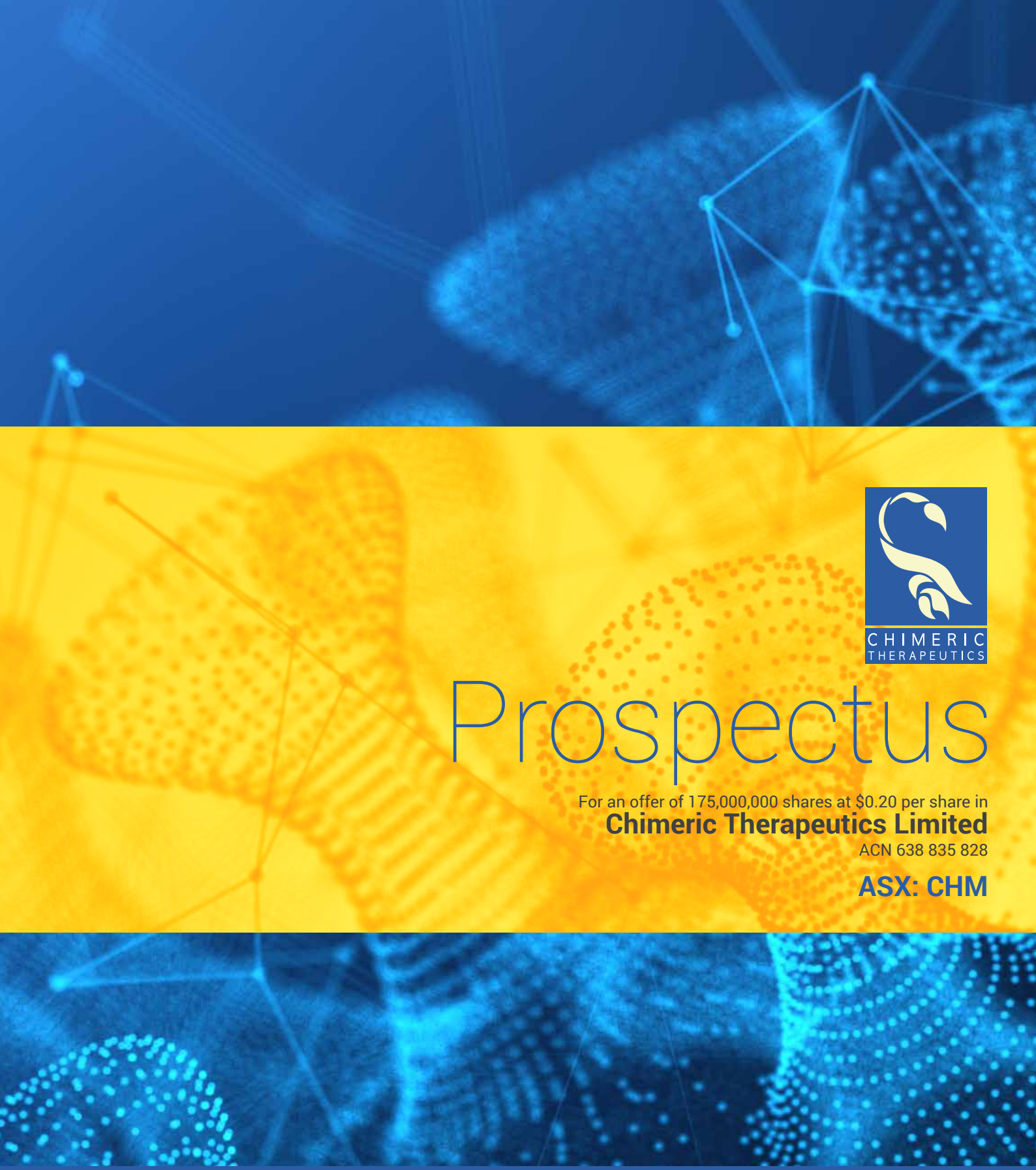


CHIMERIC THERAPEUTICS

Prospectus

For an offer of 175,000,000 shares at $0.20 per share in

Chimeric Therapeutics Limited

ACN 638 835 828

ASX: CHM

Legal Advisers

McCullough Robertson Lawyers

Lawyers | McCullough Robertson

Joint Lead Managers

Bell Potter Securities Limited and **Baker Young Limited**

BELL POTTER

BAKER YOUNG LIMITED

Important notices

General

This Prospectus is dated 23 November 2020. A copy of this Prospectus was lodged with ASIC on that date. Neither ASIC nor ASX takes any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. No New Shares will be allotted or transferred on the basis of this Prospectus after the expiry date. This Prospectus expires on 23 December 2021.

No person is authorised to give any information or make representations about the Offer, which is not contained in this Prospectus. Information or representations not contained in this Prospectus must not be relied on as authorised by the Company, or any other person, in connection with the Offer.

Note to Applicants

This Prospectus provides information for investors to decide if they wish to invest in Chimeric. Read this document in its entirety. Examine the risk factors that could affect the financial performance of Chimeric. Consider these factors carefully in light of your personal financial circumstances. Seek professional advice from your accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest. The Offer does not take into account the investment objectives, financial situation or needs of particular investors. This Prospectus should not be construed as financial, taxation, legal or other advice. The Company is not licensed to provide financial product advice in respect of its securities or any other financial products.

This Prospectus is important and should be read in its entirety prior to deciding whether to invest in Shares. There are risks associated with an investment in Shares and some of the key risks are set out in section 6. You should carefully consider these risks in light of your personal circumstances (including financial and tax issues) and seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest in Shares. There may also be risks in addition to these that should be considered in light of your personal circumstances.

If you do not fully understand this Prospectus or are in doubt as to how to deal with it, you should seek professional guidance from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest in Shares.

Except as required by law and only to the extent so required, no person named in this Prospectus warrants or guarantees the Company's performance, the repayment of capital by the Company or any return on investment made pursuant to this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Offer, other than as is contained in this Prospectus. Any information or representation not contained in this Prospectus should not be relied on as having been made or authorised by the Company, the Directors, the Joint Lead Managers or any other person in connection with the Offer. You should rely only on the information in this Prospectus.

Speculative investment

The New Shares offered pursuant to this Prospectus should be considered highly speculative. There is no guarantee that the New Shares offered pursuant to this Prospectus will make a return on the capital invested, that dividends will be paid on the New Shares or that there will be an increase in the value of the New Shares in the future.

Prospective investors should carefully consider whether the New Shares offered pursuant to this Prospectus are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position. Refer to section 6 for details relating to the key risks applicable to an investment in the Shares.

Forward looking statements

This Prospectus contains forward-looking statements which are identified by words such as "believes", "estimates", "expects", "targets", "intends", "may", "will", "would", "could", or "should" and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. Key risk factors associated with an investment in the Company are detailed in section 6. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

International offer restrictions

This Prospectus does not constitute an offer in any place outside Australia where, or to any person to whom, it would not be lawful to make such offer. No action has been taken to register or qualify the New Shares or the Offer, or to otherwise permit a public offer of the New Shares, in any jurisdiction outside Australia. The distribution of this Prospectus outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any such restrictions. Any failure to comply with such restrictions could constitute a violation of applicable securities laws. See section 10.14 for more details on the selling restrictions that apply to the Offer outside Australia.

This Prospectus may only be distributed in the United States to Institutional Investors by a registered US broker-dealer of a Joint Lead Manager and only if this Prospectus is accompanied by the US Offering Circular. The New Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (**US Securities Act**), and will not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and any applicable US state securities laws.

Defined terms

Some terms used in this Prospectus are defined in the Glossary.

Cooling off rights

Cooling off rights do not apply to an investment in New Shares acquired under the Prospectus. This means that, in most circumstances, you cannot withdraw your application to acquire New Shares under this Prospectus once it has been accepted.

Electronic prospectus

This Prospectus is available electronically at https://www.chimerictherapeutics.com/. The Application Form attached to the electronic version of this Prospectus must be used within Australia. Electronic versions of this Prospectus should be downloaded and read in their entirety. Obtain a paper copy of the Prospectus (free of charge) by telephoning 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia). Applications for Shares may only be made on the Application Form attached to this Prospectus or in its paper copy form downloaded in its entirety from https://www.chimerictherapeutics.com/.

Exposure period

Under the Corporations Act Chimeric must not process Application Forms during the seven day period after the date of lodgment of this Prospectus with ASIC. This period may be extended by ASIC for up to a further seven days. This exposure period enables the Prospectus to be examined by market participants. Application Forms received during the exposure period will not be processed until after the expiry of that period. No preference will be given to Application Forms received during the exposure period.

Contract summaries

Summaries of contracts detailed in this Prospectus are included for the information of potential investors but do not purport to be complete and are qualified by the text of the contracts themselves.

Privacy

If you complete an Application Form you will be giving Chimeric personal information. The Company and the share registry collect, hold and use that personal information to assess your application and to communicate and provide services to you as a Shareholder. The Company may disclose information to its agents, service providers (such as the share registry) and government bodies. The Company's privacy policy sets out how you may access, correct and update the personal information that the Company holds about you (by contacting the share registry), how you can complain about privacy related matters and how the Company responds to complaints.

Currency

Monetary amounts shown in this Prospectus are expressed in Australian dollars unless otherwise stated.

Photographs and diagrams

Photographs used in this Prospectus without descriptions are only for illustration. The people shown are not endorsing this Prospectus or its contents. Diagrams used in this Prospectus may not be drawn to scale. The assets depicted in photographs in this Prospectus are not assets of the Company unless otherwise stated.

This document is important and should be read in its entirety.

Letter from the Executive Chairman

23 November 2020

Dear Investor,

On behalf of the Board, it gives me great pleasure to offer you this opportunity to invest in Chimeric Therapeutics Limited (**Chimeric or the Company**).

Through this Prospectus, the Company is inviting investors to subscribe for a minimum of 175,000,000 New Shares, at an Offer Price of $0.20 per New Share. The Company will have a market capitalisation of $66,105,280 on completion of the Offer assuming the Minimum Subscription Amount has been met. The Offer is managed by Bell Potter Securities Limited and Baker Young Limited.

The funds raised by this Offer will provide Chimeric with working capital to support its growth strategy and will fund payments under the Company's Licence Agreement with City of Hope as well as Phase I clinical trials. An ASX listing will provide Chimeric with access to equity capital markets, facilitate corporate transactions by the issue of shares and provide liquidity for Existing Shareholders.

The focus of the Company's activities will be the development of an exciting class of cell therapy cancer drugs known as CAR Ts, an acronym for Chimeric Antigen Receptor T Cell. These drugs have shown dramatic results in blood cancers and there are now three CAR T drugs on the market approved by the US Food and Drug Administration (**FDA**).

Chimeric's CAR T technology, known as CTLX-CAR T, has completed many years of pre-clinical research and in September 2020 dosing of patients with glioblastoma (brain cancer) commenced as part of Phase 1 clinical trials at City of Hope Cancer Centre in Los Angeles.

Chimeric has the worldwide exclusive licence to technology from City of Hope pursuant to a Licence Agreement, details of which are set out in section 9.4 of this Prospectus.

The Directors believe Chimeric will be the only company listed on the ASX conducting human clinical trials with CAR T cell therapy.

The scientific founders of the technology, Professors Christine Brown and Michael Barish, are accomplished scientists of high renown in the CAR T scientific community.

Chimeric has recruited an outstanding US based senior management team. The Chief Operating Officer, Ms Jennifer Chow was, until recently, the Head of Global Marketing, Analytics and Commercial Operations at Kite Pharma one of the world's leading CAR T companies with the distinction of having two of the only three FDA approved CAR T drugs. Our Chief Medical Officer, Dr Syed Rizvi, was until recently the Chief Medical Officer at CAR T leader, Legend Biotech, which was the largest biotech listing on NASDAQ this year. Both have prior experience working together at Celgene Corporation.

The Board comprises experienced and seasoned, life science-focused Directors with relevant cell therapy and glioblastoma domain expertise.

Chimeric has negotiated a long term Sponsored Research Agreement with City of Hope which provides Chimeric with access to the laboratory, facilities and scientific team of the technology founders, Professors Brown and Barish, to further develop Chimeric's CAR T technology. Further details of the Sponsored Research Agreement are provided at section 9.5.

To fund its growth plan, Chimeric is seeking to raise a minimum of $35 million through the issue of 175,000,000 New Shares at a price of $0.20 per New Share pursuant to the Offer.

This Prospectus contains detailed information about the Company's operations, financial performance, experienced management team and future plans, and Chimeric's business model and key dependencies relevant to the business model. It also outlines the potential risks associated with this investment (set out in detail in section 6). Some of those risks include:

(a) access to the intellectual property rights to develop and commercialise CAR T cells in the field of oncology is predicated on the continuing operation of the Licence Agreement between Chimeric and City of Hope Cancer Centre;

(b) Chimeric's ability to achieve profitability is dependent on its ability to complete successful clinical trials, obtain regulatory approval for the CAR T technology and successfully commercialise that product. There is no guarantee that Chimeric's product will be commercially successful; and

(c) Chimeric depends on the talent and experience of its personnel as its primary asset. There may be a negative impact on Chimeric if any of its key personnel leave.

I encourage you to read and understand the Prospectus, and seek independent professional advice as necessary, before making an investment decision. Any investment in Chimeric should be considered speculative. Call the Chimeric Information Line on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia) between 9:00am and 5:00pm AEST if you have any questions in relation to the Offer.

I look forward to welcoming you as a shareholder.

Yours faithfully

MR PAUL HOPPER
Executive Chairman
Chimeric Therapeutics Limited

Contents

Section 1

1 Investment overview

1.1 Summary Offer details

Terms of Offer	Detail
Offer Price per New Share	$0.20
Total number of Shares currently on issue	115,226,336
Total number of options currently on issue	Nil
Total number of Shares to be issued to Convertible Note Holders[1]	28,666,731
Total number of Shares held by City of Hope on Completion of the Offer[2]	11,633,334
Total number of Shares offered under this Prospectus	175,000,000
Total number of Shares on issue at Completion of the Offer	330,526,401
Amount to be raised under the Offer	$35,000,000
Market capitalisation at the Offer Price[3]	$66,105,280
Number of Options on issue on Completion of the Offer	23,017,901

1.2 Important dates

Event	Date
Prospectus date	23 November 2020
Offer opens	3 December 2020
Offer closes	14 December 2020
Anticipated date of allotment	12 January 2021
Shareholding statements expected to be dispatched	13 January 2021
Anticipated commencement of ASX trading	18 January 2021

All dates and times are subject to change and are indicative only. All times are Australian Eastern Standard Time. The Company, with the consent of the Joint Lead Managers, reserves the right to vary these dates and times without notice. It may close the Offer early, withdraw the Offer, or accept late applications.

[1] The Company currently has 4,300,000 Convertible Notes on issue that will convert into 28,666,731 Shares immediately prior to Completion. These Shares will be issued immediately prior to Completion of the Offer pursuant to the Convertible Note Deeds described at section 9.6.
[2] City of Hope will receive Shares as part of the fee arrangements under the Licence Agreement. Further details of the fees payable under the Licence Agreement are set out in section 9.4.
[3] Calculated by multiplying the total number of Shares on issue after Completion of the Offer by the Offer Price of $0.20 per Share. The price at which the New Shares actually trade on ASX may be above or below this amount.

		Section
INTRODUCTION		
Chimeric's aims and objectives	Chimeric aspires to be a leader in cell therapy and to develop life-changing medicines for humankind.	Section 2.1
BUSINESS MODEL		
Summary of business model	Chimeric is a biotechnology company developing a breakthrough cancer cell therapy drug which was discovered at the prestigious City of Hope Cancer Centre in Los Angeles, California. Chimeric antigen receptor (CAR) T Cell therapy is regarded as one of the most promising areas of cancer research today. CAR T cell therapy is a commercially relevant and powerful therapeutic modality that engineers a patient's T cells to establish de novo antitumor immunity targeting cancer cells. The technology has generated high clinical response rates primarily in blood cancers. The first CAR T cell products have been recently approved by the FDA for the treatment of leukaemia and lymphoma.	Section 2.2
How will Chimeric generate income?	Chimeric currently does not have a revenue stream from licence arrangements or product sales and does not expect to generate any such revenue in the short to medium term. The Company's ultimate focus is to develop and commercialise the CAR T technology for Chimeric's own use, for a possible licencing or distribution arrangement, or possible sale to a leading global pharmaceutical company.	Section 2.1
Licence Agreement with City of Hope	Chimeric has entered into a Licence Agreement with City of Hope to the CLTX-CAR T technology. City of Hope is a world-renowned independent research and treatment centre for cancer, diabetes and other life-threatening diseases based in Los Angeles, California. Chimeric has also entered into a long term Sponsored Research Agreement with City of Hope which provides Chimeric with access to the laboratory, facilities and scientific team of the technology founders, Professors Brown and Barish, to further develop Chimeric's CAR T technology.	Sections 9.4 and 9.5
Market opportunity	The global oncology market was valued at US$97.4 billion in 2017 and is anticipated to grow with a compound annual growth rate of 7.6% during the forecast period from 2018 to 2025 to reach a value of $176.5 billion. Further detail is set out in the Technology Report provided at section 3.	Section 3
What is the clinical development	The FDA allowed the investigational new drug application (**IND**) to initiate a clinical trial in November 2019. The Phase I clinical trial commenced dosing patients with glioblastoma (brain cancer) in September 2020.	Section 2.4

		Section
programme for the Company?	The Directors believe Chimeric will be the only company on the ASX conducting CAR T clinical trials, and possibly the only one in Australia. Chimeric's CAR T asset is unique in that it is being developed for the treatment of solid tumours using a peptide component of scorpion toxin. The initial target is glioblastoma, which is one of the most difficult to treat cancers. Glioblastoma has one of the lowest survival rates with less than 5% of patients surviving more than 5 years. However, Chimeric has a novel targeting system and it has been shown to target a range of cancers including other solid tumours.	
Intellectual property position	As the first peptide-toxin cell therapy, if the patent applications are granted, CLTX-CAR T will have a long life composition of matter patent position. CLTX-CAR T, as well as related CAR T cells and their uses, are covered in several National Phase patent applications stemming from PCT/US2016/056901, filed 13 October 2016 (Chimeric antigen receptor containing a chlorotoxin domain). As at the date of this Prospectus, the patent applications are pending approval. For more information, please refer to the Intellectual Property Report provided at section 8.	sections 2.5 and 8
Business model dependencies	The key dependencies for the commercialisation of Chimeric's products include: (a) achievement of positive clinical trial results; (b) retainment of key personnel; (c) continuity of the Licence Agreement; and (d) protection of its intellectual property.	Section 2.8
BENEFITS AND RISKS		
Key investment highlights	Chimeric's business model is underpinned by the following features: (a) novel platform technology with potential across multiple cancer indications; (b) Phase I glioblastoma trial underway, with first data expected in Q1/Q2 2021; (c) clinical trial run by leading US cancer institute, City of Hope; (d) strategy to move directly into a 50 – 75 patient Pivotal Study following a successful Phase I clinical trial; (e) outstanding US based senior management team. The Chief Operating Officer and Chief Medical Officer are highly experienced CAR T experts, with prior experience at leading global CAR T companies, including Kite Pharma, Legend Biotech and Celgene; (f) the Board comprises accomplished and seasoned life science focused Directors. Chaired by renowned biotech entrepreneur, Paul Hopper,	Section 2.7

<table>
<tr><th colspan="2"></th><th>Section</th></tr>
<tr><td></td><td colspan="2">Executive Chairman and founder of Imugene Limited (ASX:IMU) and former Chairman of Viralytics Limited (ASX:VLA) acquired by Merck in 2018 for A$502 million and has served as Chairman, Director or Chief Executive Officer of more than fourteen companies in the US and Australia;
(g) pending patent approval, long life composition of matter intellectual property profile expiring in 2036;
(h) manufacturing completed at City of Hope, with the ability to harvest, reprogram, multiply and deliver T cells on campus;
(i) demonstrated safety profile, with prior use in humans as an imaging agent; and
(j) significant drug administration advantages as patients do not require hospitalization (the drug is delivered in an outpatient setting).</td><td></td></tr>
<tr><td>Key risks to Chimeric's business</td><td colspan="2">The key specific risks associated with Chimeric's business are:<table><tr><td>Dependence upon Licence Agreement</td><td>Chimeric is reliant on the continuing operation of the Licence Agreement with the City of Hope. A failure of City of Hope or Chimeric to comply with the terms of the Licence Agreement could have a material adverse effect on Chimeric's business, financial condition, operations or prospects.</td></tr><tr><td>Pipeline product in development and not approved for commercial sale</td><td>Chimeric's prospects of success are dependent on the success of clinical trials to obtain the regulatory approval for the CAR T technology to be commercialised. Chimeric currently does not have a revenue stream from its product sales and does not expect to generate any such revenue in the short to medium term.</td></tr><tr><td>Clinical trial risk</td><td>Chimeric may be unable to secure the necessary approvals to conduct future clinical trials. There is also no assurance that products developed using the CAR T technology will be a success and not expose the company to product liability claims with unforeseen effects on clinical subjects. Unsuccessful clinical trial results</td></tr></table></td><td>Section 6</td></tr>
</table>

			Section
		could have a significant impact on the value of the Company's securities and the future commercial development of its technology.	
	Regulatory and reimbursement approvals	The research, development, manufacture, marketing and sale of products using the Company's technology are subject to varying degrees of regulation by a number of government authorities in the US, Australia and other countries. Products may also be submitted for reimbursement approval. The availability and timing of that approval may have an impact upon the uptake and profitability of products in some jurisdictions.	
	Commercialisation of products and potential market failure	Chimeric has not yet commercialised its technology and has no current revenue stream. The Company is also dependent on commercially attractive markets remaining available to it during the commercialisation phase and, once developed, to fund sufficient revenues for continued operation.	
	Dependence upon key personnel	Chimeric's key personnel is its primary asset and if any key personnel leave it may be difficult to replace them and may have a negative impact on the Company.	
	Arrangements with third-party collaborators	The Company may collaborate with pharmaceutical and life science companies, academic institutions or other partners to complete the development and commercialisation of its products. If Chimeric is unable to collaborate with a third-party it would need to develop and commercialise the CAR T technology at its own expense.	
	Risk of delay and continuity of operations	Chimeric may experience a delay in achieving critical milestones. Any material delays may impact adversely upon the Company,	

<table>
<tr><th colspan="3"></th><th>Section</th></tr>
<tr><td></td><td colspan="2"><table>
<tr><td></td><td>including the timing of any revenues under milestone or sales payments.</td></tr>
<tr><td>Competition</td><td>Companies in the US and other countries may already be pursuing the development of products that target the same markets that Chimeric is targeting and put them in direct competition with parties who have substantially greater resources than the Company.</td></tr>
<tr><td>Requirement to raise additional funds</td><td>The Company may be required to raise additional equity or debt capital in the future. As there is no assurance a raise will be successful when required, the Company may need to delay or scale down its operations.</td></tr>
<tr><td>Growth</td><td>The Company may be unable to manage its future growth successfully and continue to hire and retain the skilled personnel it requires.</td></tr>
<tr><td>Intellectual property</td><td>The Company's ability to leverage its innovation and expertise depends on its ability to continue to protect its intellectual property.</td></tr>
</table>
Chimeric's business is also subject to general risk factors.
The specific risks identified above and additional general risks associated with Chimeric are set out in further detail in section 6.
Any investment in Chimeric should be considered speculative.</td><td></td></tr>
<tr><td colspan="4">PROPOSED USE OF FUNDS AND FINANCIAL INFORMATION</td></tr>
<tr><td>Use of funds</td><td colspan="2">The Offer will raise new capital for Chimeric which will be used to fund payments under the Licence Agreement, and fund Phase 1 clinical trials and manufacturing, as well as for working capital.
The Offer proceeds will be applied as follows:
<table>
<tr><th colspan="2">Source of Funds</th></tr>
<tr><td>Existing cash reserves[4]</td><td>$3,529,957</td></tr>
<tr><td>Funds raised from the Offer</td><td>$35,000,000</td></tr>
<tr><td>Total</td><td>$38,529,957</td></tr>
</table></td><td>Section 10.3</td></tr>
</table>

[4] refer to section 10.3 for further details.

