

Cynata Receives \$1.892m R&D Tax Incentive Refund

Melbourne, Australia; 7 January 2020: Cynata Therapeutics Limited (ASX: CYP), a clinical-stage biotechnology company specialising in cell therapeutics, is pleased to announce that it has received a \$1,891,795 R&D Tax Incentive Refund for the 2018/2019 financial year.

The Tax Incentive Refund augments the Company's cash position which stood at \$9.2m at the end of the September quarter. The Tax Incentive Refund enables further resources to be invested towards Cynata's robust and substantial Phase 2 clinical trial programs for the critical limb ischemia and osteoarthritis products, alongside the anticipated Phase 2 trial for CYP-001 in graft-versus-host disease to be conducted by Fujifilm.

The R&D Tax Incentive is an important Australian Government program that encourages companies to engage in research and development benefiting Australia by providing a tax offset for eligible activities such as the development of Cynata's unique and proprietary Cymerus™ therapeutic mesenchymal stem cell products.

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Authorised for release by Dr Ross Macdonald, Managing Director & CEO

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About Cynata Therapeutics (ASX: CYP)

Cynata Therapeutics Limited (ASX: CYP) is an Australian clinical-stage stem cell and regenerative medicine company focused on the development of therapies based on Cymerus™, a proprietary therapeutic stem cell platform technology. Cymerus overcomes the challenges of other production methods by using induced pluripotent stem cells (iPSCs) and a precursor cell known as mesenchymoangioblast (MCA) to achieve economic manufacture of cell therapy products, including mesenchymal stem cells (MSCs), at commercial scale without the limitation of multiple donors.

Cynata's lead product candidate CYP-001 met all clinical endpoints and demonstrated positive safety and efficacy data for the treatment of steroid-resistant acute graft-versus-host disease (GvHD) in a Phase 1 trial. Cynata plans to advance its Cymerus™ MSCs into Phase 2 trials for GvHD, critical limb ischemia and osteoarthritis. In addition, Cynata has demonstrated utility of its Cymerus MSC technology in preclinical models of asthma, diabetic wounds, heart attack and cytokine release syndrome, a life-threatening condition stemming from cancer immunotherapy.