

ASX ANNOUNCEMENT

SHARE PLACEMENT RAISES \$9.0 MILLION

- Cellmid has successfully raised \$9.0 million (before costs) via a two-tranche share placement, the second tranche subject to shareholder approval
- The placement closed with strong demand from new and existing institutional investors
- A share purchase plan to raise up to an additional \$1.0 million will be launched by the Company
- Proceeds raised under the offer will be used to drive growth in the consumer health business, specifically the flagship évolis® product range globally and the exclusive distribution agreement with Fillerina® in Australia and New Zealand

SYDNEY, Tuesday, 31 July 2018: Cellmid Limited (ASX: CDY) is pleased to advise that it has raised **\$9.0 million** before costs via a share placement to sophisticated and institutional investors (Placement). The Placement will result in the issue of up to 23.7 million shares, implemented in two tranches, with the second tranche conditional on shareholder approval under ASX Listing Rule 7.1.

The Company will also launch a Share Purchase Plan ("**SPP**") to raise up to an additional \$1.0 million from existing eligible shareholders on the same terms as the Placement.

Of the total shares under the Placement 12.5% will be issued to directors; 11.1% will be issued to the Dennis Eck family, 0.3% to Martin Cross and 1.1% will be issued to Maria Halasz. Share issues to directors will be subject to shareholders' approval at Cellmid's next general meeting to be conducted on or around 7 September 2018.

Proceeds from the Placement and SPP will primarily be used for working capital to exploit the global distribution opportunities for the Company's flagship évolis® products in key target markets including the USA, China, Australia and Japan. A significant portion of the capital raised will be used to increase inventory and boost the Company's sales and marketing capabilities in these markets.

"We are delighted to secure funding for the expansion of our consumer health business at this critical stage, when distribution channels are set up in major global markets such as China and the USA. The funding will allow us to turbo charge our growth plans and take the Company closer to profitability" said Chairman of Cellmid, Dr David King.

The issue price of the Placement is \$0.38 per share, which represents an 17.8% discount to Cellmid's 30-day VWAP as of the last day of trading in its shares, being 26 July 2018. The 23.7 million new Placement shares will be issued and will rank equally with the existing shares on issue.

Blue Ocean Equities Pty Ltd acted as the Sole Lead Manager to the Placement.

Placement Details

Placement of shares will be allocated in two tranches as below:

- Tranche 1 – unconditional placement of 4,523,959 shares issued under the Company's existing placement capacity in accordance with Listing Rule 7.1 (to raise approximately \$1.7 million) to sophisticated and institutional investors
- Tranche 2 – conditional placement of 19,160,251 shares (to raise approximately \$7.3 million) to sophisticated and institutional investors and to directors, subject to shareholders' approval at a general meeting of the Company's shareholders, expected to be held on or around 7 September 2018. A notice of meeting will be dispatched to shareholders shortly.

Share Purchase Plan

Cellmid is also pleased to announce a share purchase plan targeted to raise up to \$1.0 million. The SPP will allow each eligible shareholder the opportunity to apply for fully paid ordinary shares in Cellmid for up to \$15,000. The issue price of shares under the SPP will be the same as the placement price of \$0.38 per share.

The Directors may, in their absolute discretion, decide to issue to any person fewer shares than that person applied for under the SPP. Full details of the SPP will be released to the ASX on 31 July 2018 and mailed to eligible shareholders by 6 August 2018.

Key dates for the Placement and SPP

Indicative Timetable*	
SPP record Date	Monday, 30 July 2018
Placement announced to the ASX	Tuesday, 31 July 2018
SPP announced to the ASX	Tuesday, 31 July 2018
Settlement of Tranche 1 Placement Shares	Friday, 3 August 2018
Allotment of Tranche 1 Placement Shares	Monday, 6 August 2018
Despatch of SPP Offer Booklet and SPP opening date	Monday, 6 August 2018
SPP Closing Date	Thursday, 30 August 2018
General Meeting to approve issue of Tranche 2 Placement Shares	Friday, 7 September 2018
Settlement of Tranche 2 Placement Shares	Tuesday, 11 September 2018
Allotment of Tranche 2 Placement Shares	Wednesday, 12 September 2018
Despatch of shareholding statements	Thursday, 13 September 2018

**Please note, the dates above are indicative in nature and are subject to change without notice. Any change in the timetable does not affect any rights or obligations you have as a result of accepting the SPP.*

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Cellmid Limited (ASX: CDY)

Cellmid is an Australian life sciences company with lead programs in multiple disease indications. The Company, through its wholly owned subsidiaries, Lynamid, Kinera and Advangen, develops and markets innovative novel therapies and diagnostic tests for fibrotic diseases, cancer, ischemic diseases of the heart and hair loss. Cellmid holds the largest and most comprehensive portfolio of intellectual property relating to the novel targets midkine (MK) and FGF5 globally. Intellectual property pertaining to midkine is being exploited through wholly owned subsidiaries Lynamid and Kinera. Advangen, Cellmid's consumer health business, sells its FGF5 inhibitor hair growth products in Australia, Japan, USA and China. For further information, please see www.cellmid.com.au and www.myevolis.com.au.

Advangen Limited and hair growth products

Advangen Limited is Cellmid's wholly owned subsidiary engaged in the development and sale of first in class, best in class, clinically validated anti-aging products for hair, skin and body. Advangen has a range of FGF5 inhibitor hair growth products which are sold in Australia, Japan, USA and China. Advangen has a rich portfolio of hair growth and anti-aging hair care assets which include formulations of products on market, trademarks, patents and patent applications, proprietary assays and manufacturing processes. With the Fillerina® distribution agreement Advangen has its first skincare range.

Midkine (MK)

Midkine is a growth factor that is highly expressed during embryonic development. Midkine modulates many important biological interactions such as cell growth, cell migration and cellular adherence. These functions are relevant to cancer, inflammation, autoimmunity, ischemia, nerve growth/repair and wound healing. Midkine is barely detectable in healthy adults and only occurs as a consequence of the pathogenesis of a number of different disorders. Midkine expression is often evident very early in disease onset, even before any apparent physical symptoms. Accordingly, midkine is an important early marker for diagnosing cancers and autoimmune diseases. Finally, midkine is only evident in a disease context, and targeting midkine is not expected to harm normal healthy tissues.

Investment in life sciences companies

There are a number of inherent risks associated with the research, development and commercialisation of pharmaceutical products. Investment in companies specialising in these activities carry specific risks which are different to those associated with trading and manufacturing businesses. As such, these companies should be regarded as highly speculative. Cellmid recommends that investors seek professional advice before making an investment in its shares.