this Section.

Before applying for New Shares, you should satisfy yourself that you have a sufficient understanding of the inherent risks of investing in the company and becoming a shareholder of a company, including the risks described in this Section. You should consider whether New Securities are a suitable investment for you having regard to your personal investment objectives, financial circumstances and taxation position. If you do not understand any part of this Prospectus, or are in any doubt as to whether or not to invest in New Securities, the Directors strongly recommend that you seek professional guidance from your accountant, financial adviser, stockbroker, lawyer, tax adviser or other independent and qualified professional adviser before deciding whether to invest.

4.2 Risks specific to an investment in the Company

(a) Uncertainty of clinical development

The Company's ability to commercialise its intellectual property is reliant on its ability to generate clinical data, starting with gaining the necessary approvals to conduct clinical trials. There are numerous regulatory issues to pass before agencies (such as the Food and Drug Administration in the USA, the European Medicines Agency in the European Union and the Therapeutic Goods Administration in Australia) might be prepared to grant permission for a drug candidate to undergo human studies. Further, there is no certainty that any of the drug candidates will ever receive that permission.

Drug development is a highly risky business with a high failure rate. There are numerous reasons for this, mainly relating to low therapeutic benefit and unacceptable toxicity, with the drug's pre-clinical data failing to predict those adverse outcomes. While the Company will conduct its clinical programs on the advice of consultants experienced in clinical trial design and regulatory affairs, there is no certainty that the trial design will provide appropriate data or that the data will meet the regulator's benchmark. This may require the Company to conduct further clinical studies, resulting in significant additional cost and delay.

Once a drug enters the clinic, the final drug development path typically takes 8-10 years, depending on the indication.

(b) Commercialisation

The Company's current business strategy is to focus on drug discovery and to develop each asset to a stage of value determination leading to a commercial realisation. Typically that will be a trade sale or license of individual drug candidates to a third party with greater resources and expertise to undertake late-stage drug development, regulatory approvals, and sales and marketing. There is no certainty that any of the Company's drug candidates will be of interest to such a third party or, if a drug candidate is of interest to such a third party, that terms can be negotiated that are commercially acceptable to the Company or will adequately realise the value of the drug candidate.

(c) Additional capital requirements

Pharmaceutical R&D activities require a high level of funding over a protracted period of time. Notwithstanding the money raised under the Offer, additional development costs may arise during this period and the Company may require additional funding to meet its stated objectives or may decide to accelerate or diversify its activities within the same area.

The Company's requirement for additional capital may be substantial and will depend on many factors, some of which are beyond the Company's control, including:

- slower than anticipated research progress;
- the requirement to undertake additional research;
- competing technological and market developments;
- the cost of protecting the Company's intellectual property; and
- progress with commercialisation of any of the Company's drug candidates.

The Company will constantly evaluate data arising from its pre-clinical and clinical studies that may indicate new uses for its products and allow the Company to file patents, thereby providing potential new development and partnering opportunities. Accordingly, the Company may alter its funding strategies to take advantage of such new opportunities if and when they present themselves.

There is no assurance that the funding required by the Company from time to time to meet its business requirements and objectives will be available to it, on favourable terms or at all. To the extent available, any additional equity financing may dilute existing Shareholdings and any debt financing may involve restrictions on the Company's financing and operating activities.

If the Company is unsuccessful in obtaining funds when required, it may be necessary for it to reduce the scope of its operations. Any of these consequences may significantly and adversely impact the value of the Company, the Shares and the New Options.

(d) Trade secrets

The Company relies on its trade secrets, including information relating to the manufacture, development and administration of its drug candidates. The protective measures employed by the Company may not provide adequate protection for its trade secrets. This may erode the Company's competitive advantage and materially harm its business. Further, the Company cannot be certain that others will not independently develop the same or similar technologies on their own or gain access to trade secrets.

(e) Intellectual property rights

Obtaining, securing and maintaining the Company's intellectual property rights is an integral part of securing potential value arising from conduct of the Company's business. If patents are not granted, or if granted only for limited claims, the Company's intellectual property may not be adequately protected and may be able to be copied or reproduced by third parties. The Company may not be able to achieve its objectives, to commercialise its products or to generate revenue or other returns.

The patent position of biotechnology and pharmaceutical companies can be highly uncertain and frequently involves complex legal and factual questions. Accordingly, there can be no guarantee that the provisional patent applications will be successful and lead to granted patents or all of the claims in any application will be granted. Furthermore, should such applications be granted, there is no guarantee competitors will not develop technology to avoid those patents, or that third parties will not seek to claim an interest in the intellectual property with a view to seeking a commercial benefit from the Company. The Company has engaged patent attorneys to develop and implement an intellectual property strategy to seek to establish broad patent protection to enable it to guard its exclusivity, maintain an advantage over competitors and provide it with a basis for enforcement in the event of infringement, but there is no guarantee that this intellectual property strategy will be successful.

