

15 October 2019

Dear Shareholder

Share Purchase Plan Offer Booklet

The directors are pleased to invite you to participate in an opportunity to subscribe for additional ordinary shares in Cellmid Limited (**Cellmid**) under a share purchase plan (**SPP**).

The SPP is offered to shareholders who at the record date of 7 pm (Sydney time) on Friday, 11 October 2019 have a registered address in Australia or New Zealand (**Eligible Shareholder**).

The \$0.20 per share issue price is a 11.1% discount to the last ASX traded price of Cellmid shares on 9 October 2019 and a 14.4% discount to the volume weighted average market price of the shares over the last 5 days on which sales were recorded up to 11 October 2019. The SPP issue price is the same offered to investors under the share placement as announced on 14 October 2019.

Proceeds from the 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.

The SPP will enable Eligible Shareholders, regardless of the number of shares they hold in Cellmid, to subscribe for their choice of any one of the following parcels of shares:

- 25,000 shares for the total amount of A\$5,000;
- 40,000 shares for the total amount of A\$8,000;
- 50,000 shares for the total amount of A\$10,000;
- 75,000 shares for the total amount of A\$15,000;
- 100,000 shares for the total amount of A\$20,000;
- 125,000 shares for the total amount of A\$25,000; and
- 150,000 shares for the total amount of A\$30,000.

The SPP provides Eligible Shareholders with the opportunity to increase shareholdings without the cost of brokerage or commission.

If an over subscription for shares occurs, the directors of Cellmid may allocate shares on a first in basis and will, in their absolute discretion, scale back some or all applications. The SPP will open on Tuesday, 15 October 2019 and close at 5 pm (Sydney time) on Monday, 4 November 2019 with shares expected to be allotted on Friday, 8 November 2018.

This SPP is optional and the offer is non-renounceable. Accordingly, Eligible Shareholders cannot transfer to other parties their right to subscribe for shares under the SPP. All shares issued under the SPP will rank equally with the existing ordinary shares of Cellmid.

If you wish to participate in the SPP, you can choose either of the following payments methods:

- payment by BPAY – please refer to the code and Reference number on the application form and contact your participating financial institution to make your payment. You are not required to return the application form; or
- payment by cheque – if paying by this method, complete the application form, attach your cheque, money order or bank draft in Australian dollars, drawn on a bank or financial institution in Australia and made payable to Cellmid Limited and return them in the envelope provided.

No cash or card payments will be accepted.

Eligible Shareholders will also be able to access their Personalised Share Purchase Plan Application form online from today at <https://investor.automic.com.au/#/home>

Full details of the SPP are set out in the attached Terms and Conditions. You should read the Terms and Conditions before making a decision regarding your participation in the SPP. Contact your professional adviser if you are uncertain as to what action you should take.

If you have any questions in relation to the SPP, please contact Cellmid's share registry, Automic on 1300 288 664 (from within Australia) or +61 2 9698 5414 (from outside Australia).

Yours sincerely



David King
Chairman

CELLMID LIMITED

ACN 111 304 119

Share Purchase Plan Terms and Conditions

15 October 2019

Offer

Cellmid Limited (**Cellmid**) is offering its shareholders the opportunity to purchase up to A\$30,000 of fully paid ordinary shares in Cellmid by way of its 2019 share purchase plan (**SPP**) targeting A\$500,000.

The price per share under the SPP (**SPP Price**) being offered is A\$0.20 or 20 cents per share. This is the same price that was offered to institutional and sophisticated investors under the placement announced on 14 October 2019. The SPP Price is a 14.4% discount to Cellmid's volume weighted average market price of the shares over the last 5 days on which sales were recorded up to 11 October 2019.

Eligibility

All shareholders at 7pm (Sydney time) on Friday, 11 October 2019 (**Record Date**) with a registered address in Australia or New Zealand (**Eligible Shareholders**), are offered participation in the SPP.

Cellmid has determined that it is unlawful or impractical for the SPP to be offered to a shareholder whose address on the register of members is a country outside of Australia or New Zealand.

Participation in the SPP by acceptance of the offer:

- (a) is optional for Eligible Shareholders; and
- (b) is subject to these Terms and Conditions.

Subscription

ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 prohibits Cellmid issuing Cellmid shares in accordance with this SPP if the aggregate subscription amount to be paid by an Eligible Shareholder, together with the aggregate amount paid for any other Cellmid shares applied for by that Eligible Shareholder or which a custodian has been instructed to acquire under the SPP on their behalf, or any similar arrangement operated by Cellmid in the 12 months before the date the application is made, exceeds A\$30,000.

Eligible Shareholders may subscribe for any one of the following parcels (subject to any scale back described below):

	Subscription Amount	Shares to be allotted calculated at the SPP Price
Minimum application	A\$5,000	25,000
	A\$8,000	40,000
	A\$10,000	50,000
	A\$15,000	75,000
	A\$20,000	100,000
	A\$25,000	125,000
Maximum application	A\$30,000	150,000

No Eligible Shareholder may be issued with shares if the aggregate application price for those shares, together with the aggregate amount paid for any other Cellmid shares applied for by that Eligible Shareholder or which a custodian has been instructed to acquire under the SPP on behalf of the Eligible Shareholder, or any similar arrangement operated by Cellmid in the 12 months before the date the application is made exceeds A\$30,000.