<table>
<tr><th></th><th></th><th>Section</th></tr>
<tr><td></td><td>
<table>
<tr><th colspan="2">Use of Funds</th></tr>
<tr><td>Offer costs</td><td>$2,918,758</td></tr>
<tr><td>Admin, corporate and general working capital</td><td>$5,454,318</td></tr>
<tr><td>Employment</td><td>$5,714,163</td></tr>
<tr><td>Licence fees to City of Hope</td><td>$6,966,611</td></tr>
<tr><td>Research and development on other cancer targets</td><td>$1,875,006</td></tr>
<tr><td>Phase 1 clinical trial and manufacturing</td><td>$5,601,101</td></tr>
<tr><td>Opening new additional Phase 1 sites</td><td>$5,000,000</td></tr>
<tr><td>Other commercial and academic collaborations</td><td>$5,000,000</td></tr>
<tr><td>Total</td><td>$38,529,957</td></tr>
</table>

This use of funds represents the current intentions of the Company based on its current business plan and business conditions. The amounts and timing of the actual expenditure may vary and will depend upon numerous factors, including the timing and success of the development programs and clinical trials the Company is proposing to undertake.
</td><td></td></tr>
<tr><td>Chimeric's financial position</td><td>The Company's financial position is set out in detail in section 5 of this Prospectus.
A pro forma balance sheet is also included at section 5 to show the effect of the Offer.
Historical and pro forma financial information regarding the Company is also considered in the Investigating Accountant's Report provided in section 7 of this Prospectus.
To fund its operations, Chimeric has primarily relied upon seed capital.
Chimeric's material operating expenses include the payment of licence fees to City of Hope in accordance with the terms of the Licence Agreement, clinical trial costs, costs and professional fees associated with commencing the initial public offer, and general and administrative costs.</td><td>Section 5</td></tr>
<tr><td colspan="3">OTHER DETAILS</td></tr>
<tr><td>Board and executives</td><td>Chimeric's Board collectively have significant depth of executive and non-executive board experience in the biotechnology industry and early stage companies,</td><td>Section 4.1</td></tr>
</table>

<table>
<tr><th></th><th></th><th>Section</th></tr>
<tr><td></td><td>combined with publicly listed company, capital markets, financial and commercial expertise.
<table>
<tr><th>Director</th><th>Position</th><th>Independence</th></tr>
<tr><td>Mr Paul Hopper</td><td>Executive Chairman</td><td>Not Independent</td></tr>
<tr><td>Ms Leslie Chong</td><td>Non-executive Director</td><td>Independent</td></tr>
<tr><td>Dr Lesley Russell</td><td>Non-executive Director</td><td>Independent</td></tr>
</table>
Mr Paul Hopper has over 25 years experience in the medical, healthcare & life sciences sectors. Focussed on start-up and rapid growth companies, he has served as either founder, Chairman, non-executive director, or Chief Executive Officer, of more than fourteen companies in the US, Australia and Asia.
Ms Leslie Chong has more than 21 years of oncology experience with comprehensive clinical development experience in global Phase I-III studies from start up to registration.
Dr Lesley Russell has more than 25 years of senior international operational and leadership experience having worked at Amgen, Eli Lilly, Cephalon and Teva.
Chimeric's key executive management team consists of:
(a) Chief Operating Officer – Jennifer Chow
(b) Chief Medical Officer – Dr Syed Rizvi
(c) Project Manager – Alison Gartner
(d) Chief Financial Officer services – Phillip Hains
Further details on the experience and qualifications of each of the Directors and key executives are set out in section 4.1.</td><td></td></tr>
<tr><td>Corporate structure</td><td>Chimeric Therapeutics Limited ACN 638 835 828
↓
Chimeric Therapeutics (USA) Inc. (Business number E9228252020-8) incorporated in Nevada, United States

The corporate structure of the Chimeric group is summarised further in section 4.3.</td><td>Section 4.3</td></tr>
</table>

<table>
<tr><th></th><th></th><th>Section</th></tr>
<tr><td>What is the effect of the Offer on the capital structure of the Company?</td><td>
<table>
<tr><th>Shareholder</th><th>Shares</th><th>Percentage interest</th></tr>
<tr><td>Existing Shareholders</td><td>115,226,336</td><td>34.86%</td></tr>
<tr><td>City of Hope</td><td>11,633,334</td><td>3.52%</td></tr>
<tr><td>Convertible Note Holders (following conversion)</td><td>28,666,731</td><td>8.67%</td></tr>
<tr><td>New shareholders</td><td>175,000,000</td><td>52.95%</td></tr>
</table>
* assumes no existing Shareholders will participate in the Offer
</td><td>Section 11.1</td></tr>
<tr><td>Who are the substantial Shareholders and what will their interests be at Completion?</td><td>
On Completion of the Offer, the major Shareholders (including through their related persons and entities) of the Company are expected to be:
<table>
<tr><th>Shareholder</th><th>Shares</th><th>Percentage interest</th></tr>
<tr><td>Paul Hopper</td><td>82,386,830</td><td>24.92%</td></tr>
</table>
The Company will announce to the ASX details of its top 20 Shareholders following Completion of the Offer and prior to the Shares commencing trading on ASX.
</td><td>Section 11.13</td></tr>
<tr><td>Benefits and Interests of Directors</td><td>
<table>
<tr><th>Director</th><th>Shares held on Completion [5]</th><th>% post IPO</th><th>Options held on Completion</th></tr>
<tr><td>Mr Paul Hopper</td><td>82,386,830</td><td>24.92%</td><td>0</td></tr>
<tr><td>Ms Leslie Chong</td><td>0</td><td>0</td><td>2,750,000</td></tr>
<tr><td>Dr Lesley Russell</td><td>0</td><td>0</td><td>2,750,000</td></tr>
</table>
The above table assumes the total subscription is achieved and does not take into account any New Shares the Directors may acquire under the Offer. Directors are entitled to remuneration and fees on commercial terms.
Directors' interests and remuneration are set out in more detail in sections 11.10 and 11.12 and the option terms are summarised in section 11.4.
</td><td>Sections 11.4 and 11.10</td></tr>
<tr><td>What Share escrow arrangements are in place?</td><td>The Existing Shareholders and Convertible Note Holders will enter into ASX mandatory arrangements under which they will be restricted from dealing with the escrowed shares they hold on completion of the Offer until the</td><td>Section 9.7</td></tr>
</table>

[5] Including Shares held both directly and indirectly.

		Section
	expiration of the relevant escrow period of up to 24 months from Completion of the Offer. In total, 134,026,354 of the 330,526,401 (40.55%) Shares on issue on Completion of the Offer will be subject to ASX mandatory escrow arrangements.[6]	
Related party transactions and benefits for other parties	Other than the usual contractual arrangements (i.e. executive contract with Mr Hopper, appointment letters with other Directors, and deeds of access, insurance and indemnity), as set out in further detail in section 9.8, there are currently no material arrangements between Chimeric and its Directors, or other related parties. Advisers and other service providers are entitled to fees for services as set out in this Prospectus.	Section 9.8 and 11.11
KEY TERMS AND CONDITIONS OF THE OFFER		
Who is the issuer of the Prospectus?	Chimeric Therapeutics Limited ACN 638 835 828.	
What is the Offer?	Chimeric is offering to issue a minimum of 175,000,000 New Shares at $0.20 per New Share to raise gross proceeds of $35 million (before costs and expenses of the Offer). All New Shares issued pursuant to this Prospectus will, from the time they are issued, rank equally with all existing Shares.	Section 10.1
How is the Offer structured?	The Offer comprises: (a) the Broker Firm Offer, which is open to Australian resident retail clients of Brokers who receive a firm allocation of New Shares from their broker; (b) the Institutional Offer, which consists of an invitation to acquire New Shares made to Institutional Investors in Australia and certain other eligible jurisdictions, provided that this Prospectus may not be distributed in the United States except by a US broker-dealer affiliate of Bell Potter Securities Limited with the accompanying US Offering Circular; and (c) the Chairman's List Offer, which consists of an offer of New Shares to selected investors in Australia who have received an invitation from the Chairman or the Company. No general public offer of New Shares will be made under the Offer. Members of the public wishing to subscribe for New Shares must do so through a broker with a firm allocation.	Section 10.1
Who are the Joint Lead Managers?	The Joint Lead Managers are Bell Potter Securities Limited and Baker Young Limited.	Section 9.3

[6] This is an indicative number and the total number of Shares subject to ASX imposed escrow restrictions will be announced prior to the new Shares commencing trading on ASX.

		Section
Will the Shares be listed?	Chimeric will apply to the ASX for admission to the Official List and Official Quotation of Shares under the code CHM. Completion of the Offer is conditional on the ASX approving the Company's listing application. If approval is not given within three months after such application is made (or any longer period permitted by law), the Offer will be withdrawn and all Application Monies received will be refunded without interest as soon as practicable in accordance with the requirements of the Corporations Act.	
Is the Offer underwritten	The Offer is not underwritten.	Section 10.2
What is the allocation policy?	The allocation of New Shares between the Broker Firm Offer, Chairman's List Offer and the Institutional Offer will be determined by the Joint Lead Managers and Chimeric having regard to the allocation policy outlined in section 10.4. With respect to the Broker Firm Offer, it will be a matter for the Joint Lead Managers as to how they allocate New Shares among their clients. The Company and the Joint Lead Managers reserve the right to reject any Application or bid, or to allocate to any Applicant or bidder, fewer Shares than the number, or the equivalent dollar amount, applied or bid for. In addition, the Company and the Joint Lead Managers reserve the right to aggregate any Applications which they believe may be multiple Applications from the same person or reject or scale back any Applications (or aggregation of applications).	Section 10.4
Is there any brokerage, commission or stamp duty payable by Applicants?	No brokerage, commission or stamp duty is payable by Applicants on acquisition of New Shares under the Offer.	
What are the tax implications of investing in the New Shares?	The tax consequences of any investment in the New Shares will depend upon any investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to invest.	Section 10.13
When will I receive confirmation that my Application has been successful?	It is expected that initial holding statements will be despatched by standard post on or around 13 January 2021.	
Will I receive dividends on my Shares	No dividend is anticipated to be paid in the short to medium term following quotation of the shares in the Company on ASX.	Section 5.9

		Section
How do I participate in the Offer?	Broker Firm Offer Applicants may apply for Shares by completing a valid Broker Firm Offer Application Form attached to or accompanying this Prospectus and lodging it with the Broker who invited them to participate in the Broker Firm Offer. The Joint Lead Managers separately advised Institutional Investors of the Application procedure under the Institutional Offer. Chairman's List Offer Applications may apply for Shares by completing a valid Chairman's List Offer Application Form attached to or accompanying this Prospectus and provided to them by the Company. To the extent permitted by law, an Application under the Offer is irrevocable.	Section 10.5 and Application Forms
Are there any conditions to the Offer?	The Offer is conditional on the Company raising the Minimum Subscription Amount and being granted conditional approval to list on the ASX. If these conditions are not met, the Offer will not proceed and investors' Application Monies will be returned (without interest).	
Can the Offer be withdrawn?	Chimeric reserves the right not to proceed with the Offer at any time before the issue of New Shares to successful Applicants. If the Offer does not proceed, the Share Registry, your Broker or Chimeric will refund Application Monies. No interest will be paid on any Application Monies refunded as a result of the withdrawal of the Offer.	Section 10.12
Where can I find more information?	Call the Chimeric Information Line on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia) between 9:00am and 5:00pm AEST if you require assistance to complete an Application Form, require additional copies of this Prospectus or have any questions in relation to the Offer. If you are unclear in relation to any matter or are uncertain as to whether obtaining New Shares in Chimeric is a suitable investment for you, you should seek professional advice from your lawyer, stockbroker, accountant, tax adviser or other independent and qualified professional adviser before deciding whether or not to invest.	

This section is not intended to provide full details of the investment opportunity. Investors must read this Prospectus in full to make an informed investment decision. The Shares offered under this Prospectus carry no guarantee of return of capital, return on investment, payment of dividends or on the future value of the Shares.

Developing ground-breaking CAR T therapies.

What makes this so exciting

CLTX-CAR T comes from the lab of two prominent CAR T researchers globally, Professors Christine Brown and Michael Barish, at City of Hope Los Angeles. Professor Brown also Chairs Chimeric's Scientific Advisory Board.

City of Hope is one of the leaders in CAR T cell therapy in the US, with one of the most comprehensive programs in the world.

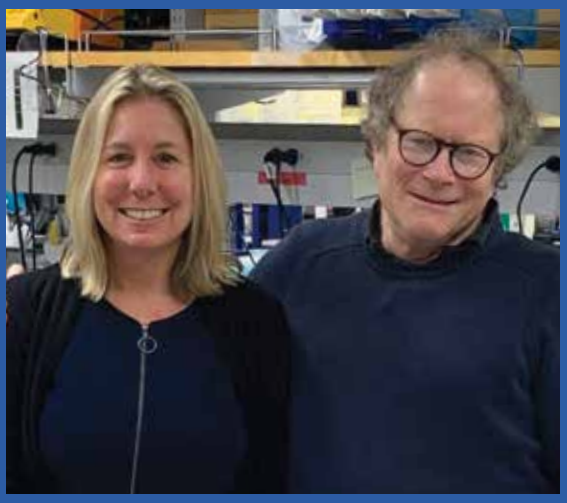
City of Hope, with its clinical care, research and production facilities all on one campus, is uniquely positioned to lead this work, through the "bench to bedside" resources necessary for the discovery, translational research, clinical development, manufacturing, quality assurance and delivery of leading-edge treatments for patients.

CAR T cell therapy is one of the most promising areas of cancer research today and is attracting significant interest from big pharma.

Unique opportunity in Australia.

City Of Hope & Chimeric Therapeutics have established a unique relationship through an agreement to licence the CLTX-CAR T intellectual property, sharing the quest to find more effective cancer therapies.

The Directors believe that Chimeric will be the only company on the ASX conducting CAR T clinical trials, and possibly the only one in Australia.



Dr Christine Brown City of Hope's Heritage Provider Network Professor in immunotherapy and Deputy Director of its T cell Therapeutics Research Laboratory and **Dr Michael Barish** Department of Developmental and Stem Cell Biology, City of Hope.

Why this is such a breakthrough

CLTX-CAR T is a unique treatment for the most difficult brain cancers.

CLTX-CAR T cell therapy uses a peptide component of scorpion toxin, called chlorotoxin (CLTX). It is unique in that it is being developed for the treatment of solid tumours, with the initial target glioblastoma, which is one of the most aggressive and difficult to treat brain cancers. Glioblastoma has one of the worst survival rates, with less than 5% of patients surviving more than 5 years.

There have been no new glioblastoma drugs for many years and current drugs only provide a very short extension of life. Consequently, the Directors believe that the US FDA would be willing to consider any glioblastoma drugs showing even a small survival improvement over existing treatments.

The Deathstalker Scorpion (Leiurus quinqestriatus)

The vast majority of venom components possesses interesting therapeutic potential that can be usefully exploited.

Positive progress in this exciting area.

CAR T cells have emerged in recent years as one of the most exciting areas of drug discovery. These drugs have generated high clinical response rates primarily in blood cancers.

The first CAR T cell products have been recently approved by the FDA for the treatment of leukemia and lymphoma.

The CLTX-CAR T cell therapy has completed years of preclinical research and development, and recently commenced patient dosing in a Phase 1 clinical trial in glioblastoma.

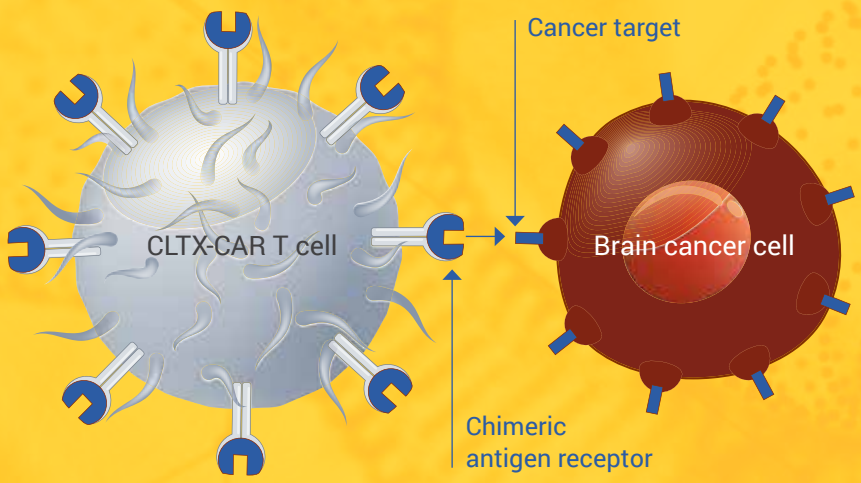
Due to the severity of glioblastoma, the Directors believe that this drug may qualify for an expedited approval pathway through the FDA.

How CAR T cell therapy works.

CAR T cells are the leading-edge of immunology and have been under development since the early 1990s.

CAR T is designed to use a patient's own immune cells to selectively kill cancer cells by activating the immune system, with the potential to improve clinical response and patient survival.

CAR T cell therapy has transformed the treatment of some hematological malignancies. The novel targeting system of CLTX-CAR T has been shown to target a range of cancers such as glioblastoma and other solid tumours.



The CLTX-CAR-T cell

CAR Ts are the leading edge of cancer research, designed to use a patient's own immune cells to selectively kill cancer cells, activate the immune system against cancer cells and with the potential to improve clinical response and patient survival. CAR Ts have transformed the treatment of some haematological malignancies and identification of new cancer targeting domains which has the potential to transform the treatment of solid tumours.

Section 2

2 Chimeric – the business

2.1 Overview

Chimeric is a biotechnology company developing a breakthrough cancer cell therapy drug which was developed at the prestigious City of Hope Cancer Centre (**City of Hope**) in Los Angeles, California.

CAR T technology, known as chimeric antigen receptor T cell (**CAR T**) therapy, is regarded as one of the most promising areas of cancer research today. CAR T cell therapy is a commercially relevant and powerful therapeutic modality that engineers a patient's T cells to establish de novo antitumor immunity targeting cancer cells. The technology has generated high clinical response rates primarily in blood cancers and three CAR T cell products have been approved by the FDA for the treatment of leukaemia and lymphoma. No CAR T cell therapy is currently available for the treatment of solid tumours, however the identification of new cancer targeting domains has the potential to transform CAR T cell therapy in these tumours.

Chimeric's CAR T cell therapy, known as CLTX-CAR T, has been under development for over 5 years and comes from the lab of two prominent CAR T researchers globally, Professors Christine Brown and Michael Barish at City of Hope. Professor Brown also Chairs Chimeric's Scientific Advisory Board.

CLTX-CAR T is unique in that it combines CAR T cell therapy with chlorotoxin (**CLTX**), a peptide component of scorpion toxin, which expands the range of tumour targeting to include solid tumours. The initial target is glioblastoma (brain cancer), which is one of the most difficult to treat cancers. Glioblastoma has one of the lowest survival rates with less than 5% of patients surviving more than 5 years. However, CLTX-CAR T cell therapy has a novel targeting system which has been shown to target a range of cancers, including other solid tumours, indicating market potential beyond glioblastoma.

The FDA allowed CLTX-CAR T's IND in November 2019, enabling the initiation of a clinical trial in glioblastoma. Phase I clinical trial patient dosing commenced in September 2020.

The Directors believe Chimeric will be the only company on the ASX conducting CAR T human clinical trials and possibly the only one in Australia.

CLTX-CAR T is also unique in that it constitutes a novel delivery method for the CAR T product. Approved CAR T therapies, Kymriah®, Tecartus and Yescarta®, are delivered by intravenous infusion. CLTX-CAR T is being delivered via intracranial intratumoral or intracranial intraventricular dosing methods.

Glioblastoma is one of the deadliest cancers with a median survival time of 12 to 15 months. There have been no new glioblastoma drugs for many years and the Directors believe current drugs only provide a very short extension of life. Consequently the Directors believe that the US FDA may be willing to consider any glioblastoma drugs showing a small survival improvement over existing treatments.

The Company's ultimate focus is to develop and commercialise its CAR T technology for Chimeric's own use, for a possible licencing or distribution arrangement, or possible sale to a leading global pharmaceutical company.

2.2 Key elements of Chimeric's business

Key elements of Chimeric's business include:

(a) in 2020, under the Licence Agreement (described in further detail in section 9.4), Chimeric licensed the exclusive global rights to CLTX-CAR T cell therapy developed at City of Hope by eminent CAR T scientists Professor Christine Brown and Michael Barish;

(b) exclusive rights to a novel therapeutic solid tumour targeting CAR T cell therapy for glioblastoma known as chlorotoxin CLTX-CAR T cell therapy;

(c) CLTX is a 36 amino acid peptide component of scorpion toxin which binds to unique targets on brain cancer cells;

(d) glioblastoma is the most common and aggressive type of primary brain tumour, 5-year relative survival rate of less than 5% and median survival estimated to be 12 to 15 months;

(e) clear evidence that the CLTX peptide can be successfully incorporated into a CAR construct (CLTX-CAR) to redirect cytotoxic T cells to target glioblastoma; and

(f) significant big pharma interest in the CAR T space.

2.3 Industry dynamics

Acuity Technology Management has prepared a report (**Technology Report**) which sets out the commercial opportunity, strengths and risks associated with the CLTX-CAR T technology.

The Technology Report is provided in section 3.

2.4 Clinical development program

Chimeric will follow a standard development process common to novel drugs and biologicals. The product will initially be developed to treat glioblastoma. The Directors believe this drug may receive FDA Orphan Drug status enabling accelerated development and extended market protection.

Pre-clinical safety and toxicology has been completed and the FDA have allowed an IND, enabling a Phase I clinical trial in humans, which commenced dosing patients in September 2020.

Chimeric's strategy is to complete the Phase I trial in 24 months or less and depending on positive patient responses to the drug, will seek FDA approval to do a Phase II pivotal/approval trial in glioblastoma to bring the drug to market under an accelerated approval.

Under the Licence Agreement, Chimeric has the exclusive worldwide rights to develop and commercialise the CAR T technology. Chimeric will be able to develop the technology combining its resources with City of Hope pursuant to a separate Sponsored Research Agreement between Chimeric and the Beckman Research Institute of the City of Hope. Further details on the Licence Agreement and the Sponsored Research Agreement are set out in sections 9.4 and 9.5.

2.5 Intellectual property

As the first peptide-toxin cell therapy, if the patent applications are granted CLTX-CAR T will have a long life composition of matter patent position.

CLTX-CAR T, as well as related CAR T cells and their uses, are covered in several National Phase patent applications stemming from PCT/US2016/056901, filed 13 October 2016 (*Chimeric antigen receptor containing a chlorotoxin domain*). The patent applications are pending.

Refer to the Intellectual Property Report at section 8 for further information in relation to the Company's intellectual property portfolio.

2.6 Competition

In recent years, CAR T cell therapy has emerged as one of the most promising areas of cancer research. To date, the FDA have approved three CAR T drugs for blood cancers, but CAR T cell therapy is not yet approved for the treatment of solid tumours. The Directors believe that the identification of new cancer targeting domains has the potential to transform CAR T cell therapy in these tumours.

Today, there are over 50 pre-clinical and clinical trials underway globally in CAR T with glioblastoma or glioma indications. The table below highlights some of the more advanced trials in this area. Chimeric is the only company to incorporate a peptide toxin into a CAR T cell therapy and enter human clinical trials[7].

Company	Indication	Technology Stage	Company website link
Gilead/Kite	Glioblastoma	Phase I/II	https://clinicaltrials.gov/
Aurora BioPharma	Glioblastoma	Phase I/II	http://www.aurora-biopharma.com/pipeline.html
Novartis	Glioblastoma	Phase I	https://www.novartis.com/our-science/novartis-global-pipeline?page=10
Mustang Bio	Glioma	Phase I	https://www.mustangbio.com/pipeline/clinical-trials/
In8Bio	Glioblastoma and Leukemia	Phase I	www.in8bio.com
Autolus Therapeutics	Neuroblastoma/ Glioma	Pre-clinical	https://www.autolus.com/pipeline

2.7 Key investment highlights

Key investment highlights include:

(a) novel platform technology with potential across multiple cancer indications including glioblastoma and other solid tumours;

(b) Phase I glioblastoma trial underway, with first data expected in Q1/Q2 2021;

(c) clinical trial run by leading US cancer institute, City of Hope; named 11th best cancer hospital in the US;

(d) strategy to move directly into a 50 – 75 patient Pivotal Study following a successful Phase I clinical trial;

(e) outstanding US based senior management team. The Chief Operating Officer and Chief Medical Officer are highly experienced CAR T experts, with prior experience at leading global CAR T companies, including Kite Pharma, Legend Biotech and Celgene;

[7] *(https://www.genengnews.com/news/brain-cancer-car-t-cell-therapy-guided-by-scorpion-toxin-starts-first-human-trial/)*

(f) the Board comprises accomplished and seasoned life science focused Directors. Chaired by renowned biotech entrepreneur, Paul Hopper, Executive Chairman and founder of Imugene Limited (ASX:IMU) and former Chairman of Viralytics Limited (ASX:VLA) acquired by Merck in 2018 for A$502 million and has served as Chairman, Director or Chief Executive Officer of more than fourteen companies in the US and Australia;

(g) if patent applications are granted, long life composition of matter intellectual property profile expiring in 2036;

(h) manufacturing completed at City of Hope, with the ability to harvest, reprogram, multiply and deliver T cells on campus;

(i) demonstrated safety profile, with prior use in humans as an imaging agent; and

(j) significant drug administration advantages as patients do not require hospitalization (drug delivered in an outpatient setting).

2.8 Key dependencies

The Chimeric business has the following key dependencies:

(a) the achievement of positive results during the clinical trials;

(b) the ability to retain key personnel;

(c) the continuity of the Licence Agreement; and

(d) the protection of its intellectual property.

The Company is also subject to the general and specific risks set out in section 6.

3 Technology report

PO Box 33,
Red Hill South, VIC 3937
t +61 4 1111 4457
e acuity@bigpond.com
w acuitytechnology.com.au

acuity
TECHNOLOGY MANAGEMENT

19 November 2020

Chimeric Therapeutics Limited
101/50 McLachlan Ave
Rushcutters Bay 2011
NSW

Dear Sirs

Independent Technical Expert's Report

Intellectual Property owned by the City of Hope Cancer Center and licensed by Chimeric Therapeutics Limited

This Independent Technical Expert's Report has been prepared at the request of Chimeric Therapeutics Limited ("Chimeric" or the "Company") for inclusion in a Prospectus to be issued by Chimeric during November 2020 for the issuance of up to 175,000,000 shares at $0.20 to raise up to $35 million. The purpose of the capital raising through the Prospectus is to fund the further development of discoveries made by the City of Hope Cancer Centre ("COH"), Los Angeles, USA, which has been exclusively licensed by COH to Chimeric.

COH's technology is a novel approach to immunotherapy for treating solid tumours, and particularly a form of brain cancer known as glioblastoma. The proposed treatment involves the modification of immune cells from the patient, specifically the immune systems' T cells, to carry an engineered molecule known as a chimeric antigen receptor ("CAR"), in this case the receptor is a peptide from the scorpion chlorotoxin ("CLTX"). CLTX has been shown to target and bind to a molecule found on the surface of certain cancer cells. Once the T cell has bound to the cancer cell, by virtue of the CLTX peptide, it is activated to destroy the cancer and drive an immune response against the cancer. The procedure is known as CLTX-CAR T. CAR T procedures have been approved as a treatment for blood cancers, in which case an antigen known as CD19 is commonly used, and many companies are developing similar approaches for treatment of solid cancers. The uniqueness of the COH technology is the use of CLTX. It is the subject of an international patent application. CLTX peptide has been administered safely to humans by other investigators for imaging to assist in surgery and for guiding radiation therapy to cancer cells.

Pre-clinical safety and toxicology of CLTX-CAR T has been completed by the COH researchers along with the development of manufacturing protocols, and an Investigational New Drug ("IND") application has been approved by the US Food and Drug Administration ("FDA") allowing a safety study in humans to begin. We understand that the first patient has been enrolled in a Phase 1 clinical trial.

The CLTX-CAR T project will follow a development process common to most novel drugs and biologicals. The product will be initially developed to treat brain cancer or glioblastoma. Given that there are fewer than 200,000 cases annually in the US, it is likely to receive Orphan Drug status enabling accelerated development and extended market protection. Subsequent development will target other cancer forms.

