

IMAGION BIOSYSTEMS LIMITED

(ASX: IBX)

28 October 2019

Pro-Rata Renounceable Rights Issue

- Funds to finance the manufacture of nanoparticle material, undertaking a first-in-human study (where sufficient capital is raised) and for general working capital
- 1-for-1 pro-rata renounceable rights issue at an issue price of \$0.02 per share to raise a minimum of \$2 million and up to approximately \$6.54 million
- Discount of 40.62% to the 10 day VWAP and 47.37% to the 30 day VWAP
- With every two New Shares, shareholders will receive one free attaching New Option
- New Options will have Exercise Price of 5.0 cents and a term of two years
- Shortfall facility to enable applications for additional shares

Imagion Biosystems Limited (ASX: IBX) (Imagion or the Company) is pleased to announce a pro-rata renounceable rights issue (Offer) to fund the manufacture of the nanoparticle material, the undertaking of a first-in-human study (where sufficient capital is raised), and for general working capital purposes.

Under the offer, shareholders will be offered one new share for every one Imagion share held as at 31 October 2019 (Record Date), together with one attaching New Option, exercisable at \$0.05 and expiring two years from issue, for every two New Shares subscribed.

Pursuant to the Offer, the Company will issue up to 327,369,384 fully paid ordinary shares in the capital of the Company (New Shares) (subject to fractional rounding) at an issue price of \$0.02 each, to raise a minimum of \$2 million and up to \$6.54 million (before costs). The entitlement to subscribe for New Shares under the Offer will be renounceable.

In October 2019 the Company reported that it was ready to manufacture the nanoparticle material pending availability of funds. Assuming full subscription under the Offer, Imagion will be well-funded with up to \$6.54 million available for:

- GMP Manufacture of MagSense HER2 Test nanoparticle material;
- R&D Support, Regulatory and Clinical costs to undertake a first-in-human study;
- General Business Operations; and
- Costs of Offer.

Imagion Biosystems Limited

ACN 616 305 027

Level 8, 555 Bourke Street, Melbourne VIC 3000

www.imagionbiosystem.com

Chairman, Robert Proulx, said: “Imagion Biosystems is a company dedicated to improving healthcare through the early detection of cancer by developing new non-radioactive and safe diagnostic imaging technology. By combining biotechnology and nanotechnology, the Company aims to detect cancer and other diseases earlier and with higher specificity than is currently possible. Imagion Biosystems has been listed on the Australian Securities Exchange (ASX) since June 2017.

In May of 2019 the Company reported the successful conclusion of toxicology testing of the nanoparticle injectable formulation for its HER2 metastatic breast cancer test; an important milestone demonstrating the material should be safe for use in human studies.

In July 2019 the Company received notice from the U.S. Food and Drug Administration (FDA) that the MagSense™ System had been designated as a “Breakthrough Device”. Achieving the designation provides expedited communication with the FDA which be valuable as the Company is currently seeking regulatory approval to undertake a first-in-human study.

In July the Company received more than \$2 million in R&D tax incentives from the Australian Tax Office for its 2019 tax filing.”

The issue price under the Offer represents a discount of:

- 40.62% to the volume weighted average price of the Company’s shares on the ASX (**VWAP**) calculated over the 10 trading days prior to the date of the prospectus lodged with ASIC on 28 October 2019 (**Prospectus**); and
- 47.37% discount to the VWAP over the 30 trading days prior to the date of the Prospectus.

The Offer is open to all eligible shareholders who have a registered address within Australia, New Zealand or the United States as at the Record Date (**Eligible Shareholders**).

The Company has determined that it would be unreasonable to extend the Offer to shareholders with a registered address outside Australia, New Zealand, and the United States (**Ineligible Shareholders**) having regard to:

- the small number of shareholders with addresses in such other countries;
- the number and value of the shares they hold; and
- the cost to the Company of complying with applicable legal and regulatory requirements in such other countries.

The Offer will close on 13 November 2019 (unless extended), and eligible shareholders can apply for shortfall in excess of their entitlement.

The New Shares issued under the Offer will rank equally with the Company’s existing Shares on issue and the Company will apply for quotation of the New Shares and Options. A Prospectus in relation to the Offer, together with a personalised entitlement acceptance form, will be sent to eligible shareholders shortly after the Record Date.

Eligible shareholders should consider the Prospectus in deciding whether to acquire securities under the Offer, and will need to complete the personalised entitlement and acceptance form that will accompany the prospectus.

Offer timetable

The following are indicative dates in respect of the capital raising:

Particulars	Date (2019)
Lodgement of Prospectus with ASIC and provision of copies to ASX	Monday, 28 October
Appendix 3B given to ASX	Monday, 28 October
Notice sent to security holders containing information required by Appendix 3B	Tuesday, 29 October
“Ex” date – existing shares are quoted on an ex basis and rights trading starts on a deferred settlement basis	Wednesday, 30 October
Record Date	Thursday, 31 October
Prospectus and Entitlement and Acceptance Form sent to Eligible Shareholders	Tuesday, 5 November
Rights trading ends	Thursday, 7 November
Last Day to extend offer closing date	Monday, 11 November
Closing Date	Wednesday, 13 November
ASX notified of under subscriptions	Monday, 18 November
Anticipated date for the issue of the Shares	Wednesday, 20 November
Normal trading of shares commence	Thursday, 21 November

This timetable is indicative only and subject to change. Subject to the *Corporations Act 2001* (Cth) and the ASX Listing Rules, the Board reserves the right to vary these dates, including the closing date of the Offer, without prior notice.

The Company also reserves the right not to proceed with the whole or part of the Offer at any time prior to the issue date. In that event, application monies will be refunded in full without interest.

Full details of the terms and conditions of the Offer will be contained in the Offer document to be lodged with ASX and despatched to Eligible Shareholders in accordance with the timetable set out above.

-ENDS-

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For further information please visit www.imagionbiosystems.com

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About Imagion Biosystems

Imagion Biosystems is at the crossroads of biotechnology and nanotechnology. Its novel bioimaging and nanomagnetic detection systems have been developed specifically to detect cancer and other diseases earlier and with higher specificity than is currently possible. With MagSense™ technology, the company has the potential to optimize patient care and reduce mortality rates across various cancer indications. Imagion Biosystems listed on the Australian Securities Exchange (ASX) in June 2017.

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