There also can be no assurance employees, consultants or third parties will not breach their confidentiality obligations or not infringe or misappropriate the Company's intellectual property. The Company seeks to mitigate the risk of unauthorised use of its intellectual property by limiting disclosure of sensitive material to particular employees, consultants and others on a need to know basis. Where appropriate, parties having potential access to such sensitive material will be required to provide written commitments to confidentiality and ownership of intellectual property.

(f) Third party intellectual property infringement claims

The Company's success depends, in part, on its ability to enforce and defend its intellectual property against third party challengers. The Company believes that the manner in which it proposes to conduct activities will minimise the risk of infringement upon another party's patent rights. However, there can be no assurance that another party will not seek to claim the Company is infringing upon their rights.

While the Company relies on the advice of its patent attorneys that its patent applications do not infringe third party patents, the Company is unable to state with certainty that another party will not claim its rights are infringed or, if litigation claiming that the Company is infringing the intellectual property rights of a third party is launched, what the result of any such litigation will be. While the Company is pursuing clinical development and commercialisation strategies that it believes will minimise the risk of patent infringement, there can be no certainty that there will not be action taken against the Company, although the Company is prepared to defend its position in a forthright manner if required. Further, there can be no guarantee that competitors will not seek to claim an interest in the intellectual property with a view to seeking a commercial benefit from the Company.

If a third party claims that the Company is infringing its intellectual property rights or commences litigation against the Company for infringement of patent or other intellectual property rights, the Company may incur significant costs defending such action, whether or not it ultimately prevails. Patent litigation in the pharmaceutical and biotechnology industry is typically expensive and any defence against any such action necessarily will divert the time of the Company's Directors and other key personnel. This may, in turn, have a materially adverse effect on both the financial performance and future prospects of the Company.

(g) Dependence on key personnel

The Company is dependent on the principal members of its scientific and development team, the loss of whose services could materially adversely affect the Company and may impede the achievement of its research and development objectives. Given the nature of the Company's activities, its ability to maintain its program is dependent on its ability to attract and maintain appropriately qualified personnel either within the Company or through contractual arrangements.

If one or more of the Company's key personnel was unwilling or unable to continue in their current roles, there is a risk that the Company may be unable to recruit a suitable replacement on commercially acceptable terms or at all. The loss of any key personnel, without suitable and timely replacement, may significantly disrupt the operations of the Company's business and impede the Company's ability to implement its business plans. This may, in turn, have a materially adverse effect on both the financial performance and future prospects of the Company. The Company may also incur significant costs in recruiting and retaining new key personnel.

Further, the Company's current size affects its ability to provide substantial training and development opportunities to its key managers and personnel. Extensive ongoing development opportunities are not feasible for a small biotechnology company such as Noxopharm. The Company has sought to address this risk by hiring sufficiently qualified and skilled management and scientific development staff.

4.3 **General risks**

(a) Coronavirus disease

The outbreak of coronavirus disease (COVID-19) is starting to have an effect on global economic markets. The Directors are monitoring the situation closely, have considered the impact on the Company's business and financial performance and presently do not consider there to be a material adverse impact. However, such effects are creating risks for the Company and could effect general economic conditions in the short to medium term.

(b) Macro-economic risks

Changes in the general economic conditions in Australia and globally are outside of the control of the Company, but may have a significant impact on the future performance of the Company and the price or value of the Shares and/or the New Options. Such changes may include:

- general down-turn in investor confidence affecting the ability of the Company to raise additional funds;
- fluctuations in interest rates, exchange rates, commodity prices and the rate of inflation in Australia resulting from domestic or international conditions (including movements in domestic interest rates and reduced activity in the Australian economy);
- changes in government, legislation, government policy or the regulatory environment in which the Company operates;
- changes in Australian and global equity market conditions;
- changes in investor sentiment toward particular market sectors;
- acts of terrorism or other hostilities; and
- the occurrence of natural disasters.

A prolonged deterioration in any number of the above factors may have a material adverse effect on the financial performance, financial position, cash flows, distributions and growth prospects of the Company and the price or value of the Shares and/or the New Options.

(c) Regulation changes

Changes to the laws, regulations, standards and practices applicable to the industry in which the Company operates (for example, drug approval regulations and government R&D rebates) may increase costs and limit the Company's proposed scope of activity.

(d) Taxation

Relevant tax laws and treaties and their interpretation and applicability change from time to time. There is the risk that these changes could adversely and materially affect the Company's profitability and prospects.