Acuity Technology Management Pty Ltd ("Acuity") has been retained by Chimeric to prepare a technical review of the IP to be acquired from COH. The Directors requested that Acuity undertake an examination of past research on CLTX-CAR T; the development plans and timing assumptions, with comment on their reasonableness; and provide some background on the drug industry and the cancer segment specifically, and its regulatory environment.

Acuity specialises in the appraisal and valuation of IP and knowledge-based intangible assets, including in-process research and development ("R&D") with particular emphasis on pharmaceuticals and biotechnology. This report was prepared solely by Acuity's Managing Director, Dr David Randerson. Details of the company's and Dr Randerson's qualifications and experience are summarised in a later section of this expert opinion.

The attached report presents Acuity's deliberations on the CLTX-CAR T IP, its development path, clinical utility and its commercial potential. The report is for information only, to assist intending investors in understanding the technology and markets in which Chimeric will be operating. Acuity is not the holder of an Australian Financial Service Licence and makes no recommendations on the suitability or otherwise of investing in Chimeric or the reasonableness of the licence-terms of the IP acquisition.

Any questions relating to the report should be addressed to the undersigned.

Yours sincerely

D H Randerson, BE, PhD
Managing Director

PO Box 33,
Red Hill South, VIC 3937
t +61 4 1111 4457
e acuity@bigpond.com
w acuitytechnology.com.au

acuity
TECHNOLOGY MANAGEMENT

INDEPENDENT REVIEW OF THE CITY OF HOPE CLTX-CAR T CANCER THERAPY

Executive Summary

Chimeric Therapeutics ("Chimeric" or the "Company') has acquired a world-wide exclusive licence to technology from Los Angeles-based City of Hope Cancer Center ("COH") (the "Licence"). COH's technology provides a novel approach to immunotherapy for treating solid tumours, and particularly a form of brain cancer known as glioblastoma. The treatment involves the modification of immune cells from the patient, specifically T cells, to carry an engineered molecule known as a chimeric antigen receptor ("CAR"). In this case the receptor is a chlorotoxin peptide from a scorpion ("CLTX"). CLTX can target and bind to a molecule found on the surface of certain cancer cells. Once the T cell has bound to the cancer cell, by virtue of the CLTX peptide, it is activated to destroy the cancer cell, in addition to driving a systemic immune response. The procedure is known as CLTX-CAR T.

Pre-clinical safety and toxicology has been completed by the COH researchers along with the development of manufacturing protocols, and an Investigational New Drug ("IND") application has been approved by the US medicines regulator, the Food and Drug Administration ("FDA"), allowing a safety study in humans to begin. Screening is currently underway to enrol the first patient for a Phase 1 clinical trial. CAR T products have been approved for blood cancers and the CLTX peptide has been administered safely by other investigators for imaging purposes to assist in surgery as well as directed delivery of radiation therapy to cancer cells. What needs to be demonstrated is that there are no off-target effects from a CAR T that incorporates the CLTX peptide.

The CLTX-CAR T project will follow a development process common to most novel drugs and biologicals. The product will be initially developed to treat brain cancer or glioblastoma. Given that there are fewer than 200,000 cases annually in the US, it is likely to receive Orphan Drug status enabling accelerated development and extended market protection. The two approved CAR T therapies, Yescarta® and Kymriah®, are available for forms of leukemia but no CAR T is currently available for the treatment of solid cancers. The CLTX peptide has been shown to bind to multiple cancer types so the market potential beyond glioblastoma is potentially large.

Drug development is a costly and risky process and a common route for many biotech companies is to license out the IP following proof-of-principle studies in humans in return for milestone payments and royalties. While reducing risks, licensing also reduces potential benefits to the licensor. Recent cancer deals have seen extraordinary transaction amounts change hands, especially in the immunotherapy space, driven by promise and a need by major pharma to participate. This suggests significant upside potential, for CLTX-CAR T. An examination of listed companies developing CAR T therapies, mostly US Nasdaq listed, supports a valuation from US$80 million (A$130 million) to well in excess of a billion dollars for this early stage program.

Glossary

ALL	Acute lymphocytic leukemia
AMI	Acute myeloid leukemia
ASX	Australian Securities Exchange
BLA	Biologics License Application
CAGR	Compound Average Growth Rate
CAR	Chimeric Antigen Receptor
CAR T	Chimeric Antigen Receptor T cell
COGS	Cost of Goods Sold
CLTX	Chlorotoxin derived from the scorpion *Leiurus quiquestriatus*
CNS	Central Nervous System
CR	Complete Remission
CRO	Contract Research Organization
EMA	European Medicines Authority
EU	European Union
EV	Enterprise Value
FDA	Food and Drug Administration
FY	Fiscal Year (year commencing l July)
GDP	Gross Domestic Product
GMP	Good Manufacturing Practices
IARC	International Agency for Research on Cancer
IND	Investigational New Drug
IP	Intellectual Property
IPO	Initial Public Offering
IPR&D	In-process Research and Development
LOA	Likelihood of Approval
MMP2	Matrix metalloproteinase 2
Nasdaq	The US's largest electronic equities exchange (originally National Association of Securities Dealer Automated Quotation)
NCI	US National Cancer Institute
NIH	US National Institutes of Health
NK	Natural Killer (cells)
NME	New Molecular Entity
PCT	Patent Cooperation Treaty
R&D	Research and Development
UK	United Kingdom
US or USA	United States of America
US$	United States Dollars
WHO	World Health Organisation

1. Background

1.1 Chimeric Therapeutics Limited

Chimeric was formed to acquire IP from COH related to the development of a novel cancer therapy. The licence provides Chimeric with global exclusive rights to develop and exploit the novel cancer therapy in return for various payments and royalties on sales. The Company will also fund ongoing research at COH as part of the product's development. The funds raised through the current capital raising will be used to fund the Phase 1 clinical study being conducted by COH which is expected to progress, if proven safe during the current trial, to a Phase 2 efficacy study in the treatment of the brain cancer, glioblastoma.

The Company has also entered into a sponsored research agreement with the Beckman Research Institute of the COH to define the scope of tumours potentially amenable to the novel therapy. This may extend the application of the technology to other cancers including lung cancer, melanoma, medulloblastoma, ependymoma, prostate cancer and breast cancer.

Chimeric's commercial strategy is to progress development of a product or products based on the COH technology as far as is practicable, generally constrained by financial resources, and then to sub-license the IP at a significantly higher valuation to a large, better-resourced pharmaceutical company. In the short term, however, the Company carries the risk that the technology may fail in early stage clinical trials.

1.2 City of Hope CLTX Cancer Immunotherapy Program

CAR T therapies are a recent addition to the cancer treatment armamentarium which have revolutionised cancer therapy, particularly blood-based cancers. In 2017, two CAR T cell therapies were approved by the US FDA, one for the treatment of children with acute lymphoblastic leukemia and the other for adults with advanced lymphomas. While showing promise for these cancers, CAR T has faced challenges in targeting solid tumours.

CAR T is a method of treatment in which a patient's T cells (a class of immune cell) are changed in the laboratory so they will attack cancer cells. The process requires T cells to be taken from a patient's blood in a process known as leukapheresis. The gene for a particular receptor that binds to a target protein on the patient's cancer cells is added to the T cells in a laboratory. The receptor is called a chimeric antigen receptor and current treatments target CD19 on cancer surfaces. Large numbers of the modified CAR T cells are grown in the laboratory and given back to the patient by infusion.

The COH approach is to engineer cells to carry a special receptor based on a molecule in the toxin of a particular species of North American scorpion, chlorotoxin (abbreviated CLTX), which has been shown to bind to human cancer cells and particularly brain cancer. CLTX-CAR T targets a broad spectrum of glioblastoma cells of earlier differentiation and lacking other glioblastoma-associated antigens. It does not exhibit observable off-target effector activity against normal cells. The technology has been developed in the laboratory of Professor Christine Brown at the COH and has advanced to a Phase 1 safety study in the US.

Conventional CD19 CAR T cell therapy has shown some anti-tumour activity in clinical trials for the treatment of glioblastoma, but patient response rates have remained low. Glioblastoma poses a particular challenge to CAR therapies because of the tumour's heterogeneity - brain cancer cells have considerable phenotypic differences and not all of them carry the specific CD19 antigen that are current CAR T targets, which means some malignant cells can evade attack.

CLTX has been known to bind to glioblastoma cells for some time, although the cell surface receptor it attaches to was unknown. Work at the COH determined that matrix metalloproteinase-2 ("MMP-2") is required for binding of the CLTX-CAR T glioblastoma cells. The fact that CLTX can bind broadly and specifically to most glioblastoma samples examined and can be configured into a CAR molecule to mediate direct tumour cytotoxicity represents a major accomplishment.

Additional studies have shown that CLTX is able to bind to a number of other tumour types, including, but not limited to: small cell carcinoma, melanoma (primary and metastatic), medulloblastoma and neuroblastoma, amongst others. Some of these will be investigated as a concurrent collaboration with the Beckman Research Institute while the clinical trials for glioblastoma progress.

1.3 Proposed Product Development Program

Development of a novel therapeutic product, where that product is a new chemical, biological or cell therapy, is a risky and costly business. The route to market approval is comprised of several well-defined stages, during which the sponsor gathers evidence to convince regulatory authorities that its product is safe and efficacious for the targeted medical condition, and that it can consistently manufacture the therapeutic or have it manufactured.

The usual study stages for a drug are as follows:

a. **Pre-clinical Development** – necessary to demonstrate effectiveness in animal replicates of the targeted disease or by some other recognised study method followed by well-defined studies to show that it is safe and non-toxic in *in vitro* tests, such as cell cultures, and in whole animal, *in vivo*, studies. This stage has been completed by COH for its planned product.

b. **Phase 1** – a first-in-human trial aims to show safety at the anticipated dosages in, generally, healthy human volunteers. CLTX-CAR T is in this stage with glioblastoma patients which has the potential to yield preliminary efficacy results as well as demonstrate safety in humans.

c. **Phase 2** - the treatment is administered to a number of individuals selected from among patients for whom the drug is intended. Successful Phase 2 trials provide significant evidence on efficacy and additional data on safety and dosage level. Final product specification/formulation and manufacturing process are commonly finalised at this stage. It is likely that additional cancer forms will be required to complete Phase 2 studies in each case.

d. **Phase 3** - this final premarketing Phase involves large-scale trials on patients to obtain additional evidence of efficacy. Larger sample sizes increase the likelihood that actual benefits will be found statistically significant and any adverse reactions that may occur infrequently in patient populations will be observed. Phase 3 trials are designed to closely approximate the manner in which the drug will be used after marketing approval.

After all clinical trial phases have been completed, the sponsoring company submits an application to the regulator in each country it wishes to sell the product to obtain marketing approval. Some countries may require additional studies, especially where there are ethnic or cultural differences to disease presentation and responses to treatments.

CLTX-CAR T is considered a new biological, meaning that it will follow the traditional route for approval involving a Phase 1 safety study in patients, already in progress, followed by Phase 2 and Phase 3 studies. What is known is that CAR T as a process is well defined and proven effective in some cancers and, separately, CLTX may be safely administered to humans. Glioblastoma incidence is low relative to other cancers and other diseases and, as such, the treatment may follow an expedited review process available to orphan indications and will benefit from extensions to exclusivity. It is worth noting that bevacizumab (Avastin®, Genentech) was approved for glioblastoma after two trials, one with 78 patients and the other with 56 patients.[1] A fast pathway to approval for CLTX-CAR T may also be available to Chimeric.

2. The Commercial Opportunity

2.1 Cancer Drug Markets

The World Health Organisation's ("WHO") International Agency for Research on Cancer ("IARC") estimates that in 2018 there were 18.1 million cancer cases diagnosed globally resulting in 9.6 million deaths, and that the annual incidence rate will rise to over 29.5 million in 2040.[2]

In both sexes combined, lung cancer is the most commonly diagnosed cancer (11.6% of the total cases) and the leading cause of cancer death (18.4% of the total cancer deaths), closely followed by female breast cancer (11.6%), prostate cancer (7.1%), and colorectal cancer (6.1%) for incidence. For mortality, colorectal cancer (9.2%), stomach cancer (8.2%), and liver cancer (8.2%) are the leading causes.

According to The Cancer Atlas, estimated cancer healthcare spending in the US in 2017 was US$161.2 billion; productivity loss from morbidity, US$30.3 billion; and premature mortality, US$150.7 billion. The economic burden of cancer in the US is approximately 1.8% of gross domestic product ("GDP").[3] In the European Union ("EU"), healthcare spending was €57.3 billion, and productivity losses due to morbidity and premature death were €10.6 billion and €47.9 billion, respectively. With informal care costs of €26.1 billion, total burden rose to €141.8 billion, 1.07% of GDP.

One analysis estimated that the global oncology drugs market was valued at US$97.4 billion in 2017, and is projected to reach at $176.5 billion by 2025, with a compound average growth rate of 7.6% from 2018 to 2025.[4] The total estimated spending on cancer drugs in the US in 2015 was US$32 billion according to another analysis.[5] Expenditure on cancer drugs in the US has doubled since 2012 and reached almost US$50 billion in 2017.[6]

Since the late 1990s there has been a progressive increase in the launch price of new cancer drugs. Most cancer drugs entering the market between 2009 and 2014 were priced at more than US$100,000 per patient for one year of treatment.[7] By 2014, the average cost of a new orally administered cancer medicine exceeded US$135,000 a year, up to six times the cost of similar drugs approved in the early 2000s after adjusting for inflation. In 2017, all cancer drug launches had US list prices above US$50,000 per year and the median exceeded US$150,000.

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[1] Cohen MH, *et al*. FDA drug approval summary: bevacizumab (Avastin) as treatment of recurrent glioblastoma multiforme. Oncologist 14(11):1131, 2009.
[2] Bray F, *et al*. Global cancer statistics 2018: GLOBOCAN estimates of incidence and mortality worldwide for 36 cancers in 185 countries. CA 98(6):394, 2018.
[3] The Economic Burden of Cancer. The Cancer Atlas (https://canceratlas.cancer.org/taking-action/economic-burden).
[4] Gill S & Sumant O. Oncology/Cancer Drugs Market by Drug Class Type (Chemotherapy, Targeted Therapy, Immunotherapy, and Hormonal Therapy) and Indication (Lung Cancer, Stomach Cancer, Colorectal Cancer, Breast Cancer, Prostate Cancer, Liver Cancer, Oesophagus Cancer, Cervical Cancer, Kidney Cancer, Bladder Cancer, and Others): Global Opportunity Analysis and Industry Forecast, 2018 - 2025. Allied Market Research February 2019 (Abstract: https://www.alliedmarketresearch.com/oncology-cancer-drugs-market).
[5] Dolgin E. Bringing down the cost of cancer treatment. Nature 555, S26, 2018.
[6] Aitken M, *et al*. Global Oncology Trends 2018. Innovation, Expansion and Disruption. IQVIA Institute for Human Data Science, May 2018.
[7] Kimmer BK. The Imperative of Addressing Cancer Drug Costs and Value. National Cancer Institute, March 15, 2018.

Immunotherapeutic drugs are particularly expensive with the average cost of cancer treatment with a checkpoint inhibitor (anti-PD-1), Keytruda® (pemrolizumab, Merck & Co) approximately US$120,000 and $150,000 in Australia, and Opdivo® (nivolumab, Bristol-Myers Squibb) US$150,000, and the CTLA-4 blocker Yervoy® (ipilimumab, Bristol-Myers Squibb) US$120,000.

Novartis's CAR T product, Kymriah® (tisagenlecleucel) costs US$475,000 in the US although the company recently offered an outcomes-based pricing.[8]

Table 1: The Cost of Cancer Treatments

Drug	Active	Company	Cancer	Price (US$)
Keytruda	Pemrolizumab	Merck & Co	Melanoma, lung, head and neck	120,000
Opdivo	Nivolumab	BMS	Melanoma, lung, kidney, liver	150,000
Yervoy	Ipilimumab	BMS	Metastatic melanoma	120,000
Kymriah	Tisagenlecleucel	Novartis	ALL	475,000
Vyxeos	Daunorubicin and cytarabine	Jazz Pharmaceuticals	AML	77,500
Venclexta®	Venetoclax	AbbVie/Roche	AML	110,000
Idhifa®	Enasidenib	Celgene	AML	110,000
Mylotarg®	Gemtuzumab	Pfizer	AML	24,600
Tibsovo®	Ivosidenib	Agios Pharmaceuticals	AML	230,000
Yescarta®	Axicabtagene ciloleucel	Gilead	Hodgkin Lymphoma	373,000

As noted in Table 1, a successful CAR T product may command a high selling price. The current reimbursement in the US for CAR T is US$240,000 which amount also covers the considerable hospital and potential side-effect treatments costs. While this is well below the prices charged for currently approved CAR T products, we anticipate a significant price drop as many more products enter the market over the coming decade, including competition from other types of immunotherapies such as checkpoint inhibitors. It is also a fact that CAR T currently has a high cost of production and delivery, or Cost of Goods Sold ("COGS"), due to complex logistics which we expect to be reduced with improved production techniques and logistics, fewer manufacturing failures and competition amongst Contract Manufacturing Organisations ("CMO"), which will drive future selling price reductions.

[8] Hagen T. Novartis Sets a Price of $475,000 for CAR T-Cell Therapy. OncLive Aug 30, 2017 (https://www.onclive.com/web-exclusives/novartis-sets-a-price-of-475000=for-car-tecell-therapy, accessed 11 March 2020).

In 2019, the top 20 oncology drugs generated almost $90 billion worldwide with the leading four, Keytruda®, Revlimid®, Avastin® and Opdivo® representing US$35 billion (Table 2).[9]

Table 2: Sales of Ten Leading Cancer Drugs 2019

Drug	Generic Name	Company	Condition	Global Sales (US$'mil)
Keytruda®	Pembrolizumab	Merck & Co	Advanced melanoma, NSCLC	11,084
Revlimid®	Lenalidomide	Celgene / BMS	Multiple myeloma	9,378
Avastin®	Bevacizumab	Roche	Breast, colorectal, lung, kidney, ovarian, brain	7,285
Opdivo®	Nivolumab	BMS / Ono Pharmaceuticals	NSCLC, metastatic melanoma, renal cell carcinoma	7,204
Rituxan®	Rituximab	Roche / Biogen	Non-Hodgkins lymphoma, chronic lymphocytic leukemia	6,672
Herceptin®	Trastuzumab	Roche	HER2+ breast	6,220
Ibrance®	Palbociclib	Pfizer	Breast	4,961
Imbruvica®	Ibrutinib	J&J / Pharmacyclics	Mantel cell lymphoma, CLL	4,674
Perjeta®	Pertuzumab	Genentech / Roche	Breast cancer	3,628
Xtandi®	Enzalutamide	Astellas Pharma / Pfizer	Prostate	3,512

The average pre-tax cost involved in developed a new prescription pharmaceutical was estimated at US$2.5 billion in 2014.[10] That analysis includes accounting for additional drug candidates required to ensure the one success. In other words, for each product approved, a company must fund, on average, ten compounds entering a Phase 1 study. Increases in the cash outlays to conduct clinical trials and higher drug failure rates have contributed to dramatic increases in R&D costs over the last two decades.

2.2 CAR T Immunotherapy

Since the successful introduction of CAR T therapies in 2017, many companies have entered the fray to develop products based on the engineering of T cells to stimulate immune destruction of tumours, varying such things as the target antigens, using other immune cells such as Natural Killer ("NK") cells, and seeking methods to use allogeneic, rather than a patient's own, cells. Research is particularly directed at applying the same strategy to treating solid tumours. There are more than 30 companies globally developing CAR T technologies, many of them specialty start-up immunotherapy companies, but also the major pharmaceutical companies.

CAR T products currently available are Novartis's Kymriah™ (2019 sales US$278 million) which was approved in August 2017 for paediatric Acute Lymphoblastic Leukemia ("ALL") with reported 81% Complete Remission ("CR") rate from clinical studies, and Kite/Gilead's Yescarta™ (2019 sales US$456 million) was approved in October 2017 for adult non-Hodgkin Lymphoma with 54% CR from clinical studies. These products rely on the incorporation of CD19 receptor into the T cell.

[9] TOP Pharma Drugs By Sales in 2019 (*PharmaCompass Compilation Annual Reports 2019.xlxs*, created 24 April 2020).
[10] DiMasi JA. Innovation in the Pharmaceutical Industry: New Estimates of R&D Costs. Co-authors Grabowski HG & Hansen RW. Briefing. Cost of Developing a New Drug. Tufts Centre for the Study of Drug Development. 18 Nov 2014.

These are autologous therapies and COGS are high because of the logistics of cell collection, modification and expansion (at a remote site), and reinfusion of the autologous product justifying their high treatment cost. While successful for the specific cancers for which they have been approved, the race is on to discover new CARs that show high specificity for solid tumours, are "off-the-shelf" or allogeneic, and show that they allow broad binding to address the challenge of tumour heterogeneity.

At least 150 CAR Ts are currently under development, involving nearly 150 clinical trials.[11] While projecting that the blood cancer market will reach US$3.6 billion by 2027, analysts Decision Resources report that there are physical barriers in solid tumours, accessing deep into the tumour mass, for example, is a problem. The main issue for solid tumours seems to be the microenvironment which is immunosuppressive. McKinsey and Company suggest that the global market revenues from CAR T will grow from an estimated US$700 million in 2019 to $10.4 billion in 2024 with the number of approved products being in excess of twenty.[12]

An analysis of 52 trials as reported on the US National Institutes of Health database, *ClinicalTrials.gov*, found that the majority of CAR T clinical research is focused on blood or haematological cancer (57%), followed by central nervous system (8%) and gastrointestinal (6%), with additional targets including melanoma, genitourinary, breast, gynaecologic, lung and others. The most used target in CAR T cell therapy and the leaders in Phase 3 trials are CD19 (42%) and B cell maturation antigen ("BCMA") (12%), followed by CD20, NY-ESO-1, mesothelin, HER2, GD2, MAGE-A3 and CD30.[13]

There are a number of CAR Ts being evaluated for glioblastoma including around 30 in Phase 1 using various constructs including IL13Rα2, HER2/CMV and EGFRvIII. These studies are providing valuable insights into the usefulness of the CAR T approach to treating brain cancers but persistence of the immune response, or adaptive immune resistance, and tumour heterogeneity have to date proved problematic. The CLTX peptide has been shown to bind more broadly to tumour cells isolated from patient derived brain tumour cells and glioma stem cells, providing the rationale for investigating its use for CAR T cell immunotherapy.

2.3 Glioblastoma

Glioblastoma is the most common form of primary brain tumour and is also among the most fatal.[14] The aetiology of glioblastoma remains unknown in most cases. Familial gliomas account for approximately 5% of malignant gliomas, and less than 1% of gliomas are associated with a known genetic syndrome. In most European and North American countries, incidence is approximately two to three new cases per 100,000 people per year. Of the estimated 24,000 primary brain tumours diagnosed in the US each year, approximately 60% are glioblastoma.

The IARC reports data on incidence, prevalence (5 year) and mortality (annual) for brain and Central Nervous System ("CNS") cancers as 296,851, 771,110 and 241,037 globally in 2018.[15] They report annual incidence of brain cancers in the US as 27,000.

[11] Decision Resources (https://decisionresourcesgroup.com/downloads/car-t-cell-therapy-pipeline-forecast-snapshot).
[12] Nam S, *et al*. Driving the next wave of innovations in CAR T-cell therapies. McKinsey and Company, Dec 2019.
[13] Cortes EFM, *et al*. Chimeric Antigen Receptor T Cell Therapy Pipeline at a Glance: A Retrospective and Systematic Analysis from Clinicaltrials.Gov. Blood 134 (Supp_1):5629, 2019.
[14] Bruce JN. Glioblastoma Multiforme Clinical Presentation. Medscape. Updated Nov 5, 2009. http://emedicine.medscape.com/article/283252-clinical#a0216
[15] International Agency for Research on Cancer (http://gco.iarc.fr/today/online-analysis-table?v=2018&mode=cancer&mode_population=continents&population=900&populations=900&key=asr&sex=0&cancer=39&type=1&statistic=5&prevalence=0&population_group=0&ages_group%5B%5D=0&ages_group%5B%5D=17&nb_items=5&group_cancer=1&include_nmsc=1&include_nmsc_other=1

Table 3: Incidence and Prevalence of Cancers by Region 2018

	North America	Western Europe	Japan	Australasia
Brain & CNS				
New Cases	27,062	18,066	6,319	2,339
Prevalence	82,011	52,866	17,965	7,097
Deaths	19,973	14,149	1,259	1,929
Melanoma				
New Cases	79,644	62,821	1,818	16,978
Prevalence	280,754	222,162	6,315	60,899
Deaths	10,733	8,054	11,291	3,713

The treatment of glioblastomas is palliative and includes surgery, radiotherapy, and chemotherapy. Without therapy, patients with glioblastoma multiforme uniformly die within three months. Patients treated with optimal therapy, including surgical resection, radiation therapy, and chemotherapy, have a median survival of approximately 12 months, with fewer than 25% of patients surviving up to two years and less than 10% surviving for five years.

Glioblastoma is particularly difficult to treat because the tumours are disseminated throughout the brain, and efforts to develop immunotherapies, including CAR T approaches, have to contend with a high degree of heterogeneity within the tumours.

2.4 Melanoma

The COH researchers have shown that cell surface MMP2 serves as the CLTX receptor or a critical component within a receptor complex. CLTX-CAR T cells do not respond to secreted or soluble MMP2 and, therefore, it must be cell membrane associated.[16] MMP2 is known to be expressed by many cancers including melanoma, breast, lung, liver, kidney, ovarian, prostate and pancreatic cancer amongst others. Rotte *et al*. determined significant expression of MMP2 in primary and metastatic melanoma samples.[17] Another study found MMP2 associated with all cutaneous melanoma and an inverse correlation with the age of the individuals.[18] It is likely that melanoma will be selected as a second target for testing.

Melanoma is the third most common cancer diagnosed in Australia which, along with New Zealand, has the world's highest incidence rate for melanoma. Incidence and prevalence data are presented in table 3. Melanoma is more commonly diagnosed in men than women. Exposure to sun causes malignancies that root in the deepest layers of the skin where it can spread to other parts of the body, often prior to diagnosis. Consequently, melanoma is the most dangerous form of skin cancer.