Indicative Timetable*

Record Date	11 October 2019 7pm (Sydney time)
Opening Date	15 October 2019
Closing Date	4 November 2019 5pm (Sydney time)
SPP Shares Issued	8 November 2019
Dispatch of Holding Statements/Confirmation advice	11 November 2019

*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.

Offers non-renounceable

Offers made under the SPP are non-renounceable. Eligible Shareholders cannot transfer their right to other parties to subscribe for shares under the SPP. Acquisition by an Eligible Shareholder of additional shares or a new separate holding of shares before the Closing Date, will not give rise to any additional right to subscribe for shares under this SPP offer.

Single Eligible Shareholders

Single Eligible Shareholders that receive more than one offer under the SPP, for example due to multiple registered holdings, may only apply for an aggregate of up to A\$30,000 worth of shares (one maximum parcel).

Joint Eligible Shareholders

Eligible Shareholders recorded on the register with one or more other persons as the joint holder of shares are considered to have a single registered holding for the purpose of the SPP. If the same joint holders receive more than one offer under the SPP due to multiple holdings, the joint holders may only apply for an aggregate of up to A\$30,000 worth of shares (one maximum parcel).

Custodians, trustees and nominees

A custodian, trustee or nominee within the definition of "custodian" in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, or in any other ASIC relief granted to Cellmid in relation to the SPP (**Custodian**) who holds shares on behalf of one or more persons (**Participating Beneficiary**), may apply for up to a maximum of A\$30,000 worth of shares for each Participating Beneficiary, subject to providing notice in writing to Cellmid (by way of Custodian Certificate) certifying the following:

- (a) that the Custodian holds the shares on behalf of Participating Beneficiaries who have instructed it to apply for Cellmid shares on their behalf under the SPP;
- (b) the number of Participating Beneficiaries;

- (c) the name and address of each Participating Beneficiary;
- (d) the number of Cellmid shares that the Custodian holds on behalf of each Participating Beneficiary;
- (e) the number or dollar amount of shares which each Participating Beneficiary has instructed the Custodian, either directly or indirectly through another custodian, to apply for on their behalf;
- (f) that there are no Participating Beneficiaries in respect of which the total of the application price exceeds A\$30,000 worth of Cellmid shares, calculated by reference to Cellmid shares applied for by the Custodian on behalf of each Participating Beneficiary under:
 - (i) the SPP; and
 - (ii) any other Cellmid shares issued to the Custodian as custodian in the 12 months before the Custodian's application under an arrangement similar to the SPP,

in each case, as a result of an instruction given by the Participating Beneficiary to the Custodian to apply for Cellmid shares on their behalf;
- (g) that a copy of these Terms and Conditions was given to each Participating Beneficiary;
- (h) where shares are held by the Custodian on behalf of the Participating Beneficiary indirectly, through one or more interposed custodians, the name and address of each interposed custodian; and
- (i) any such additional or varied information as might be required under any more specific ASIC relief that might be granted to Cellmid in relation to the SPP.

The offer under this SPP is made to the Custodian as the registered holder, not to the beneficiaries directly.

For the purposes of these Terms and Conditions, a Custodian is as defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547.

If Cellmid shares are held as a trustee or nominee for another person, but are not a Custodian as defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, that holder cannot participate for beneficiaries in the manner described above. In this case, the rules for multiple single holdings apply.

Custodians requiring a Custodian Certificate or further information on how to apply, should contact Cellmid's share registry, Automic Registry Services.

Overseas shareholders

This SPP does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

The SPP is not being extended to, and shares will not be allotted to, shareholders with a registered address which is outside Australia or New Zealand.

Beneficial shareholders not resident in Australia or New Zealand should consult their professional advisors to

determine whether any government or other consents are required or whether formalities need to be observed to allow them to accept their entitlement.

Agreement

Eligible Shareholders may only acquire up to a maximum of A\$30,000 of shares under a SPP or similar plan in any 12 month period. (as prescribed by ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547).

By submitting the application form (together with a cheque) or making a BPay® payment the Eligible Shareholder certifies:

- (a) the aggregate of the application price paid for:
 - (i) the Cellmid shares the subject of the application form or BPay payment; and
 - (ii) any other Cellmid shares applied for or which a Custodian has been instructed to acquire under the SPP, or any similar arrangement operated by Cellmid in the 12 months before the date of application,

does not exceed A\$30,000 (except when applying as a Custodian for one or more beneficiaries);
- (b) it agrees that the application is only effective as of the date on which the application is signed (if applicable) (**Effective Date**);
- (c) it agrees generally to otherwise be bound by these Terms and Conditions; and
- (d) it authorises Cellmid to place its name on the register of members in respect of the shares which are issued to the Eligible Shareholder under the SPP offer and agrees to be bound by the constitution of Cellmid.