(e) Litigation, claims and disputes

The Company may be subject to litigation and other claims and disputes in the course of its business, including contractual disputes with suppliers or customers, employment disputes, indemnity claims, and occupational and other claims. There is a risk that any such litigation, claim or dispute could materially adversely impact the Company's operating and financial performance due to the significant cost and time invested by management in investigating,

commencing, defending and/or settling such matters. Any claim against the Company, if proven, may also have a sustained negative impact on its operations, financial performance, financial position and reputation.

The Company is not currently engaged in litigation and, as at the date of this Prospectus, the Directors are not aware of any legal proceedings pending or threatened against, or any material legal proceedings affecting, the Company.

4.4 **Risks associated with holding Shares and Options**

(a) Stock market risks

There are risks associated with any investment in securities.

In particular, there is a risk that the price at which Shares trade on ASX may be less than the Offer Price payable under this Offer. While fluctuations in the price of the Shares and the New Options may be a direct reflection of changes in the financial performance of the Company, the market price of the Shares and New Options may also be affected by factors unrelated to the operating performance of the Company and the demand for and supply of capital generally.

(b) Liquidity of New Options

There can be no guarantee however that an active market in the New Options will develop or that the price of the New Options will increase after Completion of the Offer. There may be relatively few buyers or sellers of the New Options on ASX at any given time, which may in turn affect the prevailing market price at which the New Options are able to be sold and generally increase the volatility of the market price of the New Options.

(c) Risk of dilution

The Company may issue Shares (and/or Options) from time to time to raise additional capital to finance its continued growth or other future developments. The amount and timing of such additional financing needs will vary primarily on the amount of cash flow from the Company's operations. While the Company will be subject to the constraints of the ASX Listing Rules regarding the percentage of its capital that it is able to issue within any 12 month period (other than where exceptions apply), there is a risk that the issue of additional equity will result in the ownership interest of Shareholders in the Company from time to time being diluted.

(d) No guarantee of dividends

The prospect of future dividends being paid or made to Shareholders will be contingent upon the Company's ability to generate sustainable profits. To the extent that the Company pays any dividends, the ability to offer fully franked dividends will depend on the Company making taxable profits and paying sufficient Australian tax to attach franking credits to the dividends. Taxable profits may be volatile, making the payment of fully franked dividends unpredictable. Further, the value and availability of franking credits to a Shareholder will differ depending on the Shareholder's particular tax circumstances. You should be aware that the ability to use franking credits, either as a tax offset or to claim a refund after the end of the income year, will depend on your individual tax position.

As such, no assurance can be given by any person, including the Board, about the payment or the quantum of future dividends (if any), or the level of franking or imputation of any such dividend (if any).

(e) Tax considerations

An investment in Shares and New Options involves tax considerations which may differ for each Shareholder. You are encouraged to obtain professional tax advice in connection with any investment in Shares and New Options.

4.5 **Investment is speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the

Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Securities offered under this Prospectus. Therefore, the New Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities.

Eligible Shareholders should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for securities pursuant to this Prospectus.

5. Additional Information

5.1 Rights and liabilities attaching to Shares

The rights and liabilities attaching to ownership of the New Shares offered under this Prospectus (being fully paid ordinary shares in the Company) are:

- detailed in the Company's Constitution, which may be inspected during normal business hours at the registered office of the Company; and
- in certain circumstances, regulated by the Corporations Act, the ASX Listing Rules, the ASX Settlement Operating Rules (collectively, **Applicable Law**) and the general law.

A summary of the material provisions of the Constitution, including those relating to certain significant rights, liabilities and obligations attaching to the Shares, are set out below.

This summary is not intended to be exhaustive and is qualified by the fuller terms of the Constitution. Please be aware that the following summary does not constitute a definitive statement of the rights and liabilities of Shareholders.

5.2 General meetings

Each Shareholder is entitled to receive notice of and be present to vote and speak at general meetings of the Company.

At a general meeting, each Shareholder present (in person or by proxy, attorney or representative) has one vote on a show of hands. On a poll, each Shareholder present (in person or by proxy, attorney or representative) has one vote per Share. This is subject to any other rights or restrictions that may be attached to any Shares. If a Share is held jointly, only the vote of the Shareholder whose name appears first in the register of Shareholders will be counted.

The Company must give Shareholders at least 28 days' prior notice in writing of a general meeting.

Shareholders may requisition meetings in accordance with the Corporations Act.

5.2.1 Dividends

Subject to the Corporations Act, the Constitution and the terms of issue or rights of any shares with special rights to dividends, each holder of a Share will participate in all dividends declared after their issue. The Board may determine that a dividend is payable by the Company and fix the amount, the time for payment and the method of payment.

The Board may resolve that a dividend (interim or final) will be paid wholly or partly by the transfer or distribution of specific assets, including fully paid shares in, or debentures of, any other corporation.