Early stage cancer (stage 0 to II) is usually successfully treated by surgery. Treating later stage disease may also involve surgery, but once metastasised further treatments are required including removal of lymph nodes and tumours which have spread to other organs, chemotherapy and radiation therapy. Chemotherapy can help some people with stage IV melanoma, but other treatments are usually tried first. Dacarbazine and temozolomide (Temodar®) are the chemo drugs used most often, either by themselves or combined with other drugs. Even when chemotherapy shrinks these cancers, the cancer usually starts growing again within several months.

[16] Wang D, *et al*. Chlorotoxin-directed CAR T cells for specific and effective targeting of glioblastoma. Sci Translational Med 12, eaaw2672:1, 2020.
[17] Rotte A, *et al*. MMP2 expression is a prognostic marker for primary melanoma patients. Cell Oncol 35:207, 2012.
[18] Rey MCW, *et al*. MMP-2 and TIMP-2 in Cutaneous Melanoma: Association With Prognostic Factors and Description in Cutaneous Metastases. Am J Dermatopathology 33(4):413, 2011.

Checkpoint inhibitors such as pembrolizumab or nivolumab are typically the first drugs tried, especially in people whose cancer cells do not have mutations associated with the *BRAF* gene. These drugs can shrink tumours for long periods of time in some people. People who get any of these drugs need to be watched closely for serious side effects.

In about half of all melanomas, the cancer cells have changes in the *BRAF* gene. If this gene change is found, treatment with newer targeted therapy drugs, typically a combination of a *BRAF* inhibitor and a *MEK* inhibitor, might be an effective option.

3. Patents and Research Data

The COH technology is the subject of an international patent application (WO2019/389917, *Chimeric antigen receptors containing a chlorotoxin domain*) filed on 13 October 2016 which, once granted, will provide protection to October 2036. It is awaiting review by national patent offices. The application describes a process for modifying human T cells to incorporate a CAR in the form of a transmembrane protein which includes an extracellular domain comprising a CLTX peptide, or a variant, that is capable of binding to human glioma or other human tumour cells. The claims include a description of the nucleic acid cassette encoding the specific CAR for genetically engineering T cells as well as use in treating cancer.

COH researchers screened the CLTX peptide on a panel of cells from 23 tumour samples resected from 15 glioblastoma patients. The toxin bound strongly to almost all patient tumours, with more than 80% of the cells binding CLTX. Only samples from two of the 15 patients revealed binding in less than 40% of total cells. Similarly, when examining CLTX binding in patient-derived glioblastoma cell lines, the team found that 21 of 22 cultured cell lines showed greater than 70% binding. In contrast, three other targeting agents currently being evaluated for CAR T cell therapy, *viz*. IL13Rα2, EGFRvIII and HER-2, bound less broadly and less uniformly to cells from the tumour samples and cultured lines demonstrating CLTX's ability to address heterogeneity both within and between tumours.

CLTX binding was also demonstrated against the glioblastoma stem-like cells that are thought to seed tumour recurrence.

One of the potential dangers of CAR T cell therapy is off-target binding, when the CARs cause adverse effects by killing the wrong cells. To assess the novel CAR's safety in pre-clinical models, the COH researchers measured binding in a panel of non-tumour human cells, revealing little to undetectable off-target recognition.

The findings were verified in mouse models with human tumours where the CAR T cells only targeted glioblastoma cells, and there were no adverse reactions in the mice when the therapeutic cells were delivered. The engineered T cells only bound to tumour cells, leaving the surrounding normal brain tissue intact. The treatment was able to control tumour growth, prolonging the survival of the animals and did not cause adverse reactions or organ damage in the animals.

4. Strengths and Risks of the Chimeric CLTX-CAR T Program

The novel use of CLTX as antigen in a CAR T therapy and its potential in a form of cancer with limited treatment options and generally poor outcome presents a unique opportunity for Chimeric. The Company, nonetheless, is exposed to most risks plaguing biotech companies holding early stage assets particularly access to capital for protracted and costly clinical trials and the inability to know *a priori* the outcome of new treatments on disease outcomes. Its business model, however, aims to avoid the high costs of late stage clinical development by out-licensing the technology to a company or companies that are better skilled to complete international clinical trials, interact with regulators and fund production and global distribution including the complex logistics of delivering a cell therapy.

CLTX-CAR T has greater than usual risks due to the facts that it is a unique technology and brain cancer is notoriously difficult to treat with pharmaceutical approaches. Although both components of the product, engineered T cells and, separately, CLTX, have been safely administered to or evaluated in humans the specific combination is novel and its efficacy unproven.

The proposed product's strengths include:

- The COH researchers have shown that CLTX binds roughly 80% of glioblastoma cells *in vitro*, but this means there still is a population of cells that must be overcome. It may well be, as is proving the case with many immunotherapies, such as checkpoint inhibitors, that no single antigen in a CAR T or the blocking of one immune avoidance mechanism utilised by the tumour, is going to be the definitive treatment. If this is the case, testing combination therapies may prolong the development time.

- CAR T strategies have proven effective in treating specific forms of cancer, particularly haematological malignancies, and a significant number are in clinical trials for solid cancers inferring an optimism that they will be effective;

- CLTX is unique amongst glioblastoma-targeting molecules due to its broad tumour recognition;

- CLTX has been clinically tested as a radiotherapy delivery conjugate and as an imaging agent in fluorescence-guided surgery for recurrent and refractory glioblastoma, thus providing prior human data to support its safety and specificity. There have been over 46 studies of CLTX linked to nanoparticles, paramagnetic nanoparticles, liposomes, dendrimers, dyes, antibodies and radioisotopes for targeted delivery of therapeutics or for imaging in glioblastoma, breast and prostate cancer, including several reported clinical studies.[19, 20, 21] A number of these studies involved advanced glioma;

- The clinical candidate has been optimised by COH and can be produced under conditions and in a manner satisfactory to regulators;

- Following an IND submission, the US FDA has determined that there is adequate evidence of safety from pre-clinical studies and a rationale for effectiveness, and allowed a Phase 1 study to commence;

- There are other organisations developing cancer treatments based on CLTX. For example, radio-isotopes conjugated to the toxin, antibody drug conjugates and bispecific T cell therapies. Some of these entities are developing CLTX specifically for brain cancers. While these approaches constitute competition for Chimeric, they also point to a general view that CTLX is a candidate worthy of consideration.

Generally speaking, the development of pharmaceuticals, although following a well understood pathway, remains highly risky. Many hurdles cannot be resolved simply by better science or smarter thinking because the failures relate to poorly elucidated biochemical and immunological processes, disease pathways, potential toxicities of reagents and off-target interactions, some of which are only obvious once the drug enters human clinical trials.

[19] Mamelak AN, *et al*. Phase I single dose study of intracavitary-administered iodine-131-TM-601 in adults with recurrent high-grade glioma. J Clin Oncol 24:3644, 2006,
[20] Hockaday DC, *et al*. Imaging glioma extent with 131I-TM-601. J Nucl Med 46:580, 2005.
[21] Patil CG, *et al*. Phase 1 safety, pharmacokinetics, and fluorescence imaging study of tozuleristide (BLZ-100) in adults with newly diagnosed or recurrent gliomas. Neurosurgery 85 E641, 2019.

CLTX-CAR T is a novel technology, making it difficult to predict the duration of studies and potential success of the proposed product. Positive results obtained from preclinical studies of a candidate drug or therapy may not be predictive of results of later studies or trials, and failure to replicate positive results from early studies or clinical trials may inhibit the ability to further develop and commercialize product candidates. Similarly, it is difficult at this early stage to confirm COGS of a commercialised product or whether the consumer, and reimbursors, will accept pricing.

Some of the commercial risks commonly encountered by biotech companies and which are relevant to Chimeric are:

- Patent protection is paramount to success in biotechnology and is the key attribute supporting valuations and the motive driving acquisitions in the field. The CLTX product patents have yet to be examined. Even so, third parties may assert claims against Chimeric and/or COH, alleging infringement of their patents and proprietary rights, or the Company may be drawn into lawsuits to defend or enforce the patents, even where spurious, representing risk to the sale of products and a strain on financial resources;

- The development of cancer treatments is the realm of large pharmaceutical companies and well financed biotechs. Many have substantially greater capital and other resources and are able to expend more funds and effort than Chimeric on R&D and promotion. Competitors may develop more effective, more affordable or more convenient products. Competition in the field of CAR T for solid cancers is significant and, if they are successful in treating glioma and other cancers amenable to CLTX-CAR T, may impact on its clinical and commercial potential or render the product obsolete;

- Time to market is critical with any new technology, particularly in the medical technology fields. Adequate capital and competent skills, and partnerships with market leaders, part of the planned strategy, are essential to expediting development and commercialization;

- Chimeric is a new company formed specially to manage the further development of the COH IP and will need to recruit skilled staff to progress the product's development. It will compete with other biotech companies to recruit suitable staff;

- Chimeric and has no experience in developing cell therapies particularly those requiring extraction of cells from a patient, modification under regulated manufacturing conditions (Good Manufacturing Practices, "GMP") in preparation for reinfusion to the patient. However, COH researchers have previously developed CAR T cells targeting interleukin 13 receptor α2 (IL13Rα2), which is overexpressed in glioblastoma. In 2016, they reported complete tumour regression lasting almost eight months in one patient. That medicine has been licensed to Mustang Bio, Inc and is being developed under product designation MB-101. Through the agreement between parties, Chimeric will formalise its relationship with COH and have access to the research facilities and the laboratory of Prof Christine Brown; and

- Reliance on partners and collaborators to conduct studies, including Contract Research Organization ("CRO") and CMOs, and fund the launch and promote products is essential for success. Choosing an out-licensing model is appropriate for the CAR T therapy because of the costs of late stage evaluation and need to access unique resources and skills, and is often the preferred route for an Australian biotech; and

Over recent decades there have been several published analyses of success rate data, most of which derive from analysis of registered US and European clinical trial activity. More recently, these have included results for specific indications and drug types. These studies determine the phase transitional probabilities, the chances of progressing through the various stages of development. The cumulative probability is the likelihood that it will complete all stages and be approved.[22] Overall, there is about a 5% chance that a new oncology drug entering clinical trials for the first time will achieve approval and it is recognised that the likelihoods of success have declined over time.

Table 4 lists probabilities of successfully completing each stage of development for drugs receiving approval for clinical trials, all cancers and solid cancers.

Table 4: Transitional Probabilities for Drugs Development and Cancer Drugs (Thomas, *et al*)

Successful completion of:	Transitional Probability		
	All Drugs	All Cancer	Solid Cancers
Phase 1	63.2%	62.8%	64.1%
Phase 2	30.7%	24.6%	23.0%
Phase 3	58.1%	40.1%	34.2%
Registration	85.3%	82.4%	79.6%
Cumulative probabilities	**9.6%**	**5.1%**	**4.0%**

There have been too few immunotherapies traversing the clinical trial pathway to generate reliable success rate data for the specific form of treatment and, similarly, too few brain cancer approvals for data specific to this cancer.

5. Comparables Company Valuations

There are, not surprisingly, very few listed biotechnology companies with their most advanced candidate being at a pre-clinical stage or development. In Australia, one may consider AdAlta Ltd, Cellmid Ltd, Exopharm Ltd, Nyrada Ltd and Prescient Therapeutics Ltd, as early stage drug developers with an average Enterprise Value ("EV") of $26.3 million (see Table 5). Of these, Prescient Therapeutics is the only company with CAR T assets. It should be appreciated that the COVID-19 pandemic has severely impacted share prices.

A selection of early stage foreign immunotherapy companies is also presented in Table 5. Some of these companies are more advanced in their product development programs than Chimeric but it is generally the case that US-listed companies carry higher valuations than their Australian peers. The data presented in Table 5, particularly those companies with Phase 1 assets, suggests an EV range from around US$100 million to in excess of several billions of dollars.

[22] Thomas DW, *et al*. Clinical Development Success Rates 2006-2015. Bio / Biomedtracker / Amplion. June 2016.

Table 5: Listed Australian and Biotech Development Companies

Company	Status of Products	EV ($'mil)[23]
Early Stage ASX-listed:		
AdAlta Ltd (ASX:1AD)	Phase 1	$21.7
Cellmid Ltd (ASX:CDY)	Preclinical	$8.8
Exopharm Ltd (ASX:EX1)	Initiating Phase 1	$28.5
Nyrada Inc (ASX:NYR)	Preclinical	$17.4
Prescient Therapeutics Ltd (ASX:PTX)	Phase 1	$28.7
Immunotherapy Companies:		
Adaptimmune Therapeutics, Inc (Nasdaq:ADAP)	Phase 1 and 2	US$949
Allogene Therapeutics, Inc (Nasdaq:ALLO)	Phase 1	US$4,120
Atara Biotherapeutics, Inc (Nasdaq:ATRA)	Phase 3	US$667
Autolus Therapeutics Plc (Nasdaq:AUTL)	Preclinical	US$583
Bellicum Pharmaceuticals, Inc (Nasdaq:BLCM,)	Preclin, 1 pivotal	-US$8.1
Bluebird bio, Inc (Nasdaq:BLUE)	Phase 3	US$2,380
Cellectis SA (Nasdaq:CLLS)	Phase 1	US$540
Cellular Biomedicine Group, Inc (Nasdaq:CBMG)	Early clinical	US$363
Celyad SA (Nasdaq:CYAD)	Four in Phase 1	US$110
Fate Therapeutics, Inc (Nasdaq:FATE)	Phase 2	US$2,710
Mustang Bio, Inc (Nasdaq:MBIO)	Phase 1/2	US$114
Precision BioSciences, Inc (Nasdaq:DTIL)	Phase 1	US$179
Sorrento Therapeutics, Inc (Nasdaq:SRNE)	Phase 2	US$2,140
Ziopharm Oncology Inc (Nasdaq:ZIOP)	Two products Phase 2	US$422

There are a number of transactions that have relevance to the current listing of Chimeric. From Australia, Melbourne-based Cancer Therapeutics Cooperative Research Centre ("CTx-CRC") licensed to Merck Sharpe & Dohme a pre-clinical drug with potential in many cancers, including lymphoma, for $21 million in licence fee and potential payments in excess of $700 million which, of course, are subject to considerable development risks.[24]

Internationally, there have been many extraordinary deals in the immunotherapy field in recent years, including:

- On 23 March 2020, Astellas Pharma, Inc (TSE:4503) announced a collaboration with CytomX Therapeutics, Inc (Nasdaq:CTMX) in which the companies intend collaborating on development of novel T cell engaging bispecific antibodies.[25] A bispecific antibody has two arms capable of recognising and binding separate cell surface antigens. The proposed antibodies are intended to bind T cells to a tumour cell surface antigen and achieve an outcome similar to the CAR T approach with the advantage that cells will not need to be isolated and removed from a patient and genetically engineered prior to reinfusion. This is a discovery program and a product has yet to commence clinical trials. The deal involved an US$80 million upfront payment to CytomX and a possible US$1.6 billion in payments tied to achieving preclinical, clinical, and commercial milestones.

[23] Yahoo Finance (https://au.finance.yahoo.com, accessed 3 September 2020).
[24] CRT Announces License Agreement with MSD to Develop Inhibitors of PRMT5 for Cancer and Blood Disorders. Cancer Therapeutics CRC Press Release 28 January 2016 (http://www.cancercrc.com/wp-content/uploads/2016/01/PRMT5_-PressRelease.pdf).
[25] Astellas, CytomX Launch $1.7B Cancer Immunotherapy Collaboration. Gen Eng Biotech News March 24, 2020.

- In January 2020m Astellas acquired Xyphos, Inc and its CAR T therapies for US$120 million up front payment and further development milestones of US$545 million.[26] The deal will add five pre-clinical candidates to the Astellas CAR T portfolio with the first in-human trial expected in 2021.

- In 2016, Baxalta Incorporated, Inc (NYSE: BXLT) and Precision BioSciences, Inc announced a global collaboration to develop a broad series of allogeneic CAR T cell therapies directed towards areas of major unmet need in multiple cancers.[27] The intent was to develop therapies for up to six unique targets, with the first program expected to enter clinical studies in late 2017. Precision BioSciences was to be responsible for performing early-stage research activities up to Phase 2, following which Baxalta has the exclusive right to opt in for late-stage development and commercialisation. Precision BioSciences received an upfront payment of US$105 million from Baxalta, with additional option fees, developmental, clinical, regulatory, and sales milestones, potentially totalling up to $1.6 billion, in addition to royalties on worldwide sales.

- Gilead Sciences, Inc (Nasdaq:GILD) acquired Cell Design Labs, Inc for US$567 million of which US$175 million was an up from payment. Cell Design Labs is developing two propriety technology platforms: synNotch™, a synthetic gene expression system that responds to external cues which, among other applications, can be deployed to engineer CAR T cells that require dual antigen recognition for activation, and Throttle™, an "on switch" that modulates CAR T activity using small molecules.

- Gilead had previously acquired Kite Pharma, Inc (September 2017) for US$11.9 billion. At the time of acquisition, Kite's lead CAR T therapy candidate, now branded Yescarta™, was under priority review in the US and the Europe. Since then, the firm has invested in its global Yescarta™ network, and entered a potential $3 billion collaboration with Sangamo Therapeutics to develop allogeneic therapies in oncology.

- Johnson & Johnson ("J&J") entered CAR T development in December 2017 through a worldwide collaboration and license agreement with Legend Biotech, Inc. J&J paid US$350 million upfront for a global license to anti-BCMA autologous CAR T, JNJ-4528. The deal positioned the companies to evenly split profits generated outside of China. Late last year, J&J posted results from a phase 1b trial that linked the CAR T to a 69% complete response rate in multiple myeloma patients who had received a median of five prior treatments.

- Celgene Corporation (Nasdaq:CELG) and Juno Therapeutics, Inc. (Nasdaq:JUNO) announced in 2018 the signing of a definitive merger agreement in which Celgene would acquire Juno.[28] Under the terms of the agreement, Celgene paid US$87 per share for a total of approximately US$9 billion. Juno was a pioneer in the development of CAR T and T cell receptor therapeutics with a portfolio evaluating multiple targets and cancer indications. The lymphoma program, JCAR017 (lisocabtagene maraleucel) is a CD19-directed CAR T in a pivotal program for relapsed and/or refractory diffuse large B-cell lymphoma at the time of acquisition. JCAR017 is still in clinical trials in 2020.

[26] Hargreaves B. Astellas acquires Xyphos and its CAR T technology for $665m. BioPharma-Reporter.com 9 January 2020 (https://www.biopharma-reporter.com/Article/2020/01/09/Astellas-acquires-Xyphos-and-its-CAR T-technology-for-665m).
[27] https://precisionbiosciences.com/baxalta-and-precision-biosciences-form-global-genome-editing-collaboration-in-immuno-oncology/
[28] https://ir.celgene.com/press-releases-archive/press-release-details/2018/Celgene-Completes-Acquisition-of-Juno-Therapeutics-Inc-Advancing-Global-Leadership-in-Cellular-Immunotherapy/default.aspx

- In April 2018, Pfizer sold the rights to 16 preclinical CAR T assets and one clinical asset, an allogeneic CAR T therapy in development for treatment of CD19-expressing haematological malignancies, to Allogene Therapeutics, Inc a newly-formed firm involving the founders of Kite Pharma. Allogene received from Pfizer the rights to 16 preclinical CAR T assets licensed from Cellectis and Servier and one clinical asset licensed from Servier, UCART19, an allogeneic CAR T therapy that is being developed for treatment of CD19-expressing haematological malignancies. In partnership with Servier, UCART19 is initially being developed in acute lymphoblastic leukemia and is currently in Phase 1. Allogene (Nasdaq:ALLO) issued shares under IPO in October 2018 raising US$324 million in an offering that set the company's market value in excess of US$2 billion-plus and EV of $1 billion (current EC US$2.47 billion). Allogene stock rose more than 30% on its first day of trading.

6. Sources of Information

We have prepared our ITER using publicly accessible information and other documents provided by Chimeric and COH. Confidential information was made available through a restricted access data room which included scientific reports and licence agreements.

We conducted independent research of the scientific and medical literature, and patent databases through the World Intellectual Property Organization[29] and other national patent offices.

7. Disclaimer & Limitations

In preparing this report we have relied on information provided by Chimeric supported by our own experience in drug and medical technology development and independent searches of the literature. We can provide no assurance that material provided by the Company was complete and accurate although we have no reason to suspect that this was not the case. We have exercised all due care in verifying the information provided and found no reason to doubt the reliability of the information. We also relied on published scientific reports and Company-confidential technical reports as the main sources of past research but we were not able to review raw data or methods of analysis therein or confirm that these reports contained all relevant findings.

A draft of this report was supplied to Chimeric to confirm factual accuracy and some changes were made to reflect their comments.

Acuity does not guarantee that the outcomes described in this report will actually occur because of possible changes in the markets and the Company's own actions, which are beyond our ability to forecast.

Acuity has acted independently in preparing this report and neither its Director nor staff have any pecuniary or other interest in Chimeric, related entities or associates that could reasonably be regarded as affecting our ability to give an unbiased opinion. Acuity will receive normal professional fees for the preparation of this report and, with the exception of these fees, will not receive any other direct or indirect benefits.

We have given consent to the issue of this report in the Prospectus included in the form and context in which it appears. We have been involved only in the preparation of this report and not in the preparation of any other part of the Prospectus, and specifically disclaim liability to any person in respect of any statements included elsewhere in the Prospectus. We have not, other than as set out above, been involved in the preparation of or authorised or caused the issue of this Prospectus.

Acuity does not hold an Australia Financial Services Licence and provides no opinions or recommendations relating to the suitability of Chimeric as an investment, and provides no advice concerning the proposed transaction with COH.

[29] https://patentscope.wipo.int.

In preparing this report we have had regard to the following regulatory and professional standards:

- RG 111, Content of expert reports; and
- RG 112, Independence of experts.

8. Qualifications & Experience

Acuity provides management consulting to technology-based companies. The company is skilled in the development of business plans and the technical, commercial and financial analyses of engineering and science-based projects. An area of special interest is the provision of advice to investors and financial institutions on the funding of high technology R&D and the exploitation of outcomes.

The current Independent Technical Expert's Report was prepared by Acuity's Managing Director, David Randerson. Dr Randerson specializes in the evaluation and valuation of intellectual property with particular expertise in project management and IP valuation. Dr Randerson has experience with managing commercial and academic research in the fields of biologics and pharmaceutical, cell culture, medical devices and diagnostics, and has designed and overseen clinical trials and managed regulatory issues.

Dr Randerson has a Bachelor of Chemical Engineering (Monash University), Master of Science in Applied Science (UNSW) and a Doctorate of Philosophy in Biomedical Engineering (UNSW). He is a Fellow of the Australian Institute of Company Directors and a member of the Institution of Chemical Engineers. He has worked in academia at the University of Munich and University of Queensland, and in Industry with Rio Tinto, Union Carbide and Johnson & Johnson. He was founder and managing director of one of Australia's first publicly listed biotechnology companies, specializing in the production of therapeutic monoclonal antibodies and recombinant proteins.

As principal of Acuity for 30 years, Dr Randerson has undertaken in excess of 300 detailed valuations in biomedical sciences and 120 in applied sciences.

4 Ownership, management and corporate governance

4.1 Board

The Company's Board and senior team has a broad background of executive and non-executive board experience in the biotechnology industry and early stage companies, combined with publicly listed company, capital market, financial and commercial expertise. The board comprises:

Mr Paul Hopper
Executive Chairman

Paul Hopper is the founder of Chimeric and has over 25 years experience in the medical, healthcare & life sciences sectors. Focussed on start-up and rapid growth companies, he has served as either Founder, Chairman, non-executive director, or Chief Executive Officer, of more than fourteen companies in the US, Australia and Asia. Previous and current Boards include Viralytics (ASX: VLA), Imugene (ASX: IMU), pSivida (ASX: PSD), Polynoma (wholly owned subsidiary of HKG:0775), Somnomed (ASX: SOM), Suda (ASX: SUD), C19 Therapeutics Pty Ltd, and Prescient Therapeutics (ASX: PTX). His experience covers extensive fund raising in Australia, Asia, US and Europe, and he has deep experience in corporate governance, risk and strategy.

Ms Leslie Chong
Non-Executive Director

More than 21 years of oncology experience with comprehensive clinical development experience in global Phase I-III studies from start-up to registration. Ex Senior Clinical Program Lead at Genentech, one of the world's most successful biotech businesses developing therapies across all cancer indications. Previously at global majors GlaxoSmithKline (NYSE: GSK) and Exelixis (NASDAQ: NEXEL) in cancer therapy development. Development experience in oncology with small molecules, immunotherapies, cancer vaccines, oncolytic viral therapies, epigenetics, monoclonal antibodies et al. Ms Chong has extensive experience in leading clinical development of brain cancer therapies.

Ms Chong is currently Chief Executive Officer and Managing Director of Imugene Limited (ASX:IMU); and Non-Executive Director of Cure Brain Cancer Foundation.

Dr Lesley Russell
Non-Executive Director

More than 25 years of senior international operational and leadership experience having worked at Amgen (NASDAQ: AMGN), Eli Lilly (NYSE: LLY), Cephalon (NASDAQ: CEPH) and Teva (NYSE: TEVA).

As Chief Medical Officer and Chief Operating Officer Dr Russell has wide experience in the therapeutic areas of hematology, oncology, neurology, psychiatry, pain and inflammation, respiratory medicine and stem cell therapy.

Dr Russell has extensive knowledge and experience with new drug development along with CAR T therapies.

Dr Russell is currently a Non-Executive Director of Enanta Pharmaceuticals (NASDAQ: ENTA) and Imugene Ltd (ASX:IMU).

4.2 Management team

Chief Operating Officer
Jennifer Chow

Until recently Ms Chow was Head of Global Marketing, Analytics and Commercial Operations at leading global CAR T company Kite Pharmaceuticals (acquired by Gilead Sciences in 2017 for US$11.9bn). Ms Chow was responsible for assessing and prioritizing research and external assets for development, ensuring optimal clinical development of the Kite pipeline for global commercialisation. Ms Chow has more than 20 years of commercial strategy and marketing experience focused in cellular therapy, hematology and oncology. Formerly Ms Chow was the Global Cell Therapy Commercial Lead at Celgene Corporation (NASDAQ:CELG) and was responsible for designing and developing the global CAR T commercial strategy and operating model. Ms Chow was also formerly at Roche (SWX:RO), Nycomed/Takeda (TYO:4502) and Schering Canada.

