



13 May 2020

Sydney, Australia

Entitlement Offer – Letter to Optionholders

Sydney, 13 May 2020: Further to the pro-rata entitlement offer announced today, please find attached the letter to optionholders.

About Noxopharm

Noxopharm is a clinical-stage Australian drug development company with offices in Sydney and New York. The Company has a primary focus on the development of Veyonda® and is the major shareholder in Nyrada Inc. (ASX:NYR).

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David Franks, Company Secretary of Noxopharm, has approved the release of this document to the market.

Forward Looking Statements

This announcement may contain forward-looking statements. You can identify these statements by the fact they use words such as “aim”, “anticipate”, “assume”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “plan”, “predict”, “project”, “plan”, “should”, “target”, “will” or “would” or the negative of such terms or other similar expressions. Forward-looking statements are based on estimates, projections and assumptions made by Noxopharm about circumstances and events that have not yet taken place. Although Noxopharm believes the forward-looking statements to be reasonable, they are not certain. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond the Company’s control that could cause the actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statement.



13 May 2020

Dear Optionholder

NON-RENOUNCEABLE ENTITLEMENTS ISSUE

This is to notify you as an optionholder in Noxopharm that Noxopharm is undertaking a non-renounceable entitlements 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 (Australian and New Zealand resident shareholders) as at the Record Date (intended to be 20 May 2020) to raise up to a total of \$7,900,000 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 (the **Underwriter**).

The issue was announced today and it is expected that the prospectus will be lodged today and available for inspection.

The Rights Issue will be offered to shareholders registered at 7pm (AEDT) on 20 May 2020 (**Record Date**) with a registered address in Australia or New Zealand (**Eligible Shareholders**).

The details are:

Issuer:	Noxopharm Limited (ASX:NOX)
Security:	Fully paid ordinary shares and attaching options (" Offer Securities ")
Issue Size:	A\$7.9m
Offer Structure:	The Offer is to be structured as a pro rata entitlement offer to shareholders based on one (1) new share for every two and a half (2.5) existing shares held to raise circa \$7.9m at an issue price of 13c together with a one (1) for three (3) attaching option exercisable at \$0.30 with a 3-year expiry.

Sub-underwriters to the Offer will receive a one (1) for three (3) sub-underwriting commitment option on the same terms as the Attaching Option ("Sub-Underwriting Options"). The Sub-Underwriting Options must only be granted to the Sub-Underwriters if the Sub-Underwriters agree to sub-underwrite the Offer.

For the avoidance of doubt, the maximum amount of options to be issued under the offer (not inclusive of Lead Manager Options) is 20,304,819 Attaching Options and 20,304,819 Sub-Underwriting Options. It is envisaged that the Company will seek to have these options listed. The Company must issue Options rounded to the nearest whole number.

Subject to shareholder approval (to obtain the Listing Rule 7.1 capacity to issue the new options) a further 5 million New Options will be issued to the Underwriter as part of its consideration.

The Underwriter will also subject to shareholder approval (to obtain the Listing Rule 7.1 capacity to issue the new options) the right to

NOXOPHARM LIMITED

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	conduct an additional Placement utilising the Company's Placement capacity on completion of the Offer on equal terms.
Pricing:	The issue price for the Offer is \$0.13 (Issue Price)
Listing:	ASX
Timing:	Record Date – 20 May 2020

New Shares will rank equally with the Shares already on issue.

The maximum number of shares issuable under the offer is 60,914,458. The maximum number of options (exercisable at \$0.3 with a three-year term) issuable under the offer is 45,609,638, being:

- up to 20,304,819 new Options to shareholders;
- up to 20,304,819 Sub-Underwriter Options; and
- 5,000,000 Lead Manager Options.

The table below shows the number of NOX ordinary shares and options outstanding before and after completion of the Entitlement Offer:

	On issue prior to Entitlement Offer	Issued under Entitlement Offer	On issue after completion of Entitlement Offer
NOX ordinary shares	152,286,146	60,914,458	213,200,604
Options (all classes)	30,814,617	45,609,638*	76,424,255*
<i>*Approximate subject to rounding</i>			

Option numbers stated above are approximate and subject to rounding of individual shareholder option entitlements.

Under the terms of your options you are not entitled to accept the Offer and participate in the Issue but if you exercise your options, before the Record Date (20 May) you will be entitled to participate in the Issue and accept the Offer.

Your options expire on 28 February 2021 and have an exercise price of \$0.30. Currently, they are "out of the money" in that the exercise price (\$0.30) exceeds the last price of the Company's shares (\$0.195) before it went into the trading halt on 7 May 2020.

Fractional entitlements will be rounded to the nearest whole number of New Shares.

The indicative timetable for the Rights Issue is set out below:

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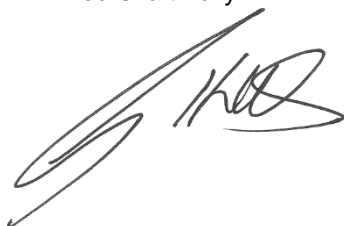
EVENT	DATE (2020)
Trading halt lifted	Prior to market opening 13 May
Lodge Prospectus with ASIC	13 May
Announce entitlements Issue to ASX & lodge Appendix 3B and Prospectus with ASX; notify NOX optionholders	13 May
Provide notice of Entitlement Issue, information required by Appendix 3B and Timetable to NOX shareholders	13 May
Ex date	19 May
Record date for determining entitlements	20 May
Despatch Prospectus to shareholders and inform ASX of despatch – offer opens	21 May
Offer closing date	11 June
New shares quoted on deferred settlement basis	12 June
ASX notified of undersubscriptions	16 June
Allotment of New Shares and Options	16 June
Despatch holding statements	17 June
Quotation of Shares and Options issued under the offer	18 June
Trading in New Securities expected to commence	18 June

Dates are indicative only and are subject to change. The Company reserves the right, subject to the ASX Listing Rules, to amend this indicative timetable. For example, the Company reserves the right to extend the Closing Date, accept late applications under the Offer (either generally or in particular cases) and to vary the Offer without prior notice. Any extension of the Closing Date will have a consequential effect on the date for the issue of New Shares under the Offer. The Company will consult with the Underwriters in relation to any change to this indicative timetable. All times above are AEDT.

The Directors reserve the right not to proceed with the whole or part of the Offer any time prior to allotment and issue of the New Shares. In that event, any payments received for applications under the Offer will be returned in full without interest.

If you require further information, please contact the Mr David Franks, Company Secretary, on +612 8098 1169.

Yours faithfully



Dr Graham Kelly
Chairman

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