5.2.2 Election to accept Shares in lieu of dividend

To the extent authorised by the Company in general meeting, the Board may Resolve, in respect of any dividend which it is proposed to pay on any Shares, that Shareholders may elect to forgo their right to share in the proposed dividend or part of the proposed dividend and instead receive an issue of Shares credited as fully paid.

5.2.3 Rights on winding up

If the Company is wound up, subject to any special terms and conditions attached to any shares, any surplus must be divided among the Shareholders in the proportion to the Shares held by

them respectively, subject only to any amounts unpaid on the Shares. The liquidator may, with the sanction of a Special Resolution of Shareholders, divide among the Shareholders in kind all or any part of the Company's property, and for that purpose, determine how it will carry out the division as between the Shareholders.

5.2.4 Forfeiture

At present, the only class of shares on issue in the capital of the Company is fully paid ordinary shares, they are not subject to any calls for money by the Board and will therefore not become liable for forfeiture.

5.2.5 Transferring Shares

Subject to the Constitution and any restrictions attached to a Share, the Shares are generally freely transferrable subject to meeting certain formal requirements. A Shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system conducted in accordance with the Applicable Law for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by the Board, ASX or other usual or common form.

The Company must refuse to register a transfer of Shares only in certain specified circumstances, such as when it is required to do so by Applicable Law or where the transfer would be contrary to the terms of an ASX-imposed restriction agreement or escrow agreement.

5.2.6 Future changes in capital

Subject to Applicable Law, the Constitution and any rights and restrictions attached to a class of shares, the Company may, by resolution of the Board, issue shares (including preference shares) or grant options to acquire shares, at any time, for any consideration and with such preferred, deferred or other special rights or restrictions as the Board considers appropriate.

Subject to the ASX Listing Rules, the issue of shares, options or other securities is not required to be ratified by Shareholders in general meeting.

The Company may consolidate and divide its share capital or reduce its share capital and buy back its Shares, in any manner provided by Applicable Law.

5.2.7 Variation of class rights

As noted above, the only class of shares on issue in the capital of the Company currently is fully paid ordinary shares. Subject to the Corporations Act and the terms of issue of shares in a particular class, the Company may vary or cancel the rights attached to shares in that class:

- by Special Resolution passed at a meeting of the holders of shares of that class; or
- with the written consent of the holders of three quarters of the issued shares in that class.

In either case, in accordance with the Corporations Act, the holders of not less than 10% of the votes in the class of shares, the rights of which have been varied or cancelled, may apply to a court of competent jurisdiction to exercise its discretion to set aside such a variation or cancellation.

5.2.8 Sale of non-marketable parcels

Subject to the Applicable Law, the Company may sell the Shares of a Shareholder if the total number of Shares held by that Shareholder is less than a marketable parcel at the date specified in a written notice given by the Company to that Shareholder (which must be not less than six weeks after the date on which the written notice is sent to that Shareholder), unless that Shareholder advises the Company in writing by the date specified in the written notice that it wishes to be exempted from this arrangement or that it has purchased sufficient additional Shares so as to increase its holding to at least a marketable parcel.

5.2.9 Proportional takeover

The Constitution contains provisions that require Shareholder approval to be obtained in relation to any proportional takeover bid made for the Company's Shares. These provisions will cease to apply on the third anniversary of their date of adoption or last renewal, unless renewed in accordance with the Corporations Act.

5.2.10 Appointment and removal of directors

The number of directors (not including alternate directors) of the Company is to be no less than 3 and not more than 12, unless determined otherwise by an Ordinary Resolution of Shareholders.

The Company may, from time to time, by Ordinary Resolution remove a director from office or appoint any additional directors. The Company must accept nominations from Shareholders for the election of directors proposed by at least 50 Shareholders or Shareholders between them holding at least 5% of the votes that may be cast up to 30 business days before the general meeting at which the candidates are to be elected.

The Board may also appoint a director, either to fill a casual vacancy or as an addition to the existing directors. A director so appointed (excluding the managing director) will hold office only until the end of the next annual general meeting, and will be eligible for re-election by Shareholders at that meeting.

Retirement will occur on a rotational basis so that a director (excluding the managing director or a director appointed to fill a casual vacancy) must retire from office by no later than either the third annual general meeting of the Company following, or three years after, that Director's last election or appointment, whichever is the later. If no director would otherwise be required to retire in the foregoing circumstances but the ASX Listing Rules require that an election of directors be held at an annual general meeting, the director to retire is the director who has held office for the longest period of time since his or her last election. Retiring directors are eligible for re-election at the meeting at which their retirement is confirmed.

5.2.11 Variation of the Constitution

The Constitution can only be amended by Special Resolution of Shareholders passed at a general meeting.