Chief Medical Officer
Dr Syed Rizvi

Until recently Dr Rizvi was one of the founding executive team at NASDAQ listed global CAR T company Legend Biotech, where he was head of the CAR T program serving as VP Clinical Development and Medical Affairs. Dr Rizvi is a CAR T specialist with more than 20 years of oncology drug development experience, including taking drugs through regulatory approvals and commercial launches. Formerly he was head of the CAR T and immuno-oncology program at Celgene Corporation (NASDAQ:CELG) serving as Global Medical Affairs and head of Hematology for US Medical Affairs. Dr Rizvi previously also held global clinical leadership roles in oncology programs at Novartis (SWX:NOVN) and Merck (NYSE:MRK).

Project Manager
Alison Gartner

Ms Gartner has over 20 years experience as a biotech analyst and life science investor across ASX listed and private companies through her investment management roles at Asia Union Investments and life science fund BioScience Managers. She is experienced in the establishment of VC and life science funds, and the portfolio management of assets from private start-ups through to FDA approvals, including involvement in private and public ASX capital raisings. Ms Gartner is currently a Director of the National Foundation of Medical Research and Innovation.

Chief Financial Officer & Joint Company Secretary
Mr Phillip Hains

The Company currently outsources its finance and company secretarial requirements to a specialist public practice, 'The CFO Solution'. Mr Phillip Hains (CA, MBA) brings over 30 years of experience in corporate secretarial, accounting and general management through his firm The CFO Solution, a boutique professional services firm for listed companies.

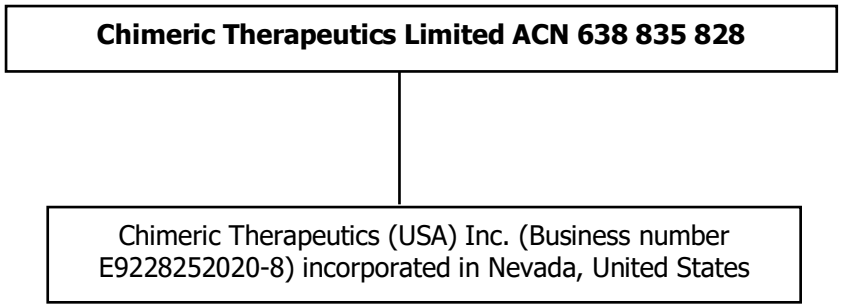
Mr Hains is currently the Company Secretary of several ASX listed companies including Imugene Ltd (ASX:IMU), Immuron Ltd (ASX:IMC), SelfWealth Limited (ASX:SWF), Total Brain Limited (ASX:TTB) and SUDA Pharmaceuticals Ltd (ASX:SUD).

Joint Company Secretary
Mr Nathan Jong

Mr Jong is a qualified chartered accountant with over 10 years of experience in providing finance and corporate compliance advisory services to a range of businesses including multinational ASX/NASDAQ listed companies. Mr Jong is also part of The CFO Solution team.

Mr Jong is currently the Joint Company Secretary of an ASX listed company, Total Brain Ltd (ASX: TTB).

4.3 Organisational structure



The Company is the main operating entity of the Chimeric group.

Chimeric Therapeutics (USA) Inc. facilitates recruitment and employment of US based executives by offering healthcare, 401-K benefits and payment of federal and state employment taxes.

4.4 Responsibility of the Board

The Board is responsible for the Company's proper corporate governance. To carry out this obligation, the Board must act:

(a) honestly, conscientiously and fairly;

(b) in accordance with the law;

(c) in the interests of the Shareholders (with a view to building sustainable value for them); and

(d) in the interests of employees and other stakeholders.

The Board's broad function is to:

(a) chart strategy and set financial targets for the Company;

(b) monitor the implementation and execution of strategy and performance against financial targets; and

(c) appoint and oversee the performance of executive management and generally to take and fulfil an effective leadership role in relation to the Company.

Power and authority in certain areas is specifically reserved to the Board – consistent with its function described above. These areas include:

(a) providing leadership and setting the strategic objectives of the Company;

(b) composition of the Board itself including the appointment and removal of the Chairman or deputy chairman (if applicable);

(c) oversight of the Company including its control and accountability system;

(d) appointment and removal of senior management (including the Chief Executive Officer or equivalent) and the Company Secretary;

(e) reviewing, ratifying and monitoring the risk management framework and setting the risk appetite within which the Board expects management to operate;

(f) approving and formulating company strategy and policy;

(g) approving and monitoring operating budgets and major capital expenditure;

(h) overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit;

(i) monitoring industry developments relevant to the Company and its business;

(j) developing suitable key indicators of financial performance for the Company and its business;

(k) overseeing corporate strategy and performance objectives developed by management;

(l) overseeing the Company's compliance with its continuous disclosure obligations;

(m) approving the Company's remuneration framework;

(n) monitoring the overall corporate governance of the Company (including its strategic direction and goals for management, and the achievement of these goals); and

(o) oversight of the Company's various committees.

4.5 Composition of Board

The Board is comprised of three directors. The majority of the Board are non-executive directors independent from management.

4.6 Board charter and policy

The Board has adopted a charter which formally recognises its responsibilities, functions, power and authority and composition. This charter sets out other things which are important for effective corporate governance including:

(a) a detailed definition of 'independence';

(b) a framework for the identification of candidates for appointment to the Board and their selection (including undertaking appropriate background checks);

(c) a framework for individual performance review and evaluation;

(d) proper training to be made available to Directors both at the time of their appointment and on an on-going basis;

(e) basic procedures for meetings of the Board and its committees including frequency, agenda, minutes and private discussion of management issues among non-executive Directors;

(f) ethical standards and values (in a detailed code of ethics and values);

(g) dealings in securities (in a detailed code for securities transactions designed to ensure fair and transparent trading by Directors and senior management and their associates); and

(h) communications with Shareholders and the market.

The purpose of the charter is to 'institutionalise' good corporate governance and to build a culture of best practice both in Chimeric's internal practices and its dealings with others.

4.7 Audit and risk management committee

The purpose of this committee is to advise on the establishment and maintenance of a framework of internal control and appropriate ethical standards for the management of the Company. Its current members are:

(a) Leslie Chong (committee chair); and

(b) Dr Lesley Russell.

The committee performs functions relevant to risk management and internal and external reporting and reports to the Board following each meeting. The committee's responsibilities include:

(a) setting Board and committee structures to facilitate a proper review function by the Board;

(b) internal control framework including management information systems;

(c) corporate risk assessment (including economic, environmental and social sustainability risks) and compliance with internal controls;

(d) management processes supporting external reporting practices;

(e) review of financial statements and other financial information distributed externally;

(f) review of the effectiveness of the audit function;

(g) review of management corporate reporting processes supporting external reporting, including the appropriateness of the accounting judgments;

(h) review of the performance and independence of the external auditors;

(i) review of the external audit function to ensure prompt remedial action by management, where appropriate, in relation to any deficiency in or breakdown of controls;

(j) assessing the adequacy of external reporting for the needs of Shareholders;

(k) reviewing any proposal for the external auditor to provide non-audit services and whether it might compromise the independence of the external auditor; and

(l) monitoring compliance with the Company's code of ethics.

Meetings will be held at least four times each year. A broad agenda is laid down for each regular meeting according to an annual cycle. The committee invites the external auditors to attend each of its meetings.

4.8 Remuneration and Nomination committee

The purpose of this committee is to assist the Board and report to it on remuneration and related policies and practices (including remuneration of senior management and non-executive Directors) and make recommendations to it about the appointment of new Directors (both executive and non-executive) and senior management. Its current members are:

(a) Dr Lesley Russell (committee chair);

(b) Leslie Chong; and

(c) Paul Hopper.

The committee's functions include:

(a) review and evaluation of market practices and trends on remuneration matters;

(b) recommendations to the Board about the Company's remuneration policies and procedures;

(c) oversight of the performance of senior management and non-executive Directors;

(d) recommendations to the Board about remuneration of senior management and non-executive Directors;

(e) reviewing the Company's reporting and disclosure practices in relation to the remuneration of Directors and senior executives;

(f) development of criteria (including skills, qualifications and experience) for Board candidates;

(g) identification and consideration of possible candidates, and recommendation to the Board;

(h) ensuring appropriate induction and continuing professional development programs are implemented for Directors;

(i) review of processes for succession planning for the Board, Chief Executive Officer and other senior executives;

(j) establishment of procedures, and recommendations to the Chairman, for the proper oversight of the Board and management; and

(k) ensuring the performance of each Director, and of senior management, is reviewed and assessed each year using procedures adopted by the Board.

Meetings will be held at least once a year and more often as required.

4.9 Policies

Securities trading policy

A securities trading policy (**Trading Policy**) has been adopted by the Board to provide guidance to Directors, identified employees including senior management, and other employees of Chimeric, where they are contemplating dealing in Chimeric's securities or the securities of entities with whom Chimeric may have dealings. The Trading Policy is designed to ensure that

any trading in Chimeric's securities is in accordance with the law and minimises the possibility of misperceptions arising in relation to Directors' and employees' dealings in Chimeric's securities.

The Trading Policy is directed at dealing in Chimeric's securities by the Directors and employees, dealings through entities or trusts controlled by a relevant person, or in which they have an interest, and encouraging family or friends to so deal.

Any non-compliance with the Trading Policy will be regarded as an act of serious misconduct. The Trading Policy is available on Chimeric's website at https://www.chimerictherapeutics.com/.

Communication and Disclosure policy

The Board has adopted a communication and disclosure policy (**Disclosure Policy**), which sets out procedures to be adopted by the Board to ensure Chimeric complies with its continuous disclosure obligations to keep the market fully informed of information which may have a material effect on the price or value of the Company's securities and to correct any material mistake or information in the market.

The Board is responsible for determining whether information is such that it would have a material effect on the price or value of Chimeric's securities. The Disclosure Policy provides a framework for the Board and officers of Chimeric to internally identify and report information which may need to be disclosed and sets out practical implementation processes in order to ensure any identified information is adequately communicated to ASX and Shareholders.

Any non-compliance with the Disclosure Policy will be regarded as an act of serious misconduct. The Disclosure Policy is available on Chimeric's website at https://www.chimerictherapeutics.com/.

Risk Management policy

Chimeric recognises that risk management is an essential element of good corporate governance and fundamental in achieving its strategic and operational objectives, and has adopted a risk management policy (**Risk Management Policy**).

Management is responsible for reporting identified risks to the Board as well as the effectiveness of the Company's management of its material business risks. Chimeric has also established an Audit and Risks Committee to manage ongoing risk in the Company.

The Board will review the Risk Management Policy at least annually and determine whether the Company has any material exposure to environmental or social suitability risks.

The Risk Management Policy is available on Chimeric's website at https://www.chimerictherapeutics.com/.

Diversity policy

Chimeric is committed to complying with the diversity recommendations published by ASX and promoting diversity among employees, consultants and senior management, and has adopted a policy in relation to diversity (**Diversity Policy**).

Chimeric defines diversity to include, but not be limited to an individual's race, ethnicity, gender, sexual orientation, age, physical abilities, educational background, socioeconomic status, and religious, political or other beliefs.

The Diversity Policy adopted by the Board outlines Chimeric's commitment to fostering a corporate culture that embraces diversity and provides a process for the Board to determine

measurable objectives and procedures to implement and report against to achieve its diversity goals.

Chimeric's Remuneration and Nomination Committee is responsible for implementing the Diversity Policy, setting the Company's measurable objectives and benchmarks for achieving diversity and reporting to the Board on compliance with the Diversity Policy.

As part of its role, Chimeric's Remuneration and Nomination Committee is responsible for formulating and implementing a Company remuneration policy. Under the Diversity Policy, a facet of this role will include reporting to the Board annually on the proportion of men and women in Chimeric's workforce and their relative levels of remuneration.

The Board will assess and report annually to Shareholders on Chimeric's progress towards achieving its diversity goals.

The Diversity Policy is available on Chimeric's website at https://www.chimerictherapeutics.com/.

Privacy policy

Chimeric is bound by the *Australian Privacy Act 1988* (Cth) (**Privacy Act**) and the Australian Privacy Principles contained in that Act. The Privacy Principles are designed to protect the confidentiality of information and the privacy of individuals by regulating the way personal information is managed. The privacy policy is available on the Company's website at https://www.chimerictherapeutics.com/.

Whistleblower policy

Chimeric has adopted a whistleblower policy (**Whisltleblower Poilicy**). The purpose of the Whistleblower Policy is to ensure that the Company maintains the highest standards of conduct and ethical behaviour and to promote a supportive, honest and ethical culture.

This policy encourages employees to raise any concern and report instances of illegal, unacceptable or undesirable conduct.

The policy ensures that all disclosures made under the policy can be made anonymously and treated confidentiality. The policy also specifies the role and responsibility of persons who are responsible for the administration of the policy.

Details of the Whistleblower Policy is available on the Company's website at https://www.chimerictherapeutics.com/.

Anti-bribery and corruption policy

Chimeric is an organisation committed to ethical practice. The Chimeric Board and executive team are committed to conducting business with honesty and integrity and therefore commit and adhere to a zero-tolerance approach to bribery and corruption.

The Board has adopted an anti-bribery and corruption policy (**Anti-Bribery and Corruption Policy**) to demonstrate its commitment to conducting its business and operations with honesty, integrity and the highest standards of personal and professional ethical behaviour, complementing the Company's code of conduct.

This general company-wide policy does not override specific policies, procedures, laws or regulations in the local jurisdictions, but instead serves to complement them.

The Anti-Bribery and Corruption Policy is available on the Company's website at https://www.chimerictherapeutics.com/.

4.10 Compliance with ASX Corporate governance principles and recommendations

Chimeric is seeking to list on the ASX. The ASX Corporate Governance Council has developed and released its Corporate Governance Principles and Recommendations (4th Edition) (**ASX Recommendations**) for entities listed on ASX in order to promote investor confidence and to assist companies to meet shareholders' expectations.

The ASX Recommendations are not mandatory, but guidelines. However, under the ASX Listing Rules, the Company will be required to provide a statement in its annual report or on its website, and also in an Appendix 4G that it must lodge with ASX at the time it lodges its annual report, disclosing the extent to which it has followed the ASX Recommendations. The Company must identify the recommendation that has not been followed and give reasons for not following it.

The Board has assessed Chimeric's current practice against the ASX Recommendations and outlines its assessment below:

Principles and recommendations		**Compliance**	**Comply**
Principle 1 – Lay solid foundations for management and oversight			
1.1	Have and disclose a board charter which establishes the functions expressly reserved to the Board and those delegated to management and discloses those functions.	The Board is responsible for the overall corporate governance of the Company. The Board has adopted a Board charter that formalises its roles and responsibilities and defines the matters that are reserved for the Board and specific matters that are delegated to management.	Complies
1.2	Undertake appropriate checks before appointing a person as a director or senior executive or putting someone forward as a director and provide shareholders with all material information relevant to a decision on whether or not to elect or re-elect a director.	The Company will conduct police checks, solvency and banned director searches in relation to all appointed and future nominated directors or senior executives. The Company will publish Director profiles on the Company's website outlining biographical details, other directorships held, commencement date of office and level of independence.	Complies

Principles and recommendations		Compliance	Comply
1.3	Have a written agreement with each director and senior executive setting out the terms of their appointment.	The Company has written agreements with each Director and senior executive. On appointment of directors and senior executives the Company will issue necessary written agreements outlining the terms of their appointment.	Complies
1.4	The company secretary should be accountable directly to the Board on all matters to do with the proper functioning of the Board.	This is consistent with the Board Charter and corporate structure of the Company. The Joint Company Secretaries have a direct relationship with the Board in relation to these matters.	Complies
1.5	Establish a diversity policy and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measurable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress in achieving them, for reporting against in each reporting period.	The Board has adopted a diversity policy that outlines objectives to ensure that the Company has as diverse a workforce as practicable. The Board determined that given the Company's size and structure, it is not appropriate or possible to mandate a fixed number of women at any given level within the organisation, so no measurable objectives have been set at this time. As a measurement of gender diversity, the proportion of women working within Chimeric as at the date of this Prospectus is as follows: • Women on the Board – 66% • Women in Senior Executive positions – 50% • Women in the organisation – 50%	Partially complies
1.6	Have a process for periodically evaluating the performance of the Board, its committees and individual directors, and disclose that process and, at the end of each reporting period, whether such performance evaluation was undertaken in that period.	The Company conducts the process for evaluating the performance of the Board, its committee and individual directors as outlined in the Board Charter.	Complies

Principles and recommendations		Compliance	Comply
1.7	Have a process for periodically evaluating the performance of the company's senior executives at least once every reporting period, and disclose that process and, at the end of each reporting period, whether such performance evaluation was undertaken in that period.	A summary of the processes for performance evaluation of key executives, directors and the Board will be made available on the Company's website. The Executive Chairman reviews the performance of the senior executives. The Board reviews the Executive Chairman's performance. These reviews occur annually.	Complies
Principle 2 – Structure the Board to add value			
2.1	The Company should have a nomination committee, which has at least three members, a majority of independent directors and is chaired by an independent director. The functions and operations of the nomination committee should be disclosed.	The Company has a combined Remuneration and Nomination Committee which has been established with its own charter and consists of: • Dr Lesley Russell • Leslie Chong • Paul Hopper	Complies
2.2	Have and disclose a Board skills matrix, setting out what the Board is looking to achieve in its membership.	The Company has established charter rules for the Remuneration and Nomination Committee as a guide for Board deliberations. Together, the Directors have a broad range of experience, expertise, skills, qualifications and contacts relevant to the Company and its business.	Does not presently comply, however the Board intends to formalise a skills matrix

Principles and recommendations		Compliance	Comply
2.3	Disclose the names of the directors that the Board considers to be independent directors, and an explanation of why the Board is of that opinion if a factor that impacts on independence applies to a director and disclose the length of service of each director.	The Board considers Ms Leslie Chong (appointed 28 August 2020) to be independent. The Board considers Dr Lesley Russell (appointed 28 August 2020) to be independent. The Board considers that Mr Paul Hopper (appointed 2 February 2020) not to be independent by virtue of the fact that Mr Hopper is a founding shareholder of Chimeric and is also an executive director and substantial shareholder of the Company.	Complies
2.4	A majority of the Board should be independent directors.	The Board currently comprises three Directors, of which two are independent Directors.	Complies
2.5	The chair of the Board should be an independent director and should not be the Chief Executive Officer.	Mr Paul Hopper is both a substantial shareholder of Chimeric and is also an executive Chairman. The Board considers that notwithstanding Mr Hopper is not independent, his support of the business, both in terms of financial commitment and time, supports a unanimous view that he is best placed to provide the best corporate governance leadership at this time.	Does not comply
2.6	There should be a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively.	This is consistent with the Board Charter.	Complies

Principles and recommendations		Compliance	Comply
Principle 3 – Act ethically and responsibly			
3.1	Articulate and disclose the Company's values.	The Board recognises the need to observe the highest standards of corporate practice and business conduct. Accordingly, the Board has adopted a code of conduct which is designed to be followed by all employees, contractors and officers. The Company's core values are set out in the Company's code of conduct which can be located on the Company's website.	Complies
3.2	Have a code of conduct for the Board, senior executives and employees, disclose that code or a summary of that code and ensure that the Board or committee of the Board is informed of any material breaches of that code.	The Company has adopted a code of conduct, which sets out a framework to enable Directors to achieve the highest possible standards in the discharge of their duties and to give a clear understanding of best practice in Corporate Governance.	Complies
3.3	Have and disclose a whistleblower policy and ensure that the Board or a committee of the Board is informed of any material incidents reported under that policy.	Chimeric has adopted a Whistleblower Policy which contains these provisions.	Complies
3.4	Have and disclose an anti-bribery and corruption policy and ensure that the Board or a committee of the Board is informed of any material breaches of that policy.	Chimeric has adopted an Anti-Bribery and Corruption Policy which contains these provisions.	Complies

Principles and recommendations		Compliance	Comply
Principle 4 – Safeguard integrity in corporate reporting			
4.1	The Company should have an audit committee, which consists of only non-executive directors, a majority of independent directors, is chaired by an independent chairman who is not chairman of the Board and has at least three members. The functions and operations of the audit committee should be disclosed.	The Board has established an Audit and Risk Committee which operates under an audit and risk committee charter. The Audit and Risk Committee members are: • Leslie Chong • Dr Lesley Russell Although the Audit and Risk Committee only has two members at present, given the size of the board the Company considers the composition of this Committee to be appropriate in the circumstances.	Partially complies
4.2	The Board should, before approving financial statements for a financial period, receive a declaration from the Chief Executive Officer and Chief Financial Officer that, in their opinion, the financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company, formed on the basis of a sound system of risk management and internal controls, operating effectively.	This is consistent with the approach adopted by the Audit and Risk Committee and the Board.	Complies

Principles and recommendations		Compliance	Comply
4.3	The Company should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	When the Company releases information to the market that is not audited, any data and figures contained in the report, such as annual financial data, is reviewed to ensure it is accurate and consistent with the Company's audited financial statements with appropriate oversight by the Audit and Risk Committee and Board.	Complies
Principle 5 – Make timely and balanced disclosure			
5.1	Have and disclose a written policy for complying with continuous disclosure obligations under the Listing Rules and disclose that policy or a summary of it.	The Company has a written continuous disclosure and communications policy which is designed to ensure that all material matters are appropriately disclosed in a balanced and timely manner and in accordance with the requirements of the Listing Rules.	Complies
5.2	Ensure that its Board receives copies of all material market announcements promptly after they have been made.	The Company has a written continuous disclosure and communications policy which is designed to ensure that the Board receives copies of all material market announcements promptly after they have been made.	Complies
5.3	Where the Company gives a new and substantive investor or analyst presentation, release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	The Company has a written continuous disclosure and communications policy which is designed to ensure that, where the Company gives a new and substantive investor or analyst presentation, release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	Complies
Principle 6 – Respect the rights of security holders			
6.1	Provide information about the Company and its governance to investors via its website.	The Board Charter and other applicable policies are available on the Company's website.	Complies

Principles and recommendations		Compliance	Comply
6.2	Design and implement an investor relations program to facilitate effective two-way communication with investors.	The Company's continuous disclosure and communications policy provides that the Company will use its website, half year and annual reports, market announcements and media disclosures to communicate with its shareholders, as well as encourage participation at general meetings.	Complies
6.3	Disclose the policies and processes in place to facilitate and encourage participation at meetings of security holders.	The Company intends to facilitate effective participation in the AGM, as well as the ability to submit written questions ahead of the AGM. The Company intends to adopt appropriate technologies to facilitate the effective communication and conduct of general meetings.	The Company has not disclosed a formal policy or process, but it has engaged Boardroom Pty Limited to further these objectives
6.4	Ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	The Company intends to facilitate effective participation in the AGM. The Company intends to adopt appropriate processes for shareholder meetings.	Complies
6.5	Give security holders the option to receive communications from, and send communications to, the Company and its share registry electronically.	The Company has instructed its share registry to facilitate this option for Shareholders.	Complies

Principles and recommendations		Compliance	Comply
Principle 7 – Recognise and manage risk			
7.1	The Board should have a risk committee which is structured so that it consists of a majority of independent directors, is chaired by an independent director, and has at least three members. The functions and operations of the risk committee should be disclosed.	The Company has a combined Audit and Risk Committee. See 4.1 above.	Partially complies
7.2	The Board or a committee of the Board should review the entity's risk management framework with management at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the Board and disclose, in relation to each reporting period, whether such a review has taken place.	The Audit and Risk Committee charter establishes the role of the committee.	Complies

Principles and recommendations		Compliance	Comply
7.3	Disclose if the Company has an internal audit function, how the function is structured and what role it performs, or if it does not have an internal audit function, that fact and the processes the Company employs for evaluating and continually improving the effectiveness of its governance risk management and internal control processes.	Due to the Company's limited number of employees and relative nature and scale of its operations, the costs of an independent internal audit function would be disproportionate. The Company has an external auditor and the Audit and Risk Committee will monitor the Company's internal control processes and evaluate material or systemic issues.	Does not comply due to the nature and scale of operations, however the Board believes it and the Audit and Risk Committee, together with senior management, have adequate oversight of the existing operations
7.4	Disclose whether the Company has any material exposure to economic, environmental and social sustainability risks and, if so, how it manages those risks.	The Board does not believe that the Company has any such material risks. All risks will be re-evaluated at least annually in accordance with the Audit and Risk Committee Charter.	Complies
Principle 8 – Remunerate fairly and responsibly			
8.1	The Board should have a remuneration committee which is structured so that it consists of a majority of independent directors, is chaired by an independent director, and has at least three members. The functions and operations of the remuneration committee should be disclosed.	The Company has a combined Remuneration and Nomination Committee which has been established with its own charter and consists of: (a) Dr Lesley Russell (b) Leslie Chong (c) Paul Hopper	Partially complies

Principles and recommendations		Compliance	Comply
8.2	The policies and practices regarding the remuneration of non-executive directors, and the remuneration of executive directors and other senior executives, should be separately disclosed.	The Remuneration and Nomination Committee charter is available on the Company's website.	Complies
8.3	If the Company has an equity-based remuneration scheme, it should have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme, and disclose that policy or a summary of it.	The Company operates an employee share option plan. In accordance with the Company's Securities Trading Policy participants are not permitted to enter into transactions which limit economic risk without written clearance.	Complies

5 Financial information

5.1 Overview

The financial information contained in this section 5 includes historical financial information for the Company for the financial year ended 30 June 2020.

This section 5 contains a summary of:

(a) Statutory historical financial information, comprising:

(i) historical statement of profit or loss and other comprehensive income for the period ended 30 June 2020 (**Statutory Historical Income Statement**);

(ii) historical statement of cash flows for the period ended 30 June 2020 (**Statutory Historical Cash Flows**); and

(iii) historical statement of financial position as at 30 June 2020 (**Statutory Historical Statement of Financial Position**),

(together, the **Statutory Historical Financial Information**); and

(b) Pro forma historical financial information, comprising the Company's pro forma historical statement of financial position as at 30 June 2020 (**Pro Forma Historical Financial Information**).

The Statutory Historical Financial Information and Pro Forma Historical Financial Information is together referred to as the '**Financial Information**'.

The Company has a 30 June financial year end.

