



ASX ANNOUNCEMENT

15 July 2015

## ***Cynata Completes Private Placement to US Institutional Investors***

- ***AU\$5.0M private placement to US institutional investors***
- ***Raising to accelerate current program and fund important new applications for Cymerus™ technology***

**Melbourne, Australia; 15 July 2015:** Stem cell and regenerative medicine company, Cynata Therapeutics Ltd (ASX: CYP; “Company” or “Cynata”), announced today that it has entered into definitive agreements to issue approximately 6.67 million fully-paid ordinary shares plus one attaching 13-month option for every 2 ordinary shares issued and one attaching 5-year option for every 2 ordinary shares issued, to institutional investors in the United States in a private placement for aggregate gross proceeds of approximately AU\$5,000,000 (“Placement”). The closing of the Placement is expected to occur on or about 20 July 2015 and is subject to satisfaction of customary closing conditions. The issuance of the shares and the options under the Placement will not require shareholder approval. The exercise price of the options will be subject to future adjustment for various events required under ASX Listing Rules, such as stock splits.

H.C. Wainwright & Co. is the exclusive placement agent for the Placement.

The Company has also agreed to grant to the investors under the Placement, for no additional cash consideration:

- 13-month options to purchase up to an aggregate of approximately 3.33 million ordinary shares at an exercise price of AU\$0.80 per option; and
- 5-year options to purchase up to an aggregate of approximately 3.33 million ordinary shares at an exercise price of AU\$1.00 per option.

The securities offered and sold in the Placement have not been registered under the Securities Act of 1933, as amended, or any United States state securities laws, and may not be offered or sold in the United States absent registration, or an applicable exemption from registration under the Securities Act and applicable state securities laws. This press release shall not constitute an offer to sell, or the solicitation of an offer to buy, any securities in any jurisdiction.

The Company intends to use the proceeds of the Placement to accelerate the current program for developing the proprietary Cymerus™ therapeutic mesenchymal stem cell (MSC) product and to investigate the potential utility of the Cymerus™ technology in developing engineered cellular therapies to target cancer and a number of other serious conditions.

“Cynata’s investor relations activities this year have generated considerable US institutional investor interest. We are delighted to be able to welcome to our register several major institutions in the biotech investment sector”, said Cynata Managing Director and Chief Executive Officer, Dr Ross



Macdonald. “With a strengthened balance sheet and share register our partnering activities will continue from a more substantial base while the additional funds will allow us to accelerate our current product development plans and to investigate the highly promising field of cell-based cancer therapy to which our Cymerus technology is well suited given the fact that it produces a consistent and reliable product with significant cost advantages”, he added.

In connection with this offering, H.C. Wainwright & Co. will receive fees, including 5-year options to purchase up to 333,333 ordinary shares.

**CONTACTS:**

Dr Ross Macdonald, CEO: Tel: 0412 119343; email [ross.macdonald@cynata.com](mailto:ross.macdonald@cynata.com)

Dr Stewart Washer, Executive Chairman: Tel: 0418 288212; email [stewart.washer@cynata.com](mailto:stewart.washer@cynata.com)

Kirin Smith, Chief Operations Officer, US Investor Contact, + 1 646-863-6519, [ksmith@pcgadvisory.com](mailto:ksmith@pcgadvisory.com)

Sean Leous, Chief Communications Officer, US Media Contact, +1 646-863-8998, [sleous@pcgadvisory.com](mailto:sleous@pcgadvisory.com)

Emma Power, Monsoon Communications, Australia Media Contact, 0419 149 525, [emmap@monsoon.com.au](mailto:emmap@monsoon.com.au)

**About Cynata Therapeutics (ASX:CYP)**

Cynata Therapeutics Ltd (ASX: CYP) is an Australian stem cell and regenerative medicine company that is developing a therapeutic stem cell platform technology, Cymerus™, originating from the University of Wisconsin-Madison, a world leader in stem cell research. The proprietary Cymerus™ technology addresses a critical shortcoming in existing methods of production of mesenchymal stem cells (MSCs) for therapeutic use, which is the ability to achieve economic manufacture at commercial scale. Cymerus™ does so through the production of a particular type of MSC precursor, called a mesenchymoangioblast (MCA). The Cymerus™ MCA platform provides a source of MSCs that is independent of donor limitations and provides a potential “off-the-shelf” stem cell platform for therapeutic product use, with a pharmaceutical business model and economies of scale. This has the potential to create a new standard in the emergent arena of stem cell therapeutics and provides both a unique differentiator and an important competitive position.