5.3 **Terms of New Options**

The New Options entitle the holder (**Optionholder**) to subscribe for fully paid ordinary shares in the capital of the Company on the following terms and conditions:

- (a) Subject to (k), each Option gives the Optionholder the right to subscribe for one fully paid Share.
- (b) The New Options will expire at 5.00pm (Sydney time) on the date which is 3 years after the date of issue of the New Options (**Expiry Date**). Any New Options not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (c) The amount payable upon exercise of each Option will be \$0.30 (**Exercise Price**).
- (d) The New Options held by the Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (e) An Optionholder may exercise their New Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of New Options specifying the number of New Options being exercised; and

- (ii) electronic funds transfer for the Exercise Price for the number of New Options being exercised,

(Exercise Notice).

- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (g) Within 2 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Exercise Notice.
- (h) All Shares allotted upon the exercise of the New Options will upon allotment rank pari passu in all respects with other Shares. The Company will apply for quotation of all Shares allotted pursuant to the exercise of New Options on ASX within 2 Business Days after the date of allotment of those Shares.
- (i) The New Options are transferable.
- (j) The Company will apply for quotation of the New Options on ASX.
- (k) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction
- (l) There are no participating rights or entitlements inherent to the New Options and the Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options. However, the Company will ensure that for the purposes of determining the entitlements to any such issue, the record date will be at least 3 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their New Options prior to the date for determining entitlements to participate in any such issue
- (m) Subject to clause (k), an Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

5.4 Underwriting Agreement

In accordance with the underwriting agreement dated on or about 13 May 2020 between the Company and the Underwriter (**Underwriting Agreement**), the Underwriter has agreed to conditionally underwrite 60,914,458 New Shares at the Offer Price and 20,304,819 New Options the subject of the Offer.

Under the Underwriting Agreement, the Company has agreed to pay the Underwriter an underwriting / issue management fee equal to 6.5% of the total gross amount raised under the Offer. All sub-underwriting and selling fees to third parties will be met from this fee by the Underwriter.

The Company must also pay to the Underwriter a corporate advisory fee of \$75,000 for its services in managing the Offer. In addition, the Company must, subject to Shareholder approval being obtained (to the extent necessary), grant to the Underwriter 5,000,000 Options on the same terms as the New Options and to the sub-underwriters 20,304,819 Options on the same terms as the New Options (together, the **Underwriting Options**). If the Company does not obtain Shareholder approval for the grant of the Underwriting Options (to the extent necessary), it must pay an appropriate alternative consideration to the Underwriter and the sub-underwriter (as negotiated in good faith or, failing agreement, based upon the Black-Scholes valuation).

The Underwriter may terminate its obligations under the Underwriting Agreement in circumstances typically found in agreements of this nature (in certain of these circumstances

including having regard to the materiality of certain events). These circumstances include (but are not limited to), where:

- (a) the All Ordinaries Index is, at any time after the date of the Underwriting Agreement, at a level that is 7.5% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;
- (b) the shares of the Company that trade on the ASX under the ASX code of "NOX" close at price lower than \$0.13 for three consecutive days;
- (c) the sub-underwriters introduced by the Company fail to execute sub-underwriting agreements or settle on any shortfall amount they are allocated;
- (d) The ASX rejects the Company's application for Official Quotation or agrees on terms which would have a material adverse effect;
- (e) a supplementary prospectus is lodged without prior written agreement from the Underwriter;
- (f) this Prospectus does not contain all information required by the Corporations Act;
- (g) the Company is prevented from allotting the New Securities within the time required by the Underwriting Agreement, the Corporations Act, the ASX Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- (h) any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in this Prospectus or to be named in this Prospectus, withdraws that consent;
- (i) the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel;
- (j) there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, Japan, Russia, the United Kingdom, the United States of America, France, North Korea, the People's Republic of China, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;
- (k) a director or senior manager of the Company or a subsidiary of the Company is charged with an indictable offence;
- (l) subject to the carve-out below, any of the following events (but not limited to these events) occurs:
 - (i) there is a default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;
 - (ii) any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;
 - (iii) an event occurs which gives rise to a material adverse effect or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any subsidiary of the Company including, without limitation, if any forecast in this Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;

- (iv) a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
- (v) without the prior approval of the Underwriter, a public statement is made by the Company in relation to the Offer or this Prospectus;
- (vi) any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the affairs of any subsidiary of the Company is or becomes misleading or deceptive or likely to mislead or deceive;
- (vii) material litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced or threatened against the Company or a subsidiary of the Company other than any claims disclosed to the Underwriter in writing prior to the date of the Underwriting Agreement or foreshadowed in this Prospectus;
- (viii) there is a material change in the major or controlling shareholdings of the Company or a subsidiary of the Company or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company or a subsidiary of the Company;
- (ix) a force majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;
- (x) the Company or a subsidiary of the Company alters its capital structure in any manner not contemplated by this Prospectus;
- (xi) any person is appointed under any legislation in respect of companies to investigate the affairs of the Company or a subsidiary of the Company; or
- (xii) a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

The Underwriter may not exercise its rights under paragraph (l) unless, in the reasonable opinion of the Underwriter reached in good faith, the occurrence of a termination event has or is likely to have, or two or more termination events together have or are likely to have:

- (a) a material adverse effect; or
- (b) could give rise to a liability of the Underwriter under the Corporations Act or otherwise.