In addition, this section 5 summarises:

(a) the basis of preparation and presentation of the Financial Information (see section 5.2);

(b) information regarding certain non-IFRS financial measures (see section 5.2(c));

(c) the key pro forma operating and financial metrics (see section 5.3);

(d) the pro forma adjustments to the Statutory Historical Financial Information (see section 5.6);

(e) information regarding liquidity and capital resources (see section 5.6(a));

(f) information regarding the Company's contractual obligations, commitments and contingent liabilities (see section 5.6(b));

(g) management's discussion and analysis of the pro forma Historical Financial Information (see section 5.7);

(h) a description of the Company's critical accounting policies (see section 5.8); and

(i) the Company's dividend policy (see section 5.9).

The information in section 5 should also be read in conjunction with the risk factors set out in section 6 and other information contained in this Prospectus.

All amounts disclosed in section 5 are presented in Australian dollars and, unless otherwise noted, are rounded to the nearest dollar. Some numerical figures included in this Prospectus have been subject to rounding adjustments. Any differences between totals and sums of components in figures or tables contained in this Prospectus are due to rounding.

5.2 Basis of preparation and presentation of the Financial Information

(a) Overview and preparation and presentation of the Financial Information

The Directors are responsible for the preparation and presentation of the Financial Information.

The Financial Information included in this Prospectus is intended to provide potential investors with information to assist them in understanding the underlying historical financial performance, cash flow and financial position of the Company.

Given the fact that the Company is in an early, growth stage of development, there are significant uncertainties associated with forecasting the future revenues and expenses of the Company. On this basis, the Directors believe that there is no reasonable basis for the inclusion of financial forecasts in the Prospectus.

The Company was incorporated on 2 February 2020. 1,000 ordinary shares were issued on incorporation to founders.

The Statutory Historical Financial Information has been prepared in accordance with the recognition and measurement principles of Australian Accounting Standards (**AAS**) adopted by the Australian Accounting Standards Board (**AASB**), which are consistent with International Financial Reporting Standards (**IFRS**) issued by the International Accounting Standards Board and the Company's accounting policies. The Company's significant accounting policies are described in Appendix A.

The Pro Forma Historical Financial Information has been prepared in accordance with the recognition and measurement principles of AAS, other than it includes certain adjustments which have been prepared in a manner consistent with AAS, that reflect (a) the exclusion of certain transactions that occurred in the relevant period and (b) the impact of certain transactions as if they had occurred on or before 30 June 2020.

The Financial Information is presented in an abbreviated form and it does not include all of the presentation and disclosures, statements or comparative information required by AAS and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act.

In addition to the Financial Information, section 5 describes certain non-IFRS financial measures that the Company uses to manage and report on the business that are not defined under or recognised by AAS or IFRS.

Independent Limited Assurance Report

The Financial Information (as defined above) has been reviewed by Grant Thornton Corporate Finance Pty Ltd in accordance with the Australian Standard on Assurance Engagements ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information as stated in its Investigating Accountant's

Report set out in section 7. You should note the scope and limitations of the Investigating Accountant's Report.

(b) Preparation of the Financial information

The Statutory Historical Financial Information for FY2020 for the Company has been derived from the audited general purpose financial statements of the Company for the period from 2 February 2020 to 30 June 2020.

The financial statements of the Company for the period 2 February to 30 June 2020 were audited by Grant Thornton Audit Pty Ltd in accordance with Australian Auditing Standards. The audit opinion issued for FY2020 was unmodified and included a material uncertainty relating to going concern.

Table 5.1 in section 5.3 sets the Statutory Historical Income Statement.

Table 5.2 in section 5.5 sets out the Statutory Historical Cash Flows.

The Pro Forma Historical Financial Information has been prepared for the purpose of inclusion in this Prospectus. The Pro Forma Historical Financial Information has been derived from the Statutory Historical Financial Information for the Company and adjusted for the effects of the pro forma adjustments.

Table 5.3 in section 5.6 sets out the pro forma adjustments to the Statutory Historical Statement of Financial Position, and a reconciliation of the Statutory Historical Statement of Financial Position to the Pro Forma Historical Financial Information. Pro forma adjustments were made to the Statutory Historical Statement of Financial Position to reflect the impact the Offer, including costs directly attributable to the Offer offset against share capital (with the remainder expensed in retained earnings), impact of the issue of Convertible Notes, issue of options and employee sign-on agreements and the Licence Agreement as if they had occurred as at 30 June 2020.

In preparing the Financial Information, the Company's accounting policies (as set out in Appendix A) have been consistently applied throughout the periods presented.

You should note that past results are not a guarantee of future performance.

Going Concern

The Financial Information for FY2020 has been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and discharge of liabilities in the normal course of business.

The Directors believe that there are reasonable grounds that the Company will be able to continue as a going concern as a result of the proceeds raised from the Offer.

(c) Explanation of certain non-IFRS financial measures

To assist in the evaluation of the performance of Chimeric, certain measures are used to report on the Company that are not recognised under AAS or IFRS. These measures are collectively referred in this section 5 and under Regulatory Guide 230 Disclosing Non-IFRS Financial Information published by ASIC as 'non-IFRS financial measures'. The principal non-IFRS financial measures that are referred to in this Prospectus are as follows:

Operating cash flow is profit/loss after the removal of non-cash items in EBITDA (e.g. depreciation and debt defeasance) and changes in working capital. Chimeric uses operating cash flow to indicate the level of operating cash flow generated from profit/loss for the period.

Although the Directors believe that these measures provide useful information about the financial performance of Chimeric, they should be considered as supplements to the income statement or cash flow statement measures that have been presented in accordance with AAS and IFRS and not as a replacement for them. As these non-IFRS financial measures are not based on AAS or IFRS, they do not have standard definitions, and the way Chimeric calculated these measures may differ from similarly titled measures used by other companies. Investors and readers of this Prospectus should therefore not place undue reliance on these non-IFRS financial measures.

5.3 Historical Income Statements

Table 5.1 sets out a summary of the Historical Income Statements of Chimeric for FY2020.

Table 5.1: Summary of Historical Income Statements

$	Statutory 30 June 2020
General and administrative expenses	(64,008)
Operating Loss	**(64,008)**
Loss before income tax	(64,008)
Income tax expense	-
Loss for the period	**(64,008)**
Other comprehensive income	
Items that may be reclassified to profit or loss:	
	-
Total comprehensive loss for the period	**(64,008)**

5.4 Segment information

In accordance with Australian Accounting Standard AASB 8 Operating Segments, Chimeric has determined it operates in one reportable segment being the research and development of Chlorotoxin CAR-T technology. The segment details are therefore fully reflected within the Statutory and Pro Forma Historical Financial Information.

5.5 Historical Cash Flows

Table 5.2 sets out Chimeric's Historical Cash Flows for FY2020.

Table 5.2: Summary of Historical Cash Flows

$	From 2 Feb to 30 June 2020
Pro Forma loss for the period	
Non-cash items in Loss for the period	-
Changes in working capital	(34,007)
Operating cash flow	**(34,007)**
Proceeds from borrowings	34,007
Proceeds from convertible notes	-
Proceeds from share issue	100
Net cash flow	**100**

5.6 Statutory Historical Statements of Financial Position and Pro Forma Historical Financial Information

Table 5.3 sets out the pro forma adjustments to the Statutory Historical Statement of Financial Position, and a reconciliation of the Statutory Historical Statement of Financial Position to the Pro Forma Historical Financial Information. Pro forma adjustments were made to the Statutory Historical Statement of Financial Position to reflect the impact of the Offer, including costs directly attributable to the Offer offset against share capital (with the remainder expensed in retained earnings), impact of the issue of Convertible Notes, issue of options and employee sign-on agreements and the Licence Agreement as if they had occurred as at 30 June 2020.

The Pro Forma Historical Financial Information is provided for illustrative purposes only and is not represented as being necessarily indicative of the Company's view of its financial position upon Completion of the Offer or at a future date. Further information on the sources and uses of funds of the Offer is contained in section 10.

Table 5.3: Statutory Historical Statement of Financial Position and Pro Forma Historical Financial Information as at 30 June 2020

$	Statutory 30 June 2020	Adj 1	Adj 2	Adj 3	Adj 4	Adj 5	Pro Forma 30 June 2020
Cash and cash equivalents	100	35,000,000	(2,918,758)	4,300,000	-	-	36,381,342
Trade and other receivables	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-
Property, plant and equipment	-	-	-	-	-	-	-
Right-of-use assets	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	15,185,530	15,185,530
Total assets	**100**	**35,000,000**	**(2,918,758)**	**4,300,000**	**-**	**15,185,530**	**51,566,873**
Trade and other payables	30,001	-	-	-	2,632,351	13,556,864	16,219,216
Borrowings (current)	34,007	-	-	-	-	-	34,007
Lease liabilities	-	-	-	-	-	-	-
Income tax	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-
Lease liabilities (non current)	-	-	-	-	-	-	-
Employee benefits (non current)	-	-	-	-	-	-	-
Total liabilities	**64,008**	**-**	**-**	**-**	**2,632,351**	**13,556,864**	**16,253,223**
Net assets	**(63,908)**	**35,000,000**	**(2,918,758)**	**4,300,000**	**(2,632,351)**	**1,628,667**	**35,313,650**
Issued capital	100	35,000,000	(2,574,793)	4,300,000	-	1,628,667	38,353,974
Other equity		-	-	-	1,504,482		1,504,482
Reserves	-	-	-	-	847,093	-	847,093
Accumulated losses	(64,008)	-	(343,965)	-	(4,983,926)	-	(5,391,899)
Total equity	**(63,908)**	**35,000,000**	**(2,918,758)**	**4,300,000**	**(2,632,351)**	**1,628,667**	**35,313,650**

Notes:
Adj 1. IPO raise
Adj 2. Costs associated with IPO raise
Adj 3. Issue of convertible notes.
Adj 4. Director, Employee and Consultant expenses that relate to the issue of options and other obligations as per their agreements.
Adj 5. Grant of worldwide exclusive licence from City of Hope.

(a) **Pro Forma Adjustments**

Convertible Note Issue

The Company has issued 4,300,000 convertible notes with a face value of $1 per note. Immediately prior to Completion, those Convertible Notes will convert at a price equal to at $0.15 per note into 28,666,731 Shares. Further details of the Convertible Notes Deed are included at section 9.6.

Director, Employee and Consultant expenses

On 28 August 2020, both Leslie Chong and Dr Lesley Russell entered into letters of appointment pursuant to which it is noted they will each receive 2,750,000 unlisted cashless options as part of their directorship agreements. The terms of these options are described further in section 11.4.

On 20 October 2020 and 17 November 2020 Dr Rizvi and Ms Chow respectively signed agreements to become the CMO and COO of the Company. Upon starting, they each are to receive a sign on bonus of US$249,000 and US$300,000 respectively. Additionally, both employees each receive 6,280,002 options to be issued immediately prior to Completion. The terms of these options are described further in section 11.4.

Dr Rizvi is entitled to receive US$1.5 million payable 60% in cash and 40% in equity for forfeiture of his current Long-Term Share Incentive Payment from his previous employer. This is payable 33% annually starting 1 December 2021.

Ms Chow is entitled to receive US$1.2 million payable 50% in cash and 50% in equity for forfeiture of her current Long-Term Share Incentive Payment from her previous employer. This is payable 33% annually starting 1 December 2021.

The Joint Lead Managers are also entitled to receive 4,957,897 options as part of their fee arrangements described further in section 9.3. These options have an exercise price 50% greater than the IPO share price ($0.30) and expire 3 years from Completion. The terms of these options are described further in section 11.4.

Licence Agreement

The Company entered an exclusive licence with City of Hope on 24 July 2020 (**Licence Agreement**). Under the Licence Agreement Company has agreed to pay City of Hope upfront licence fees in the form of cash and Shares, and annual maintenance fees which are credible against future royalty payments, performance-based consideration linked to the achievement of certain value-inflection development milestones and commercial outcomes, as well as net sales-based royalty payments and sublicensing fees. Further details of the Licence Agreement are set out in section 9.4.

(b) **Liquidity and capital resources**

Following completion of the offer, the Company will have, on a pro forma basis, cash of $36.4 million as at 30 June 2020 arising from the Offer. The Company expects that it will have sufficient cash to meet its short and medium term operational requirements and other business needs.

(c) **Contingent Liabilities – Licence Agreement**

The Company has the Licence Agreement with the City of Hope. The key financial terms of the Licence Agreement include a cash payment of US$10 million over three years and Shares in the Company. The Company has also incurred liabilities contingent on future events in respect of the Licence Agreement, which are summarised below:

Development Milestone Payments

Within 30 days after the occurrence of each milestone below, the Company is required to pay City of Hope the amount indicated below:

Milestones	Requirement	Payment to City of Hope
1	Dosing of fifth patient in the first Phase I Clinical Trial anywhere in the Territory	US$0.35m
2	Dosing of first patient in the first Phase II Clinical Trial anywhere in the Territory	US$0.75m
3	Dosing of first patient in the first Phase III Clinical Trial anywhere in the Territory	US$2m
4	Receipt of the first Orphan Drug Designation for each Licensed Product or Licensed Service	US$1m
5	Upon Marketing Approval in the United States	US$6m
6	Upon Marketing Approval in Europe	US$6m
7	Upon Marketing Approval in each of the first five jurisdictions other than the United States and Europe for each applicable Licensed Product or Licensed Service	US$1m

Sales Milestone Payments

Within 30 days after the occurrence of each sales milestone set forth below with respect to each Licensed Product or Licensed Service that achieves such Sales Milestone Event, the Company is required to pay City of Hope the amount indicated below:

Milestones	Sales Milestone Event	Payment to City of Hope
1	Upon Net Sales of Licensed Product or Licensed Service first totaling US$250 million in a License Year	US$18.75m
2	Upon Net Sales of Licensed Product or Licensed Service first totaling US$500 million in a License Year	US$35.5m

Royalties on net sales

The Company is obliged to pay City of Hope royalties on net sales based on industry standard single digit royalty rates.

(d) **Commitments – Licence Agreement**

Under the Licence Agreement, a non-refundable annual licence fee is payable to City of Hope of US$150,000. This is payable on or before July 31 of each License Year (excluding the first and second Licence Years ending 31 December 2020 and 31 December 2021, respectively).

5.7 Management discussion and analysis of the Pro Forma Historical Financial Information

This section 5.7 includes a discussion of key factors that affected the Chimeric operating and financial performance during the period of the Historical Financial Information.

The discussion in this section focuses on the Pro Forma Historical Financial Information. The discussion of these general factors is intended to provide a brief summary only and does not detail all factors that affected Chimeric's historical operating and financial performance, or everything that may affect the Chimeric's operation and financial performance in the future. The information in this section 5.7 should be read in conjunction with the risk factors set out in section 6 and other information contained in this Prospectus.

(a) Operating expenses

General and administrative expenses

General and administrative expenses fundamentally consist of expenses arising from employee agreements and costs that are going to be incurred as part of the IPO.

Selling and marketing expenses

Selling and marketing expenses have not represented a material component of Chimeric's total operating expenses.

(b) Operating cash flows

Given Chimeric is an early stage company, it has generated a net operating cash outflow since incorporation.

5.8 Critical Accounting Policies

Preparing financial statement in accordance with AAS requires management to make judgements, estimates and assumptions about the application of accounting policies that affect the reported revenues and expenses, carrying values of assets and liabilities and the disclosure of contingent liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Judgments the Company have made in the application of AAS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next financial year are disclosed, where applicable, in the relevant notes to the financial statements.

The key areas in which critical estimates and judgements are applied are described in the significant accounting policies outlined in Appendix A.

5.9 Dividend policy

It is anticipated that significant expenditure will be incurred in executing the Company's business plans. These activities are expected to dominate the period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends for the foreseeable future.

Any future determination as to the payment of dividends by the Company will; be at the discretion of the Directors and will depend on the availability of distributed earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

6 Risk factors

6.1 Factors influencing success and risk

Introduction

This section identifies the major risks the Board believes are associated with an investment in Chimeric.

The Chimeric business is subject to risk factors, both specific to its business activities, and risks of a general nature. Individually, or in combination, these might affect the future operating performance of Chimeric and the value of an investment in the Company. There can be no guarantee that Chimeric will achieve its stated objectives or that any forward looking statements will eventuate. An investment in the Company should be considered in light of relevant risks, both general and specific. Each of the risks set out below could, if it eventuates, have a material adverse impact on Chimeric's operating performance and profits, and the market price of the Shares.

Before deciding to invest in the Company, potential investors should:

(a) read the entire Prospectus;

(b) consider the risk factors that could affect the financial performance of Chimeric;

(c) review these factors in light of their personal circumstances; and

(d) seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

6.2 Specific investment risks

Dependence upon Licence Agreement

Access to the intellectual property rights to develop and commercialise CAR T cells in the field of oncology is predicated on the continuing operation of the Licence Agreement. Chimeric is reliant on City of Hope to have in place the relevant protection and rights to the technology as well as the authority to enter into the Licence Agreement. A failure of City of Hope or Chimeric to comply with the terms of the Licence Agreement without an appropriate countermeasure could have a material adverse effect on Chimeric's business, financial condition, operations or prospects. Chimeric is continually assessing the risk and opportunity associated with its business model and licenses to use and develop intellectual property. Further details of the Licence Agreement are set out in section 9.4.

Pipeline product in development and not approved for commercial sale

Chimeric's ability to achieve profitability is dependent on a number of factors, including its ability to complete successful clinical trials, obtain regulatory approval for the CAR T technology and successfully commercialise that product. There is no guarantee that Chimeric's product will be commercially successful. Chimeric does not currently generate revenue from product sales and any such revenue is not anticipated in the short to medium term. There are many reasons why initially promising products fail to be successfully commercialised. For example, clinical trials may be suspended for safety or efficacy reasons, following development it may prove difficult or impossible to manufacture the products on a large scale, or, during the period of development, competitors (including those with greater resources) may emerge with competing or alternative treatments.

Clinical trial risk

The Company may be unable to secure necessary approvals from regulatory agencies and institutional bodies (clinics and hospitals) to conduct future clinical trials. There is also no assurance that products developed using the Company's technology will prove to be safe and efficacious in clinical trials, or that the regulatory approval to manufacture and market its products will be received. Clinical trials might also potentially expose the Company to product liability claims in the event its products in development have unexpected effects on clinical subjects. Clinical trials undertaken by the Company have many associated risks which may impact the Company's profitability and future productions and commercial potential. They may prove unsuccessful or non efficacious, impracticable or costly. The clinical trials could be terminated which will likely have a significant adverse affect on the Company, the value of its securities and the future commercial development of its technology.

Regulatory and reimbursement approvals

The research, development, manufacture, marketing and sale of products using the Company's technology are subject to varying degrees of regulation by a number of government authorities in Australia and overseas. Products developed using the Company's technology must undergo a comprehensive and highly regulated development and review process before receiving approval for marketing. The process includes the provision of clinical data relating to the quality, safety and efficacy of the products for their proposed use. Products may also be submitted for reimbursement approval. The availability and timing of that reimbursement approval may have an impact upon the uptake and profitability of products in some jurisdictions. Furthermore, any of the products utilising the Company's technology may be shown to be unsafe, non-efficacious, difficult or impossible to manufacture on a large scale, uneconomical to market, compete with superior products marketed by third parties or not be as attractive as alternative treatments.

Commercialisation of products and potential market failure

The Company has not yet commercialised its technology and as yet has no revenues. The Company is also dependent on commercially attractive markets remaining available to it during the commercialisation phase and there is a risk that, once developed and ready for sale, commercial sales, to fund sufficient revenues for continued operations and growth, may not be achieved.

Dependence upon key personnel

Chimeric depends on the talent and experience of its personnel as its primary asset. There may be a negative impact on Chimeric if any of its key personnel leave. It may be difficult to replace them, or to do so in a timely manner or at comparable expense. Additionally, any key personnel of the Company who leave to work for a competitor may adversely impact the Company.

Arrangements with third-party collaborators

Chimeric may pursue collaborative arrangements with pharmaceutical and life science companies, academic institutions or other partners to complete the development and commercialisation of its products. These collaborators may be asked to assist with funding or performing clinical trials, manufacturing, regulatory approvals or product marketing. There is no assurance that the CAR T technology will attract and retain appropriate strategic partners or that any such collaborators will perform and meet commercialisation goals. If Chimeric is unable to find a partner, it would be required to develop and commercialise the CAR T technology at its own expense. This may place significant demands on the Company's internal resources and potentially delay the commercialisation of the technology.

Risk of delay and continuity of operations

Chimeric may experience delay in achieving a number of critical milestones, including securing commercial partners, completion of clinical trials, obtaining regulatory approvals, manufacturing, product launch and sales. Any material delays may impact adversely upon the Company, including the timing of any revenues under milestone or sales payments.

Competition

The biotechnology and pharmaceutical industries are intensely competitive and subject to rapid and significant technological change. A number of companies, both in Australia and abroad, may be pursuing the development of products that target the same markets that Chimeric is targeting. The Company's products may compete with existing alternative treatments that are already available to customers. In addition, a number of companies, both in Australia and abroad, may be pursuing the development of products that target the same conditions that the Company is targeting. Some of these companies may have, or develop, technologies superior to the Company's own technology. The Company may face competition from parties who have substantially greater resources than the Company.

Requirement to raise additional funds

Whilst the Directors believe that the funds raised through the Offer may be sufficient for the Company's short-term objectives, the Company is likely to require substantial additional financing in the future to sufficiently fund its operations, research and development. The Company's actual cash requirements may vary from those now planned and will depend upon many factors, including:

(a) the continued progress of its research and development programs;

(b) the timing, costs and results of clinical trials;

(c) the cost, timing and outcome of submissions for regulatory approval; and

(d) the status and timing of competitive developments.

Without revenue from commercialisation, the Company may be required to raise additional equity or debt capital in the future. There is no assurance that it will be able to raise that capital when it is required or, even if available, the terms may be unsatisfactory. If the Company is unsuccessful in obtaining funds when they are required, the Company may need to delay or scale down its operations.

Growth

There is a risk that the Company may be unable to manage its future growth successfully. The ability to hire and retain skilled personnel as outlined above may be a significant obstacle to growth.

Intellectual property

The Company's ability to leverage its innovation and expertise depends upon its ability to protect its intellectual property and any improvements to it. The intellectual property may not be capable of being legally protected, it may be the subject of unauthorised disclosure or be unlawfully infringed, or the Company may incur substantial costs in asserting or defending its intellectual property rights. This includes the Company's ability to obtain commercially valuable patent claims.

The Company's patent applications are still pending, and additional patent applications may need to be filed to provide more extensive intellectual property protection. Examination of patents may be expensive and time-consuming, with no guarantee that lodged patent applications will result in granted patents. It may also take longer than expected for patents to be granted and, even if successful, the claims of any patents that are granted may not provide meaningful protection.

Although the Company has itself conducted patent searches on publicly available databases, there are limitations on searching. Searches are dependent on the accuracy and effectiveness of the searching method used and the accuracy and scope of the records held. No search can ever be entirely inclusive or exhaustive because some forms of disclosure such as prior public use, oral disclosure, prior commercial exploitation or prior publication in non-patent literature cannot be searched systematically.

If patents are not granted to Chimeric, then the value of the Company's intellectual property rights may be significantly diminished. Further, any information contained in patent applications will become part of the public domain, and so will not be protected as confidential information.

6.3 General investment risks

Share market investments

Before the Offer there has been no public market for the Shares. It is important to recognise that, once the Shares are quoted on ASX, their price might rise or fall and they might trade at prices below or above the Offer Price. There can also be no assurance that an active trading market will develop for the Shares.

Factors affecting the price at which the Shares are traded on ASX could include domestic and international economic conditions. In addition, the prices of many listed entities' securities are affected by factors that might be unrelated to the operating performance of the relevant company. Those fluctuations might adversely affect the price of the Shares.

General economic conditions

Chimeric's operating and financial performance is influenced by a variety of general economic and business conditions including the level of inflation, interest rates and government fiscal, monetary and regulatory policies. Prolonged deterioration in general economic conditions, including an increase in interest rates, could be expected to have a corresponding adverse impact on the Company's operating and financial performance.

COVID-19

The outbreak of the coronavirus disease (**COVID-19**) has had a significant impact on the global economy and the ability of individuals, businesses and governments to operate. Travel, trade, business, working arrangements and consumption have been materially impacted by the outbreak. The nature and extent of the outbreak on Chimeric's performance remains unknown, including in relation to government, regulatory or health authority actions, work stoppages, lockdowns, quarantine and supply restrictions. The impact of some or all of these factors could cause an adverse impact to Chimeric's financial performance.

Accounting standards

Australian accounting standards are set by the AASB and are outside the Directors' and Chimeric's control. Changes to accounting standards issued by AASB could materially adversely affect the financial performance and position reported in Chimeric's financial statements.

Tax risks

Changes to the rate of taxes imposed on Chimeric (including in overseas jurisdictions in which Chimeric operates now or in the future) or tax legislation generally may affect Chimeric and its Shareholders. In addition, an interpretation of Australian tax laws by the Australian Taxation Office that differs to Chimeric's interpretation may lead to an increase in Chimeric's tax liabilities and a reduction in Shareholder returns.

Personal tax liabilities are the responsibility of each individual investor. Chimeric is not responsible either for tax or tax penalties incurred by investors.

Litigation

There is a risk that the Company may in future be the subject of or required to commence litigation. There is, however, no litigation, mediation, conciliation or administrative proceeding taking place, pending or threatened against the Company.

6.4 Cautionary statement

Statements contained in this Prospectus may be forward-looking statements.

Forward-looking statements can be identified by the use of forward-looking terminology such as, but not limited to, 'may', 'will', 'expect', 'anticipate', 'estimate', 'would be', 'believe', or 'continue' or the negative or other variations of comparable terminology. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. The Directors' expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis. They are based on, among other sources the examination of historical operating trends, data contained in the Company's records and other data available from third parties. There can be no assurance, however, that their expectations, beliefs or projections will give the results projected in the forward looking statements. Investors should not place undue reliance on these forward looking statements.

Additional factors that could cause actual results to differ materially from those indicated in the forward looking statements are discussed earlier in this section.