Cellmid reserves the right and in certain circumstances may be required by ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 or other conditions, to reject any application for shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these Terms and Conditions or any statute, law, regulation, statutory instrument or the ASX Listing Rules.

Acceptance

Applications may only be made on the enclosed application form or via BPay® in accordance with the instructions contained in the enclosed application form. Applications will only be open for acceptance on and from 15 October 2019 (**Opening Date**) in order to comply with legal requirements. To be valid, payment via BPay® or a duly completed application form (together with a cheque, bank draft or money order) must be received by Cellmid's share registry at the address shown on the application form before 5pm (Sydney time) on 4 November 2019 (**Closing Date**). Applications received after that time will not be accepted. If the exact amount of application money is not tendered with the application form or via BPay®, Cellmid reserves the right to reject the application.

Once an application is received, the application and associated payment under the SPP may not be

withdrawn and the interest (if any) accruing on the application money will accrue and be payable to Cellmid.

Calculation of number of shares to be issued

In the absence of scale back, and subject to the Eligible Shareholder not exceeding the A\$30,000 maximum limit provided for by ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, the number of Cellmid shares to be issued will be calculated by dividing the value of Cellmid shares applied for by the offer price, then rounding up to the nearest whole share.

Scale back

Cellmid is targeting to raise A\$500,000 under the SPP. Further, in accordance with the ASX Listing Rules the number of Cellmid shares to be issued under the SPP will not be greater than 30% of the number of Cellmid shares on issue at the Record Date.

If Cellmid scales back applications, the amount of the application as scaled back may not be equal to a whole number of Cellmid shares. In that event, the number of Cellmid shares to be allotted will be rounded up to the nearest whole number of Cellmid shares.

If Cellmid undertakes a scale back, Eligible Shareholders will receive the number of shares determined by Cellmid in its absolute discretion which may be less than the parcel of shares which was applied for. In this case, the difference between the application money received and the number of shares allocated to the Eligible Shareholder multiplied by the issue price, may be refunded by direct credit (to a nominated account if recorded on Cellmid's share register) or cheque as soon as practicable without interest at the time of allotment.

Price risk

Note that the market price of Cellmid shares may rise or fall between the date this offer was announced and made and the issue date. This means that for the same aggregate application amount, the number of shares acquired by an Eligible Shareholder under the SPP may be lower than the number of shares that may be acquired on the market on the date that the shares are issued.

This offer is not made under a prospectus or other disclosure document. Accordingly, Cellmid shareholders must rely on their own knowledge of Cellmid and previous disclosures made by Cellmid on ASX.

Issue of shares

Shares issued under the SPP will rank equally in all respects with all other fully paid ordinary shares in Cellmid on the date of issue.

Costs of participation

No brokerage, commissions or other transaction costs will be payable by Eligible Shareholders in respect of the application for, and issue of shares under, the SPP.

Allotment and quotation dates

Cellmid shares are expected to be allotted under the SPP on 8 November 2019 (**Share Issue Date**) and Cellmid will apply for these Cellmid shares to be listed for quotation on ASX.

Cellmid expects to complete dispatch of holding statements or confirmation advice in respect of the Cellmid shares allotted under the SPP by 11 November 2019. Eligible Shareholders should confirm their holding

before trading in any Cellmid shares that they believe have been allotted to them under the SPP.

Underwriting

The SPP is not underwritten at the time the offer is made. However, Cellmid reserves the right to subsequently put in place an underwriting for the whole or part of the A\$500,000 sought to be raised through the SPP, depending on the appetite of the potential underwriter(s) and the proposed commercial terms.

General

Cellmid may determine, in any manner it thinks fit, any disputes or anomalies which arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any Eligible Shareholder or application for shares. The decision of Cellmid will be conclusive and binding on all persons to whom the determination relates.

Cellmid reserves the right to waive compliance with any provision of these Terms and Conditions, to amend or vary these Terms and Conditions and to suspend or terminate the SPP at any time. Any variation in these Terms and Conditions will be notified by a release to the ASX.

Cellmid may at any time irrevocably determine that an application is valid, in accordance with these Terms and Conditions, even if the application form is incomplete, contains errors or is otherwise defective. Cellmid and its officers and agents are authorised to correct any error in, or omission from, an application form by the insertion of any missing details.

Cellmid's rights and discretions under the SPP may be exercised by the Cellmid directors or any delegate of Cellmid directors.

Please contact Cellmid for the Company's privacy policy, or visit www.cellmid.com.au and click on the privacy policy link.

This offer is governed by the law of New South Wales. By accepting the offer the Eligible Shareholder submits to the non-exclusive jurisdiction of the courts of New South Wales.

ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547

This offer of Cellmid shares under the SPP is made in accordance with the requirements of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547. That Instrument grants relief from the requirement to prepare a prospectus for the offer of shares under the SPP.

Independent financial and taxation advice

The offer under this SPP is not a recommendation to purchase shares. Cellmid recommends that Eligible Shareholders seek independent financial and taxation advice before participating in the SPP.

Questions

Any questions in respect of the SPP should be directed to Cellmid's share registry, Automic Registry Services on:

Telephone: 61 2 9698 5414