Upon termination by the Company or the Underwriter for cause, the Company must pay the Underwriter the Corporate Advisory Fee as a termination fee together with the reimbursement of any expenses incurred or accrued) up to the date of termination

The Underwriting Agreement also contains a number of indemnities, representation and warranties from the Company to the Underwriter that are considered standard for an agreement of this nature.

5.5 Directors' benefits and interests

(a) Directors' fees

The Directors are entitled to receive directors' fees for their services to the Company.

In the two financial years ended prior to the date of this Prospectus, the Company has paid the following fees to the Directors (including share-based payments):

| Director | Financial year ended 30 June 2019 | Financial year ended 30 June 2018 |
|---|-----------------------------------|-----------------------------------|
| Dr Graham Kelly (Executive Chairperson) | \$1,065,077 | \$767,303 |
| Mr Peter Marks (Non-Executive Director) | \$208,295 | \$387,152 |
| Dr Ian Dixon (Non-Executive Director) | \$90,000 | \$329,900 |
| Mr Boris Patkin (Non-Executive Director) (appointed 25/3/2020) | N/A | N/A |
| Mr Fred Bart (Non-Executive Director) (appointed 8/5/2020) | N/A | N/A |

In respect of the financial year ending 30 June 2020, the Company has agreed to pay annual fees to the Directors as set out below:

| Director | Agreed annual fee |
|--|---|
| Dr Graham Kelly (Executive Chairperson) | \$396,000 to 30/9/2020 \$330,000 to 30/6/2020 |
| Mr Peter Marks (Non-Executive Director) | \$120,000 to 30/9/2020 \$60,000pa to 30/6/2020 |
| Dr Ian Dixon (Non-Executive Director) | \$90,000 to 30/9/2020 \$45,000 to 30/6/2020 |
| Mr Boris Patkin (Non-Executive Director) | \$45,000 |
| Mr Fred Bart (Non-Executive Director) | \$45,000 |

All directors' fees are inclusive of superannuation required by law to be made by the Company.

(b) **Interests in Shares**

As at the date of this Prospectus, the following Directors hold the following Shares, either directly and/or through company and trust structures:

| Director | Number of Shares | % of total issued capital |
|--|------------------|---------------------------|
| Dr Graham Kelly (Executive Chairperson) | 31,540,756 | 20.71% |
| Mr Peter Marks (Non-Executive Director) | 500,000 | 0.33% |
| Dr Ian Dixon (Non-Executive Director) | 1,766,246 | 1.16% |
| Mr Boris Patkin (Non-Executive Director) | 450,000 | 0.30% |
| Mr Fred Bart (Non-Executive Director) | 0 | 0.00% |

Under the Constitution, directors are not required to hold any Shares or other securities in the Company in order to hold office in the Company.

(c) **Interests in Options or other securities**

As at the date of this Prospectus, the following Directors hold the following Options, either directly and/or through company and trust structures:

| Director | Number of Options | % of total issued capital (fully diluted) |
|--|-------------------|---|
| Dr Graham Kelly (Executive Chairperson) | 12,437,037 | 6.79% |
| Mr Peter Marks (Non-Executive Director) | 700,000 | 0.38% |
| Dr Ian Dixon (Non-Executive Director) | 1,200,000 | 0.66% |
| Mr Boris Patkin (Non-Executive Director) | 0 | 0.00% |
| Mr Fred Bart (Non-Executive Director) | 0 | 0.00% |

5.6 Interests of advisers

For the purpose of preparing this Prospectus and conducting the Offer, the Company engaged:

- Canaccord Genuity (Australia) Limited as lead manager and underwriter in relation to the Offer. The Company has paid, or agreed to pay, approximately \$590,000 (excluding disbursements and GST) and to grant 5,000,000 Options to the Underwriter for these services; and
- Addisons as Australian legal adviser, for the purpose of advising the Company in relation to legal issues arising in connection with the Offer under Australian law and the preparation of this Prospectus. The Company has paid, or agreed to pay, approximately \$43,000 (excluding disbursements and GST) to Addisons for these services for the period up to the date of this Prospectus. Further amounts may be paid to Addisons in accordance with its normal time-based rates.