7 Investigating Accountant's Report

Grant Thornton
An instinct for growth™

The Board of Directors
Chimeric Therapeutics Limited
Unit 101, 50 McLachlan Avenue
Rushcutters Bay
NSW 2011

Grant Thornton Corporate Finance Pty Ltd
Level 22 Tower 5
Collins Square
727 Collins Street
Melbourne VIC 3008
GPO Box 4736
Melbourne VIC 3001
T +61 3 8320 2222

23 November 2020

Dear Directors,

INDEPENDENT LIMITED ASSURANCE REPORT AND FINANCIAL SERVICES GUIDE

Introduction

Grant Thornton Corporate Finance Pty Limited ("Grant Thornton Corporate Finance") has been engaged by Chimeric Therapeutics Limited ("the Company") to prepare this report for inclusion in the prospectus to be issued by the Company on or about 23 November 2020 (the "Prospectus"), in respect of the initial public offering of fully paid ordinary shares in the Company ("the Offer") and admission to the Australian Securities Exchange.

Grant Thornton Corporate Finance holds an appropriate Australian Financial Services Licence (AFS Licence Number 247140) under the Corporations Act 2001 for the issue of this report. This report is both an Independent Limited Assurance Report, the scope of which is set out below, and a Financial Services Guide, as attached at Appendix A.

Capitalised terms used in this report have the same meaning as defined in the glossary of the Prospectus.

Scope

Grant Thornton Corporate Finance has been engaged by the Directors to perform a limited assurance engagement in relation to the following financial information of the Company:

Statutory Historical Financial Information

- The historical statements of profit or loss and other comprehensive income for the period ended 30 June 2020 included in Section 5.3 of the Prospectus;
- The historical statements of cash flow for the period ended 30 June 2020 included in Section 5.5 of the Prospectus; and

- The historical statement of financial position as at 30 June 2020 included in Section 5.6 of the Prospectus.

(together the "Historical Financial Information").

As described in Section 5.2 of the Prospectus the stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies applied to the Historical Financial Information.

The Historical Financial Information has been prepared for inclusion in the Prospectus and has been derived from the audited financial statements of the Company for period ended 30 June 2020. The financial statements for the period ended 30 June 2020 was audited by Grant Thornton Audit Pty Ltd. The audit opinions issued to the Directors of the Company in respect of the period ended 30 June 2020 included a Material Uncertainty Regarding Going Concern following the identification of a net loss and total liabilities exceeding total assets at this date. An Emphasis of Matter paragraph was included in the audit opinion for the period ended 30 June 2020, following the items identified above.

The Historical Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to the general purpose financial reports prepared in accordance with the Corporations Act 2001 (Cth).

Pro forma Historical Financial Information

- The pro forma historical statement of financial position as at 30 June 2020 (referred to as the Pro forma Historical Financial Information).

The Pro forma Historical Financial Information has been derived from the Historical Financial Information, after adjusting for the effects of pro forma adjustments described in Section 5.6 of the Prospectus.

The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the Historical Financial Information and the events or transactions to which the pro forma adjustments relate, as if those events or transactions had occurred at the date of the actual Historical Financial Information. Due to its nature, the Pro forma Historical Financial Information does not represent the Company's actual or prospective financial position, financial performance of cash flows.

Directors' Responsibility

The Directors are responsible for:

- the preparation and presentation of the Historical Financial Information including the selection and determination of the pro forma adjustments made to the historical financial information and the basis of preparation of the Historical Financial Information; and
- the information contained within the Prospectus.

This responsibility includes for the operation of such internal controls as the Directors determine are necessary to enable the preparation of the Historical Financial Information that are free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Historical Financial Information and the Pro forma Historical Financial Information, based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Australian Standard on Assurance Engagements (ASAE) 3450: "*Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*".

A limited assurance engagement consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited

assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly we will not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

We have performed the following procedures as we, in our professional judgement, considered reasonable in the circumstances:

Pro Forma Historical Financial Information

- consideration of work papers, accounting records and other documents, including those dealing with the extraction of the Pro Forma Historical Financial Information from audited financial statements of the Company for the period ended 30 June 2020;
- consideration of the appropriateness of the Pro Forma adjustments described in Section 5.6 of the Prospectus;
- enquiry of the Directors, management and others in relation to the Pro Forma Historical Financial Information;
- analytical procedures applied to the Pro Forma Historical Financial Information;
- a review of work papers, accounting records and other documents of the Company and its auditors; and
- a review of the consistency of the application of the stated basis of preparation and adopted accounting policies as described in the Prospectus used in the preparation of the Pro Forma Historical Financial Information.

Our limited assurance engagement has not been carried out in accordance with auditing or other standards and practices generally accepted in any jurisdiction outside of Australia and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

We have assumed, and relied on representations from certain members of management of the Company, that all material information concerning the prospects and proposed operations of the Company has been disclosed to us and that the information provided to us for the purpose of our work is true, complete and accurate in all respects. We have no reason to believe that those representations are false.

Conclusions

Pro forma Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro forma Historical Financial Information, being the pro forma consolidated statement of financial position as at 30 June 2020, has not been presented fairly, in all material respects, in accordance with the stated basis of preparation and the pro forma adjustments as described in Section 5.6 of the Prospectus.

Restrictions on Use

Without modifying our conclusion, we draw attention to Section 5 of the Prospectus, which describes the purpose of the Financial Information, being for inclusion in the Prospectus. As a result, this Investigating Accountant's Report may not be suitable for use for another purpose.

Consent

Grant Thornton Corporate Finance consents to the inclusion of this Independent Limited Assurance Report in the Prospectus in the form and context in which it is include

Liability

The liability of Grant Thornton Corporate Finance is limited to the inclusion of this report in the Prospectus. Grant Thornton Corporate Finance makes no representation regarding, and has no liability for, any other statements or other material in, or omissions from the Prospectus.

Independence or Disclosure of Interest

Grant Thornton Corporate Finance does not have any pecuniary interests that could reasonably be regarded as being capable of affecting its ability to give an unbiased conclusion in this matter. Grant Thornton Corporate Finance will receive a professional fee for the preparation of this Independent Limited Assurance Report

Yours faithfully

GRANT THORNTON CORPORATE FINANCE PTY LTD

Peter Thornely

Partner

Appendix A (Financial Services Guide)

This Financial Services Guide is dated 23 November 2020.

1 About us

Grant Thornton Corporate Finance Pty Ltd (ABN 59 003 265 987, Australian Financial Services Licence no 247140) (Grant Thornton Corporate Finance) has been engaged by Chimeric Therapeutics Limited (the "Company") to provide a report in the form of an Independent Limited Assurance for inclusion in a Prospectus dated on or about 23 November 2020 ("the Prospectus") in respect of the initial public offering of fully paid ordinary shares in the Company ("the Offer") and admission to the Australian Securities Exchange. You have not engaged us directly but have been provided with a copy of the report as a retail client because of your connection to the matters set out in the report.

2 This Financial Services Guide

This Financial Services Guide (FSG) is designed to assist retail clients in their use of any general financial product advice contained in the report. This FSG contains information about Grant Thornton Corporate Finance generally, the financial services we are licensed to provide, the remuneration we may receive in connection with the preparation of the report, and how complaints against us will be dealt with.

3 Financial services we are licensed to provide

Our Australian financial services licence allows us to provide a broad range of services, including providing financial product advice in relation to various financial products such as securities and superannuation products and deal in a financial product by applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of securities and superannuation products.

4 General financial product advice

The report contains only general financial product advice. It was prepared without taking into account your personal objectives, financial situation or needs. You should consider your own objectives, financial situation and needs when assessing the suitability of the report to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in this assessment.

Grant Thornton Corporate Finance does not accept instructions from retail clients. Grant Thornton Corporate Finance provides no financial services directly to retail clients and receives no remuneration from retail clients for financial services. Grant Thornton Corporate Finance does not provide any personal financial product advice directly to retail investors nor does it provide market-related advice directly to retail investors.

5 Fees, commissions and other benefits we may receive

Grant Thornton Corporate Finance charges fees to produce reports, including the report. These fees are negotiated and agreed with the entity which engages Grant Thornton Corporate Finance to provide a report. Fees are charged on an hourly basis or as a fixed amount depending on the terms of the agreement with the person who engages us. In the preparation of this report, Grant Thornton Corporate Finance will receive from the Company a fee of $37,500 plus GST, which is based on commercial rates plus reimbursement of out-of-pocket expenses.

Partners, Directors, employees or associates of Grant Thornton Corporate Finance, or its related bodies corporate, may receive dividends, salary or wages from Grant Thornton Australia Ltd. None of those persons or entities receive non-monetary benefits in respect of, or that is attributable to, the provision of the services described in this FSG.

6 Referrals

Grant Thornton Corporate Finance - including its Partners, Directors, employees, associates and related bodies corporate - does not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licenced to provide.

7 Associations with issuers of financial products

Grant Thornton Corporate Finance and its Partners, Directors, employees or associates and related bodies corporate may from time to time have associations or relationships with the issuers of financial products. For example, Grant Thornton Australia Ltd may be the auditor of, or provide financial services

to the issuer of a financial product and Grant Thornton Corporate Finance may provide financial services to the issuer of a financial product in the ordinary course of its business.

In the context of the report, Grant Thornton Corporate Finance considers that there are no such associations or relationships which influence in any way the services described in this FSG.

8 Independence

Grant Thornton Corporate Finance is required to be independent of the Company in order to provide this report. The following information in relation to the independence of Grant Thornton Corporate Finance is stated below.

"Grant Thornton Corporate Finance and its related entities do not have at the date of this report, and have not had within the previous two years, any shareholding in or other relationship with the Company (and associated entities) that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the initial public offering.

Grant Thornton Corporate Finance has no involvement with, or interest in the outcome of the initial public offering, other than the preparation of this report.

Grant Thornton Corporate Finance will receive a fee based on commercial rates for the preparation of this report. This fee is not contingent on the outcome of the initial public offering.

Grant Thornton Corporate Finance's out of pocket expenses in relation to the preparation of the report will be reimbursed. Grant Thornton Corporate Finance will receive no other benefit for the preparation of this report.

9 Complaints

Grant Thornton Corporate Finance has an internal complaint handling mechanism and is a member of the Australian Financial Complaints Authority (AFCA) (membership no. 11800). All complaints must be in writing and addressed to the Head of Corporate Finance at Grant Thornton Corporate Finance. We will endeavour to resolve all complaints within 30 days of receiving the complaint. If the complaint has not been satisfactorily dealt with, the complaint can be referred to AFCA who can be contacted at:

Australian Financial Complaints Authority
GPO Box 3
Melbourne, VIC 3001
Telephone: 1800 367 287
Email: info@afca.org.au

Grant Thornton Corporate Finance is only responsible for the report and FSG. Grant Thornton Corporate Finance will not respond in any way that might involve any provision of financial product advice to any retail investor.

10 Compensation arrangements

Grant Thornton Corporate Finance has professional indemnity insurance cover under its professional indemnity insurance policy. This policy meets the compensation arrangement requirements of section 912B of the Corporations Act, 2001.

11 Contact Details

Grant Thornton Corporate Finance can be contacted by sending a letter to the following address:

Head of Corporate Finance

Grant Thornton Corporate Finance Pty Ltd
Level 17, 383 Kent Street
Sydney, NSW, 2000

8 Intellectual property report

DAVIES COLLISON CAVE
INTELLECTUAL PROPERTY

Davies Collison Cave Pty Ltd

Patent and Trade Mark Attorneys Australia and New Zealand

1 Nicholson Street
Melbourne Victoria 3000
Australia

GPO Box 4387
Melbourne Victoria 3001
Australia

T +61 3 9254 2777
F +61 3 9254 2770
E mail@davies.com.au
W www.davies.com.au
ABN 13 613 954 368

Via Email Only
paulhopper@lifescienceportfolio.com

20 November 2020

Paul Hopper
Chimeric Therapeutics Pty Ltd
101/50 McLachlan Avenue
Rushcutters Bay NSW 2011

DCC Ref: 35544464/AXT/AMT

Re: IP Report on PCT/US2016/056901

Dear Paul,

Please find ***attached*** an Intellectual Property ("**IP**") Report on the family of patent applications derived from international patent application PCT/US2016/056901 in the name of City of Hope.

This report has been prepared by Davies Collision Cave Pty Ltd ("**DCC**") for inclusion in a prospectus to be issued by Chimeric Therapeutics Pty Ltd (Chimeric Therapeutics), and DCC provides permission for the report to be incorporated into the prospectus.

Yours sincerely,
DAVIES COLLISON CAVE PTY LTD

Alex Tzanidis
Principal
ATzanidis@davies.com.au

IP Report on PCT/US2016/056901 and patent applications derived therefrom

About Davies Collison Cave

DCC is one of Australia's leading intellectual property firms. It specialises in providing advice relating to protecting and enforcing intellectual property rights. DCC has over 250 professionals and staff working for the firm and can trace its history back more than 140 years, making it one of Australia's longest established IP firms.

The services provided by DCC cover aspects of IP including patents, registered designs, trade marks, copyright and plant breeders' rights, and is provided by attorneys possessing a diverse range of technical skills in areas including chemistry and materials, clean energy, engineering, physics and electronics, information technology, life sciences, pharmaceuticals, medical devices, nanotechnology and plant innovation.

Intellectual Property Overview

Intellectual property is a collective term used to refer to a number of different rights including patents, registered designs, trade marks, copyright and trade secrets.

Patents

A patent is a legally enforceable and exclusive right to commercially exploit an invention for a defined period of time in a particular territory.

In Australia, where the invention is a product, exploitation includes making, hiring, selling or otherwise disposing of the product, or offering to make, sell, hire or otherwise dispose of the product, using or importing the product, or keeping the product for the purpose of doing any of those things. For a method or process, exploitation includes using the method or process or exploiting a product resulting from performing the method or process. Other countries have their own laws regarding the rights afforded by a granted patent, and advice should be sought on a country by country basis if further information is required.

A patent is granted for inventions that meet defined criteria. The laws of different countries generally have different criteria, and hence make their own assessment as to the patentability of an invention. In general, the requirements include that the claimed invention is novel, involves an inventive step and meets subject matter eligibility requirements.

Patent Application Process

In order to obtain patent protection, it is ultimately necessary for an application to be filed with a Patent Office in each country where protection is to be sought. However, international conventions exist that enable a patent application to be initially filed in a single country, with subsequent applications being filed individually in each country within a defined time limit.

For example, the Paris Convention provides a mechanism that allows patent applications to be filed to cover additional countries within 12 months of the date of lodging a first patent application in Australia. Thus, one or more provisional patent applications can be filed in Australia, and then subsequent applications can be filed covering other countries within 12 months of the earliest provisional patent application, using a process known as claiming priority.

The subsequent applications can be separate applications in each country of interest. Alternatively, a single International Patent Cooperation Treaty ("**PCT**") application can be filed covering a number of contracting states. The PCT application does not ultimately get

granted as a patent, but rather allows the filing of national patent applications in individual countries to be deferred up to a set date, typically 30 months from the filing date of the first patent application, such as the first provisional patent application.

Once filed, the PCT application undergoes an assessment process, in which a designated patent office performs a search and issues an International Search Report and associated International Search Opinion, providing a preliminary view on whether the patent application meets novelty, inventive step and industrial applicability requirements. Responses to the International Search Opinion can be optionally filed during a subsequent examination process, before an International Preliminary Report on Patentability issues, providing an opinion of patentability.

It should be noted however that the outcome of this process is not binding and subsequent assessment is typically performed by patent offices in each country, after individual national patent applications have been filed. In this regard, each country will typically perform an independent search, and then assess whether the patent application meets the patentability requirements, additionally taking into account their own local law.

Whilst most countries require a local patent application to be filed, in some cases regional patent applications can be filed covering a group of individual countries. For example, a European patent application can be filed, which can allow subsequent patents to be granted in over 35 countries.

Assuming any objections are overcome, a patent can then be granted on the application allowing this to be subsequently enforced to prevent third parties exploiting the invention.

Patent applications derived from PCT/US2016/056901 "Chimeric antigen receptors containing a chlorotoxin domain"

Details of the patent applications derived from PCT/US2016/056901 are provided in the Patent Schedule below.

PCT/US2016/056901 was filed on 13 October 2016 in the name of *City of Hope* and was subsequently published on 20 April 2017 as WO 2017/066481.

PCT/US2016/056901 claims priority from US patent application no. 62/241,021, filed 13 October 2015.

The abstract of PCT/US2016/056901 states the applications relate to chimeric transmembrane immunoreceptors (CAR) which include an extracellular domain that includes chlorotoxin or a related toxin, or a variant of chlorotoxin or a related toxin, that binds to human glioma or other human tumor cells, a transmembrane region, a costimulatory domain and an intracellular signaling domain are described

As set out in the Patent Schedule below, we have identified eight patent applications derived from PCT/US2016/056901, which are currently pending in the United States, Europe, Japan, China, Israel, India, Republic of Korea and Canada.

PATENT SCHEDULE
(as at 20 November 2020)

CT/US2016/056901 – "Chimeric antigen receptors containing a chlorotoxin domain"

Country	Application No.	Patent No.	Priority Date	Filing Date	Status
United States of America	15/767,960		13-Oct-2015	13-Oct-2016	Pending
Europe	2016791158		13-Oct-2015	13-Oct-2016	Pending
Japan	2018519030		13-Oct-2015	13-Oct-2016	Pending
China	201680072823		13-Oct-2015	13-Oct-2016	Pending
Israel	258670		13-Oct-2015	13-Oct-2016	Pending
India	201817017511		13-Oct-2015	13-Oct-2016	Pending
Republic of Korea	20187013153		13-Oct-2015	13-Oct-2016	Pending
Canada	3001833		13-Oct-2015	13-Oct-2016	Pending

20 November 2020

Limitations

Patent Office Information
The information has been prepared based on information supplied by Patent Offices in relevant jurisdictions, either through official communications or through publication on official databases. We cannot take responsibility for missing or erroneous data that is provided by the Patent Offices and as such DCC is not responsible for the accuracy of the information provided.

Scope of Patents
DCC can provide no assurance that any of the patent applications listed in the Schedule will result in the grant of a patent, or that the scope of protection provided by any patent that is granted will be identical to the scope of the claims in an application as originally filed.

Validity of Patents
It is important to understand that granting of a patent is not a guarantee of validity and patents can be held subsequently unenforceable, for example during court proceedings or third party oppositions in some jurisdictions. DCC can provide no assurance as to the validity of the patent applications or any patent granted based thereon.

Commercial Activities
DCC can provide no assurance that any patents or patents granted on the patent applications listed in the Schedule, even if valid, will cover the commercial activities of Chimeric Therapeutics, or that exploitation of the inventions described and claimed in the patent applications listed in the Schedule, or any patents granted thereon, will not infringe any rights held by third parties.

It is important to understand that granting of a patent provides a monopoly right to prevent exploitation of the invention by third parties, but provides no guarantee that the invention can be commercialised without infringing other third party rights. DCC can therefore provide no assurances as to freedom to operate in respect to any commercial activities.

Patent Searches
Searches may be conducted in respect of patents or patent applications to ascertain their validity or to identify other third party patent rights. No search can provide completely comprehensive results and it is not possible to guarantee the accuracy of any such results, conducted by any parties, due to a range of limitations. DCC cannot therefore provide assurances as to the accuracy of any searches that may have been performed.

9 Material agreements

9.1 Key documents

The Board considers that certain agreements relating to Chimeric are significant to the Offer, the operations of Chimeric or may be relevant to investors. A description of material agreements or arrangements, together with a summary of the more important details of each of these agreements is set out below.

9.2 Constitution

Below is a summary of the key provisions of Chimeric's constitution (**Constitution**). This summary is not exhaustive, nor does it constitute a definitive statement of a Shareholder's rights and obligations.

Shares

The Directors are entitled to issue and cancel Shares in the capital of Chimeric, grant options over unissued shares and settle the manner in which fractions of a Share are to be dealt with. The Directors may decide the persons to whom, and the terms on which, Shares are issued or options are granted as well as the rights and restrictions that attach to those Shares or options.

The Constitution also permits the issue of preference shares on terms determined by the Directors.

Chimeric may also sell a Share that is part of an unmarketable parcel of shares under the procedure set out in the Constitution.

Variation of class rights

The rights attached to any class of Shares may, unless their terms of issue state otherwise, only be varied with the consent in writing of members holding at least three-quarters of the Shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of Shares of that class.

Restricted securities

If the ASX classifies any of Chimeric's share capital as restricted securities, then the restricted securities must not be disposed of during the escrow period and Chimeric must refuse to acknowledge a disposal of the restricted securities during the escrow period, except as permitted under the Listing Rules or by the ASX.

Share certificates

Subject to the requirements of the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules, Chimeric need not issue share certificates if the Directors so decide.

Calls

The Directors may, from time to time, call upon Shareholders for unpaid monies on their shares. The Directors must give Shareholders notice of a call at least 30 business days before the amount called is due, specifying the time and place of payment. If a call is made, Shareholders are liable to pay the amount of each call by the time and at the place specified.

A call is taken to have been made when a Directors' resolution passing the call is made or on any later date fixed by the Board. A call may be revoked or postponed at the discretion of the Directors.

Forfeiture and lien

Chimeric may forfeit Shares to cover any call, or other amount payable in respect of Shares, which remains unpaid following any notice to that effect sent to a Shareholder. Forfeited Shares become the property of Chimeric and the Directors may sell, reissue or otherwise dispose of the Shares as they think fit.

A person whose Shares have been forfeited may still be required to pay Chimeric all calls and other amounts owing in respect of the forfeited Shares (including interest) if the Directors so determine.

Chimeric has a first and paramount lien for unpaid calls, instalments and related interest and any amount it is legally required to pay in relation to a Shareholder's Shares. The lien extends to all distributions relating to the Shares, including dividends.

Chimeric's lien over Shares will be released if it registers a transfer of the Shares without giving the transferee notice of its claim.

Share transfers

Shares may be transferred by any method permitted by the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules or by a written transfer in any usual form or in any other form approved by the Directors. The Directors may refuse to register a transfer of Shares where it is not in registrable form, Chimeric has a lien over any of the Shares to be transferred or where it is permitted to do so by the Listing Rules or the ASX Settlement Operating Rules.

General meetings

Each Shareholder, Director and auditor is entitled to receive notice of and attend any general meeting of Chimeric. Two Shareholders must be present to constitute a quorum for a general meeting and no business may be transacted at any meeting except the election of a chair and the adjournment of the meeting, unless a quorum is present when the meeting proceeds to business.

Voting rights

Subject to any rights or restrictions attached to any Shares or class of shares, on a show of hands each Shareholder present has one vote and, on a poll, one vote for each fully paid Share held, and for each partly paid Share, a fraction of a vote equivalent to the proportion to which the Share has been paid up. Voting may be in person or by proxy, attorney or representative.

Remuneration of Directors

Each Director is entitled to remuneration from Chimeric for his or her services as decided by the Directors but the total amount provided to all Directors for their services as Directors must not exceed in aggregate in any financial year the amount fixed by Chimeric in general meeting. The remuneration of a Director (who is not the managing Director or an executive Director) must not include a commission on, or a percentage of, profits or operating revenue.

Remuneration may be provided in the manner that the Directors decide, including by way of non-cash benefits. There is also provision for Directors to be paid extra remuneration (as determined by the Directors) if they devote special attention to the business of Chimeric or otherwise perform

services which are regarded as being outside of their ordinary duties as Directors or, at the request of the Directors, engage in any journey on Chimeric's business.

Directors are also entitled to be paid all travelling and other expenses they incur in attending to Chimeric's affairs, including attending and returning from general meetings or Board meetings, or meetings of any committee engaged in Chimeric's business.

Interests of Directors

A Director who has a material personal interest in a matter that is being considered by the Board must not be present at a meeting while the matter is being considered nor vote on the matter, unless the Corporations Act allows otherwise.

Election and retirement of Directors

There must be a minimum of three Directors and a maximum of 12 Directors unless Chimeric in general meeting resolves otherwise.

Where required by the Corporations Act or Listing Rules, Chimeric must hold an election of directors each year. No Director, other than the managing director, may hold office without re-election beyond the third annual general meeting following the meeting at which the Director was last elected or re-elected. A Director appointed to fill a casual vacancy, who is not a managing Director, holds office until the conclusion of the next annual general meeting following his or her appointment. If there would otherwise not be a vacancy, and no Director is required to retire, then the director who has been longest in office since last being elected must retire.

If a number of Directors were elected on the same day, the Directors to retire is (in default of agreement between them) determined by ballot.

Dividends

If the Directors determine that a final or interim dividend is payable, it is (subject to the terms of issue on any Shares or class of Shares) paid on all Shares proportionate to the amount for the time being paid on each Share. Dividends may be paid by cash, electronic transfer or any other method as the Board determines.

The Directors have the power to capitalise and distribute the whole or part of the amount from time to time standing to the credit of any reserve account or otherwise available for distribution to Shareholders. The capitalisation and distribution must be in the same proportions which the Shareholders would be entitled to receive if distributed by way of a dividend.

Subject to the Listing Rules, the Directors may pay a dividend out of any fund or reserve or out of profits derived from any source.

Proportional takeover bids

Chimeric may prohibit registration of transfers purporting to accept an offer made under a proportionate takeover bid unless a resolution of Chimeric has been passed approving the proportional takeover bid under the provisions of the Constitution.

The rules in the Constitution relating to proportional takeover bids cease on the third anniversary of the adoption of the Constitution, or the renewal of the rules, unless renewed by a special resolution of Shareholders.

Indemnities and insurance

Chimeric must indemnify current and past Directors and other executive officers (**Officers**) of Chimeric on a full indemnity basis and to the fullest extent permitted by law against all liabilities incurred by the Officer as a result of their holding office in Chimeric or a related body corporate.

Chimeric may also, to the extent permitted by law, purchase and maintain insurance, or pay or agree to pay a premium for insurance, for each Officer against any liability incurred by the Officer as a result of their holding office in Chimeric or a related body corporate.

9.3 JLM management agreement

The following is a summary of the key provisions of the offer management agreement entered into between the Company and the Joint Lead Managers on 23 November 2020 (**Offer Management Agreement**).

In accordance with the terms of the Offer Manager Agreement, the Joint Lead Managers have agreed to manage the Offer.