The Company will pay these amounts, and other expenses of the Offer, out of the funds raised under the Offer or cash otherwise available to the Company. Further information on the use of the proceeds, and the payment of the expenses, of the Offer are set out in Sections 2.5 and 5.9.

5.7 No other interests and benefits

Sections 5.4, 5.5 and 5.6 set out the nature and extent of the interests and fees received by certain persons involved in the Offer.

Other than as set out in Sections 5.4, 5.5 and 5.6:

- no Director;
- no person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, nor any firm in which such person is a partner or employee; and
- no promoter of the Company,

holds at the date of this Prospectus, nor has held in the two years preceding that date, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or in connection with the Offer; or
- the Offer,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given to any such person for services in connection with the formation or promotion of the Company or the Offer, or to any Director to induce him to become, or qualify as, a director of the Company.

5.8 **Consents and liability statements**

The Corporations Act requires the Company to obtain the consent of any person who has made a statement that is included in this Prospectus or whose statement forms the basis of certain content in this Prospectus. For this and all other purposes:

- Canaccord Genuity (Australia) Limited has given, and at the time of lodgement of this Prospectus has not withdrawn, its consent to be named in this Prospectus as the lead manager and underwriter in relation to the Offer in the form and context in which it has been named; and
- Addisons has given, and at the time of lodgement of this Prospectus has not withdrawn, its consent to be named in this Prospectus as Australian legal adviser to the Company in relation to the Offer in the form and context in which it has been named.

References are made in this Prospectus to entities that have certain dealings with the Company including counterparties to contractual arrangements referred to in this Prospectus. Please note that these parties have been referred to for information purposes only, and have neither authorised or caused the issue of this Prospectus nor had no involvement in the preparation of any part of this Prospectus.

5.9 **Expenses of the Offer**

The total expenses of the Offer payable by the Company are estimated at approximately \$727,825 as at the date of this Prospectus, and will be paid out of the funds raised under the Offer or cash otherwise available to the Company (see Section 2.5). These expenses include legal advisory fees, ASX listing fees and other miscellaneous expenses. Further particulars of these expenses can be found in Section 5.6.

5.10 **No modifications of the Corporations Act or waivers from ASX Listing Rules**

Other than legislative instruments (formerly known as class orders) issued by ASIC which are of general application to the class of persons to which the instrument applies, the Company is not relying on any modifications or waivers of, or exemptions from, the Corporations Act or the ASX Listing Rules in connection with the issue of this Prospectus or the making of the Offer under this Prospectus.

5.11 **Governing law**

This Prospectus and the contracts that arise from the acceptance of the Applications are governed by the laws applicable in New South Wales and each Applicant submits to the exclusive jurisdiction of the courts of New South Wales.

6. Directors' Statement

This Prospectus is dated 13 May 2020 and is issued by Noxopharm Limited. Its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and, at the date of this Prospectus, withdrawn his consent.

A handwritten signature in black ink, appearing to read 'Graham Kelly', is positioned above the printed name and title.

Graham Kelly
Executive Chairman
on behalf of the Board of Directors of Noxopharm Limited

7. Glossary

For the purposes of this Prospectus, the following terms have the meanings specified below:

| | |
|--|---|
| 2019 Annual Report | The Group's Annual Report for the financial year ended 30 June 2019 as lodged with ASX on 26 September 2019. |
| AAS | Australian Accounting Standards and other authoritative pronouncements issued by the AASB and Urgent Issues Group interpretations. |
| AASB | Australian Accounting Standards Board, being an Australian government agency under the <i>Australian Securities and Investments Commission Act 2001</i> (Cth). |
| AEST | Australian Eastern Standard Time. |
| Applicant | Those Eligible Shareholders as at the Record Date applying for New Shares under this Prospectus. |
| Application | An application made by an Applicant to subscribe for New Shares in accordance with the terms of the Offer as set out in this Prospectus. |
| Application Form | The personalised application form accompanying this Prospectus setting out each Eligible Shareholder's entitlement to apply for New Shares under the Offer. |
| Application Money | Money received from an Applicant in respect of its application for New Shares under the Offer. |
| ASIC | Australian Securities and Investments Commission. |
| ASX | ASX Limited (ACN 008 624 691) or, where the context requires, the financial market it operates. |
| ASX Listing Rules | The listing rules of ASX. |
| ASX Settlement Operating Rules | The operating rules of the settlement facility provided by ASX Settlement Pty Limited (ACN 008 504 532). |
| Board | The Board of Directors of the Company. |
| Business Day | Has the meaning given in the ASX Listing Rules. |
| Chairperson | Chairperson of the Company as at the date of this Prospectus, being Dr Graham Kelly. |
| Closing Date | 5.00pm (AEST) on 11 June 2020, unless varied by the Company at the discretion of the Board. |
| Company | Noxopharm Limited (ACN 608 966 123). |
| Company Secretary | The company secretary of the Company as at the date of this Prospectus, being David Franks. |
| Completion or Completion of the Offer | The completion of the Offer, upon which New Shares validly subscribed under the Offer and the New Options will be issued to successful Applicants in accordance with its terms as set out in this |
| Constitution | The constitution of the Company. |
| Corporations Act | <i>Corporations Act 2001</i> (Cth). |
| Director | A director of the Company as at the date of this Prospectus, being each of Dr Graham Kelly, Mr Peter Marks, Dr Ian Dixon, Mr Boris Patkin and Mr Fred Bart. |

| | |
|-----------------------------|---|
| Eligible Shareholder | <p>A Shareholder who:</p> <ul style="list-style-type: none"> • is registered as a holder of Shares as at the Record Date; • has a registered address on the Register in Australia or New Zealand or is otherwise eligible under all applicable securities laws to receive an offer to subscribe for New Shares under the Offer; and • is not in the United States and is not acting for the account or benefit of a person in the United States. |
| Entitlement | A Shareholder's pro-rata entitlement or right to take up New Shares under the Offer in accordance with the terms and conditions of this Prospectus. |
| New Options | The new Options to be issued under this Prospectus, exercisable at \$0.30 within three years of the date of grant. |
| New Securities | The New Shares and the New Options. |
| New Shares | The shares being offered for subscription under this Prospectus, being each a fully-paid ordinary share in the issued capital of the Company. |
| Offer | The offer for subscription of approximately 60,914,458 New Shares and approximately 20,304,819 New Options under this Prospectus on the terms set out in this Prospectus. |
| Offer Period | The period during which the Offer is open for acceptance, being the period from the day after the date of this Prospectus to the Closing Date (both inclusive). |
| Offer Price | The price at which New Shares are proposed to be issued under the Offer, being \$0.13 per New Share. |
| Official Quotation | Quotation by ASX on the official list of ASX. |
| Option | An option to acquire a Share. |
| Ordinary Resolution | A resolution passed by a simple majority of the votes cast by Shareholders or the holders of shares of a particular class (as applicable) that are present (in person or by proxy, attorney or representative) and entitled to vote on that resolution. |
| Overseas Shareholder | Means a Shareholder whose address in the Register is outside of Australia and New Zealand. |
| Prospectus | This document (including the electronic form of this Prospectus), and any supplementary or replacement prospectus lodged with ASIC in relation to this document. |
| Record Date | 7.00pm (AEST) on 20 May 2020. |
| Register | The register of members of the Company maintained by or on behalf of the Company for the purposes of section 169 of the Corporations Act. |
| Relevant Interest | Has the meaning given in sections 608 and 609 of the Corporations Act. |
| Rights Issue | The non-renounceable pro-rata offer of New Shares being made to Eligible Shareholders under this Prospectus. |

| | |
|-------------------------------|--|
| Section | A section of this Prospectus. |
| Shares | Fully paid ordinary shares in the issued capital of the Company. |
| Shareholder | A person recorded on the Register as being the holder of one of more Shares. |
| Share Registry | Automic Registry Services of Level 5, 126 Phillip Street, Sydney NSW Australia 2000. |
| Special Resolution | A resolution passed by at least 75% (by number) of the votes cast by Shareholders or the holders of shares of a particular class (as applicable) that are present (in person or by proxy, attorney or representative) and entitled to vote on that resolution. |
| Underwriter | Canaccord Genuity (Australia) Limited ACN 075 071 466. |
| Underwriting Agreement | Has the meaning given in Section 5.4. |
| Underwriting Options | Has the meaning given in Section 5.4. |
| U.S. or United States | United States of America. |
| U.S. Securities Act | U.S. Securities Act of 1933, as amended. |
| Voting Power | Has the meaning given in section 610 of the Corporations Act. |

Corporate Directory

Directors

Dr Graham Kelly (Executive Chairperson)
Mr Peter Marks (Non-Executive Director)
Dr Ian Dixon (Non-Executive Director)
Mr Boris Patkin (Non-Executive Director)
Mr Fred Bart (Non-Executive Director)

Underwriter

Canaccord Genuity (Australia) Limited
Level 23, 2 The Esplanade
Perth WA Australia 6000

Company Secretary

Mr David Franks

Registered office

Suite 3, Level 4
828 Pacific Highway
Sydney NSW Australia 2000

Company website

<https://www.noxopharm.com/>

Share registry*

Automic Registry Services
Level 5, 126 Phillip Street
Sydney NSW Australia 2000

Australian legal adviser

Addisons
Level 12, 60 Carrington Street
Sydney NSW Australia 2000

*This party is named for informational purposes only and was not involved in the preparation of this Prospectus.