Chimeric must pay the Joint Lead Managers the following fees:

(a) in respect of Offer proceeds of up to $10 million received from New Shares issued to certain identified investors, 4% of those Offer proceeds;

(b) in respect of all other Offer proceeds, 6% of those Offer proceeds; and

(c) 4,985,897 options (equal to 1.5% of the Company's total issued capital on a fully diluted basis on Completion) exercisable immediately with an exercise price of $0.30 per option (being 1.5 times the Offer Price) and an expiry date that is three years from Completion.

In addition to the fees described above, Chimeric has agreed to pay the Joint Lead Managers for reasonable out of pocket expenses (including legal fees) in relation to the Offer.

As is normal for agreements of this nature, the Joint Lead Managers may terminate its obligations under the Offer Management Agreement if certain events occur before the New Shares are issued (**Unqualified Termination Events**). In respect of the occurrence of certain other events, the Joint Lead Managers' ability to terminate is limited to circumstances in which the Joint Lead Managers are of the opinion that the event has had or could be expected to have a material adverse effect on certain factors including (but not limited to) the financial condition of Chimeric, the ability of the Joint Lead Managers to market or promote the Offer or the price or likely price at which the Shares are likely to trade on ASX (**Qualified Termination Events**).

The Unqualified Termination Events include (but are not limited to):

(a) (**disclosures**) the Prospectus does not comply with the Corporations Act (including if a statement in the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive, or a matter required to be included is omitted from the Prospectus;

(b) (**Index fall**) at any time the S&P/ASX 300 Index falls to a level that is 90% or less of the level as at the close of trading on the day immediately prior to the date of this agreement and is at or below that level at the close of trading: i) for two consecutive business days during any time after the date of this agreement and prior to the settlement of the Offer; or ii) on the business day immediately prior to the settlement of the Offer;

(c) (**insolvency**) Chimeric or any of its subsidiaries become insolvent or there is an act or omission which is likely to result in the Company or any of tis subsidiaries becoming insolvent;

(d) (**timetable**) any event specified in the timetable to occur prior to or including the commencement of normal trading is delayed by more than 2 business days without the prior written approval of the Joint Lead Managers (such consent not to be unreasonably withheld or delayed);

(e) (**unable to issue New Shares**) the Company is prevented from allotting and issuing the New Shares within the time required by the timetable, by applicable laws, an order of a court of a competent jurisdiction or a government agency; and

(f) (**listing approvals and quotation**) unconditional approval (or conditional approval subject only to customary pre-quotation listing conditions or other conditions acceptable to the Company and the Joint Lead Managers, acting reasonably) is refused or not granted for the Company's admission to the official list of ASX or the official quotation of all of the New Shares on ASX.

The Qualified Termination Events include (but are not limited to):

(a) (**new circumstances**) there occurs a new circumstance that has arisen since the Prospectus was lodged that would have been required to be included in the Prospectus if it had arisen before the Prospectus was lodged in relation to the Company or any of its related bodies;

(b) (**adverse change**) any adverse change occurs in the assets, liabilities, financial position or performance, profits, losses, prospects or forecasts of the Company or any of its related bodies (insofar as the position in relation to an entity in the group affects the overall position of the Company), including from those respectively disclosed in the Prospectus and any other offer documents;

(c) (**hostilities**) hostilities not presently existing commence (whether war has been declared or not) or an escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, New Zealand, Singapore, Hong Kong, the United States of America, any member state of the European Union, the United Kingdom, Japan or the People's Republic of China or a major act of terrorism is perpetrated in any of those places;

(d) (**legal proceedings**) any of the following occurs: i) The commencement of legal proceedings against the Company, any of its subsidiaries or against any director of the Company or any of its subsidiaries in that capacity; or ii) Any regulatory body commences any enquiry or public action against the Company or any of its subsidiaries.

(e) (**disruption in financial markets**) any of the following occurs:

(i) a general moratorium on commercial banking activities in Australia, Singapore, Hong Kong, the United Kingdom, New Zealand or the United States is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; or

(ii) any disruption to the financial markets, political or economic conditions or currency exchange rates or controls of Australia, New Zealand, Singapore, Hong Kong, the United Kingdom or the United States or the international financial markets; or

(iii) trading in all securities quoted or listed on ASX, the London Stock Exchange or the New York Stock Exchange is suspended or limited in a material respect for one day (or a substantial part of one day) on which that exchange is open for trading; and

(f) (**change in law**) there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State of Australia, a new law, or the Reserve Bank of Australia or any Commonwealth or State authority or ASIC, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of this agreement).

The Offer Management Agreement contains various representations and warranties made by Chimeric and the Joint Lead Managers, which are customary in such an agreement. Chimeric also provides certain undertakings under the Offer Management Agreement regarding the conduct of Chimeric prior to, and for limited periods of time following, the New Shares being issued.

Chimeric agrees to indemnify the Joint Lead Managers, each of their related bodies corporate and affiliates and each of their officers, directors, employees, representatives, agents and advisers against all losses, liabilities, claims, damages, costs, charges and expenses whatsoever (including reasonable legal costs on a full indemnity basis) incurred or suffered directly or indirectly arising out of or in connection with the Offer or the Offer Management Agreement, other than losses caused directly by the gross negligence, wilful default, recklessness or fraud of any indemnified party or the Joint Lead Managers, except to the extent that the breach is caused or contributed to by Chimeric, its related bodies corporate or their directors, officers, advisers, agents or employees.

9.4 Licence Agreement

Chimeric has entered into a licence agreement for the CLTX-CAR T technology with City of Hope (**Licence Agreement**). Under the terms of the Licence Agreement with City of Hope, Chimeric holds the exclusive, worldwide, sub-licensable right to develop and commercialize CLTX-CAR T cells in the field of human therapeutics relating to, 'The Chimeric Antigen Receptors containing a Chlorotoxin Domain', International Application Number PCT/US2016/056901 (**Licensed Patent Rights**) and a non-exclusive licence to certain related know-how (**Licensed Know-How**).

The material terms of the Licence Agreement are as follows:

(a) **Term**: The Licence Agreement commenced on 24 July 2020 (**Effective Date**) and expires on a country-by-country basis, effectively after the later of the expiration of the applicable Licensed Patent Rights or 15 years after commercialisation of the relevant product in each country (**Licensed Product**) or service (**Licensed Service**) using such Licensed Patent Rights and/or the Licensed Know-how (**Licence Expiration**). On the Licence Expiration, the licence will automatically become fully paid up and Chimeric can exploit the Licensed Products and Licensed Services without any liability or accounting to City of Hope.

(b) **Development, manufacture and commercialisation**: Chimeric has sole right, responsibility and control over development (including clinical development), manufacturing and commercialisation activities with respect to Licensed Products or Licensed Services and will use commercially reasonable efforts to maximise net sales which Chimeric considers to be consistent with industry practice. Chimeric is required to achieve a number of milestones (**Diligence Milestones**) over the ten year period from the Effective Date under the Licence Agreement relating to development and commercialisation of the Licensed Products and Licensed Services.

(c) **Payments**:

(i) A one-off payment of US$10,000,000 is due to be paid in six instalments over 30 months from the Effective Date.

(ii) Chimeric is required to pay City of Hope:

(A) royalties on net sales of products, in respect of which minimum royalties are applicable;

(B) an annual licence maintenance fee payable after 31 December 2021 (applied as a credit against any royalty payments due to City of Hope post-commercialisation);

(C) payments on the achievement of certain development milestones being the dosing of the fifth patient in the Phase I Clinical Trial, dosing of the first patient in each of the Phase 2 and Phase 3 Clinical Trials, as well as on receipt of Orphan Drug Designation, upon marketing approvals in the United States and Europe and in each of the first five jurisdictions other than the United States and Europe. These are described in further detail in section 5.6(c); and

(D) payments on the achievement of certain sales milestones. . These are described in further detail in section 5.6(c).

(iii) City of Hope is also entitled to certain additional fees on the occurrence of certain events:

(A) upon a change of control (such as this offering), Chimeric must pay a one-off flat fee of US$3,000,000; and

(B) City of Hope is entitled to a proportion of all sub-licence revenues, depending on the stage of a relevant clinical trial the sub-licence is granted.

(iv) Chimeric has also agreed to issue Shares to City of Hope in an amount equal to 5% of the Company's fully diluted issued share capital, including on an issuance of a capital raising up to an amount of $25,000,000. No further Shares shall be issuable to City of Hope under the Licence Agreement following Completion of the Offer.

(d) **Intellectual property**:

(i) City of Hope maintains ownership of the patent rights and any subsequent patent applications and retains a royalty-free right to use the patent rights (including collaborating with third parties) for research and educational purposes.

(ii) City of Hope has the sole right to control the filing, prosecution and maintenance of the Licensed Patent Rights and is required to keep Chimeric informed and provide copies of relevant documentation. Chimeric will reimburse City of Hope for costs of such filing, prosecution and maintenance including historical patent costs.

(iii) City of Hope will not unreasonably refuse to amend any patent application in relation to the Licensed Patent Rights to include claims reasonably requested by Chimeric. If Chimeric informs City of Hope of other countries or jurisdictions it wishes to obtain patent protection, then City of Hope will prepare, file, prosecute and maintain patent applications in such countries.

(iv) Chimeric may, after consulting with City of Hope and providing written notice of infringement to the alleged infringer, take action against any alleged infringer or in defence of a claim in respect of the Licensed Patent Rights at its sole discretion and expense.

(v) Should Chimeric surrender its development, manufacture and commercialisation rights with respect to the patent rights in any jurisdiction, City of Hope may grant a third party rights to commercialise that jurisdiction's patent rights on any terms.

(e) **Termination**: The Licence Agreement may be terminated by:

(i) either party for a material breach of the Licence Agreement if that breach has not been cured within 45 days of written notice;

(ii) City of Hope if Chimeric seeks protection of any bankruptcy or insolvency proceedings without City of Hope's prior consent, or bankruptcy or insolvency proceedings are commenced against Chimeric and not withdrawn, removed or vacated within 120 days of commencement;

(iii) City of Hope if Chimeric fails to achieve any Diligence Milestone within the relevant time frame and Chimeric does not remedy such failure within 45 days of notice from City of Hope regarding the failure to achieve the relevant milestone deadline; and

(iv) Chimeric for convenience prior to the Licence Expiration by giving 90 days' written notice.

The Licence Agreement otherwise contains terms and conditions (including representations, warranties and indemnifications in relation to Chimeric's commercialisation of the Licensed Product and Licensed Services, compliance with regulatory approvals and confidentiality provisions) considered standard for an agreement of this nature.

9.5 Sponsored Research Agreement

The Company has entered into a research agreement with the Beckman Research Institute of the City of Hope (**Beckman Institute**). The Company and the Beckman Institute (collectively, the **Parties**) have agreed to further develop cancer therapy technology, CLTX-CAR T, for use in different cancer treatments under the terms of the sponsored research agreement dated 24 July 2020 (**Sponsored Research Agreement**).

To further current CLTX-CAR T technology, research undertaken under the Sponsored Research Agreement will include:

(a) defining the scope of tumours potentially amenable to CLTX-CAR T cell therapy;

(b) investigating the pairing of CLTX-CAR T cell therapy with other Glioblastoma therapeutic strategies;

(c) exploring the enhancement of the activity of the present CLTX-CAR construct;

(d) developing dual-targeting CARs incorporating CLTX;

(e) investigating other potential broadly-acting CAR targeting strategies for solid tumours; and

(f) exploring other research areas, such as generating different immune cell products or assessing the ability to generate allogeneic CLTX-CAR T products,

(together the **Research**).

Dr Christine Brown and/or Dr Michael Barish (**Investigators**) will manage the Research being conducted under the Sponsored Research Agreement. Both Parties will each provide suitably qualified personnel however, Beckman Institute may appoint other individuals to become

Investigators, with the approval of the Company. Beckman Institute is solely responsible for providing all equipment and facilities required to conduct the Research.

The material terms of the Sponsored Research Agreement are as follows:

(a) **Term**: the Sponsored Research Agreement commenced on 24 July 2020 (**Effective Date**) and expires on the third anniversary of the Effective Date (**Initial Term**), unless the parties agree by mutual consent for a further two-year period (**Renewal Term**).

(b) **Resources**: each party will take reasonable steps to ensure that suitably qualified personnel for the Research are made available and will be responsible for all compensation, fringe benefits, expense reimbursements, withholding of governmental taxes and charges with respect to its personnel. Each party will have the right to terminate any of its personnel involved in the Research at their discretion.

(c) **Payments**: the Company is required to pay Beckman Institute a contribution fee for the research (**Contribution**) totalling US$2,000,000 per year (paid in quarterly instalments of US$500,000) over the course of the Initial Term. If the Parties agree to renew the Sponsored Research Agreement, the Company will continue to pay US$2,000,000 per year (paid in quarterly instalments of US$500,000) over the course of the Renewal Term. If Beckman Institute determines that the Contribution is no longer sufficient for the Research, the Parties will determine, by mutual agreement, if the Contribution should be amended to provide for such excess amounts. The Contribution is to be reviewed every 90 days during the Initial Term and the Renewal Term, if applicable.

(d) **Intellectual Property:**

(i) all reports, findings, data and supporting documentation prepared or generated by Beckman Institute, will remain the property of Beckman Institute;

(ii) ownership of any patentable inventions or discoveries conceived in the course of the Research (**Subject Inventions**) will be determined in accordance with US patent law. Where Beckman Institute employees solely conceive a Subject Invention, that Subject Invention will be owned by Beckman Institute (**Beckman Institute Inventions**) and where a Subject Invention is conceived solely by employees of the Company, that Subject Invention will be owned by the Company. Subject Inventions conceived jointly by Beckman Institute and employees of the Company will be owned jointly (Joint-Owned Inventions);

(iii) the Company has 90 days from receipt of an invention disclosure report to notify Beckman Institute in writing (**Election Notice**) that it has an interest in acquiring a non-exclusive or (with Beckman Institute's agreement) an exclusive licence to a Beckman Institute Invention or a Joint-Owned Invention. If the Company does not provide an Election Notice within this period, then both parties will be free to exploit their respective interests in the relevant Subject Invention without any obligation to compensate the other party. If the Company does provide an Election Notice, then the parties have a further 90 days to negotiate the grant of a licence of the relevant Subject Invention. If at the end of the further 90 day period the parties have not entered into such licence, both parties will be free to exploit their respective interests in the Subject Invention.

(iv) Results of the Research may be published or otherwise made public, provided the party proposing a public disclosure (**Disclosing Party**) provides a copy of the proposed material to the other party (**Reviewing Party**) at least 30 days prior to submission for publication in order to allow the Reviewing Party an opportunity to protect its confidential information or an invention. If the Reviewing Party

determines that its confidential information or invention would likely be disclosed by the public disclosure, it must advise the Disclosing Party within 30 days, who must delete all references to the confidential information and delay the proposed publication for an additional 45 days to allow the Reviewing Party the opportunity to prepare and file patent applications. Once the process of protecting the confidential information or invention has been followed, Beckman Institute reserves the right to publicly disclose the results of the Research. Authorship will be determined in accordance with academic standards and custom.

(e) **Dispute Resolution**: The dispute resolution process is as follows:

(i) Parties must refer a Dispute to their respective representatives;

(ii) if not resolved by the executives, a dispute notice is lodged and must be responded to within 10 days;

(iii) if not resolved after the dispute notice has been provided, parties must engage in good faith negotiations to resolve the dispute within 15 days (**Resolution Period**);

(iv) if not resolved within the Resolution Period, either party may proceed to take further legal action in state and federal courts of Los Angeles County, California.

(f) **Termination**: The Sponsored Research Agreement may be terminated by:

(i) either party if the other party commits a material breach of the Sponsored Research Agreement, if the breach has not been remedied within 30 days of receiving a notice of breach (Material breach);

(ii) either party if one is unable to pays its debts as and when they fall due, suspends payments of its debts, enters into any insolvency or bankruptcy proceedings, makes an assignment for its creditors or seeks relief under similar laws (Insolvency);

(iii) Beckman Institute may terminate if performance of the Sponsored Research Agreement by either party:

(A) will jeopardise any of Beckman Institute's status or accreditations including their licensure, participation in the Medicare, Medi-Cal or other reimbursement or payment program, the full accreditation of Beckman Institute by The Joint Commission (or any other state or national accreditation program), or its tax status; or

(B) be deemed illegal or unethical by any recognised governmental agency or body.

If the Sponsored Research Agreement is terminated due to a Material Breach or due to Insolvency, Beckman Institute has the right to terminate any or all agreements (including the Licence Agreement) between the Company and the Beckman Institute or any of its affiliates (which includes City of Hope).

9.6 Convertible Notes

The Company issued 4,300,000 convertible notes at $1 per note (**Convertible Notes**) to a number of Convertible Note Holders on 1 September 2020 (**Convertible Note Deeds**), totalling $4,300,000 (**Note Subscription Amount**). The intended use of the Note Subscription Amount is to satisfy the upfront payment obligations under the Licence Agreement and to complete either an IPO or Trade Sale (**Liquidity Event**).

The Convertible Notes issued under the terms of the Convertible Note Deed are unsecured obligations but are convertible to fully paid ordinary shares in the Company. The Convertible Notes will automatically convert to fully paid ordinary shares in the Company immediately prior to Completion.

A portion of the Shares issued to Convertible Note Holders upon conversion of the Convertible Notes will be subject to ASX mandatory escrow for a period of 12 months from the date the Notes were issued. See section 9.7 for further information in relation to the escrow arrangements.

The material terms of the Convertible Note Deeds are as follows:

(a) **Conversion**:

The Convertible Notes are only convertible into fully paid ordinary shares on either the earliest of a listing, Trade Sale, or 12 months following the date the Convertible Notes Issue Date (**Maturity Date**) at the following conversion rates:

(ii) where the Convertible Notes convert on an IPO, the conversion price is 75% of the price per Share under the initial public offer if completed pre-March 2021 or 60% of the price per Share under the initial public offer, if completed post-March 2021;

(iii) where the Convertible Notes convert on a Trade Sale, if that occurs prior to 31 March 2021 the conversion price is 75% of the aggregate consideration payable for the Trade Sale divided by the number of Shares on issue immediately prior to conversion, or 65% if the Trade Sale occurs after 31 March 2021; or

(iv) where Convertible Notes convert on the Maturity Date the conversion price is US$25,500,000 divided by the number of Shares immediately prior to the conversion.

(b) **Extension of Maturity Date**: the Company may extend the Maturity Date by up to six months if it determines that it is commercially appropriate due to any uncertainty created by the COVID-19 pandemic.

(c) **Repayment of Notes**: at any time up to 30 days prior to the Maturity Date, Noteholders may give written notice to the Company to have the Note Subscription Amount of any Convertible Notes that are yet to be converted repaid.

(d) **Fees/Charges**: No interest is accruable or payable on the Convertible Notes.

(e) **Event of Default**: An Event of Default is one of the following:

(i) a default of payment, under the Convertible Note Deed or any other document in connection with the Convertible Note Deed or each Note (**Transaction Documents**) which has not been rectified within 10 Business Days of receiving a notice from a Noteholder;

(ii) a breach under the Transaction Documents which has not been rectified within 10 Business Days of receiving written notice from a Noteholder;

(iii) an insolvency event in respect of any Company Group Member;

(iv) any encumbrance created by any Company Group Member is enforced; or

(v) any material provision of a Transaction Document is found to be illegal, void, voidable or unenforceable.

(f) **Transfer of Notes**: Convertible Notes may not be transferred without the prior written approval of the Board, unless the transfer is to a related entity of the Noteholder.

(g) **Liability**: there are no specific liability provisions outlined in the Convertible Note Deed, however where an event of default occurs a Noteholder may give the Company a noteholder repayment notice, requiring immediate repayment.

9.7 Escrow arrangements

The Existing Shareholders have been asked to enter into mandatory restriction deeds (to comply with requirements under the Listing Rules) with the Company, restricting them from dealing in the Shares held by them until the date which is either 12 months from the date of issue of their relevant security or 24 months from the date of the Company's listing on ASX.

In total, 134,026,354 of the 330,526,401 (40.55%) Shares on issue on Completion of the Offer will be subject to ASX mandatory escrow arrangements[8], the details of which are as follows:

(a) 115,226,337 Shares held by Existing Shareholders (which will represent 34.86% of the Shares on issue following Completion of the Offer) will be subject to ASX mandatory escrow for 24 months from Completion;

(b) 11,633,334 Shares held by City of Hope on Completion of the Offer (which will represent 3.52% of the Shares on issue following Completion of the Offer) will be subject to ASX mandatory escrow for 12 months from the date of issuance of those Shares; and

(c) 7,166,683 Shares issued to Convertible Note Holders upon conversion of the Convertible Notes (which will represent 2.17% of the Shares on issue following Completion of the Offer) will be subject to ASX mandatory escrow until 1 September 2021, being a period of 12 months from the date the Convertible Notes were issued.

All shares held by Directors are subject to mandatory escrow. Options held by Directors are also subject to mandatory escrow for 24 months from the date of the Company's listing on ASX.

All options (and Shares issued upon exercise of the options) held by the Joint Lead Managers will also be subject to escrow for a period of 24 months from Completion.

The restriction deeds are in a form consistent with the Listing Rules and restrict applicable existing Shareholders from disposing of, creating any security interest in or transferring effective ownership or control of, the restricted Shares.

During the period in which these securities are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

The Company will announce to its ASX platform full details (quantity and duration) of the Shares and options held in escrow prior to the Shares commencing trading on ASX.

It is intended that a holding lock be applied to the Shares that are subject to escrow restrictions. The holding lock will prevent the escrowed Shareholders from disposing of their escrowed Shares for the applicable escrow period.

[8] This is an indicative number and the total number of Shares subject to ASX imposed escrow restrictions will be announced prior to the new Shares commencing trading on ASX.

9.8 Executive service contracts

The Company has entered into agreements with:

(a) Kilinwata (an entity controlled by Paul Hopper), pursuant to which Kilinwata has agreed to make available the services of Paul Hopper as executive chairman (dated 11 September 2020). Mr Hopper will be paid $250,000 per annum exclusive of any GST. In addition, an annual bonus representing 33% of the base fee will be also paid subject to mutually agreed performance targets. Upon Completion he will be entitled to a quantity of options with details to be agreed;

(b) Dr Syed Rizvi dated 20 October 2020, pursuant to which he is appointed Chief Medical Officer. Dr Rizvi will be paid a base salary of US$575,000 pa with an annual bonus of 45% of base salary upon meeting agreed performance milestones. Options will be granted to Dr Rizvi over 6,280,002 Shares vesting 33% annually over three years. A sign-on payment of US$249,000 will be made within 30 days of employment and US$1.5 million will be paid for forfeiture of long-term share incentive payment from current employer with 60% in cash and 40% in equity. Finally, Chimeric will provide an industry standard health benefits package; and

(c) Jennifer Chow dated 17 November 2020, pursuant to which she is appointed Chief Operating Officer. Ms Chow will be paid a base salary of US$400,000 pa with an annual bonus of 45% of base salary upon meeting agreed performance milestones. Options will be granted to Ms Chow over 6,280,002 Shares vesting 33% annually over three years. Ms Chow will be paid a sign-on payment of US$300,000 and and US$1.2 million will be paid for forfeiture of long-term share incentive payment from current employer with 50% in cash and 50% in equity. Finally, Chimeric will provide an industry standard health benefits package.

The agreements with key executives each contain standard terms and conditions for agreements of this nature, including confidentiality, restraint on competition and retention of intellectual property provisions. The agreements are expressed to cover periods specific to individual appointments but may generally be terminated by notice by either party, or earlier in the event of certain breaches of the terms and conditions.

Each executive is also eligible to participate in the company's Omnibus Plan.

9.9 Chief Financial Officer and Company Secretarial services

On 12 September 2020, the Company engaged the CFO Solution HQ Pty Ltd (**CFO Solution**) to provide secretarial and accounting services to the Company pursuant to the terms of a service agreement dated 12 September 2020 (**Service Agreement**). The Service Agreement is effective for a minimum period of 12 months from the commencement date.

Under the terms of the Service Agreement, CFO Solution is to provide company secretarial support, accounting and financial report support and supervision of accounting and bookkeeping processes. Following completion of the IPO, CFO Solution is to provide accounting and secretarial services including preparation and review of management accounts, preparation of financial reports, submission of reports and announcements on ASX and preparation, attendance and follow-up at Board and Committee meetings.

The CFO Solution is to be paid a monthly fee of $10,000 (ex GST) (estimated to be 80 days per year). Any work conducted outside the scope of this agreement or in addition to the 80 days per year may be invoiced at commercial rates. Either party may terminate the Service Agreement upon 3 months' written notice to the other.

The Service Agreement otherwise contains terms consistent with similar arrangements, including provisions in respect of confidentiality, intellectual property, the non-solicitation of staff and acknowledgements by the Company as to the use to which CFO Solution may put the information provided to it pursuant to the Service Agreement.

9.10 Deeds of indemnity and access

The Company has entered into standard deeds of indemnity and access with the Directors.

The Company has undertaken, consistent with the Corporations Act, to indemnify each Director in certain circumstances and to maintain directors' and officers' insurance cover in favour of the Director for seven years after the Director ceases to be a Director.

The Company has further undertaken with each Director to maintain a complete set of the Company's board papers and to make them available to the Director for seven years after the Director ceases to be a Director.

9.11 Equity incentive scheme

The Company has adopted a long-term incentive plan in connection with its admission to the ASX, the Omnibus Incentive Plan (**Omnibus Plan**).

Key employees identified by the Board will be offered participation under the Omnibus Plan in the form of Shares, options or rights. Each Director is eligible to participate in the Omnibus Plan.

The vesting of the Shares, options or rights may be subject to the satisfaction of service-based conditions and performance hurdles which, when satisfied, will allow participating employees to receive Shares or vested options or rights which are exercisable over Shares.

Awards of fully paid ordinary shares, options, performance rights and share appreciation rights can be made under the Omnibus Plan.

Shares can be granted to eligible employees under a free grant (receiving an allocation of shares for no consideration) or salary contribution agreement.

An option confers a right to acquire a share during the exercise period, subject to the satisfaction of any vesting conditions, the payment of the exercise price for the option (including through a cashless exercise facility) set out in the offer, and otherwise in the manner required by the Board and specified by the offer.

A performance right confers an entitlement to be issued, transferred or allocated one share after the vesting date, subject to any disposal restrictions, the satisfaction of the vesting conditions, and any other requirements contained in the offer.

A share appreciation right confers an entitlement to be issued, transferred or allocated the number of shares calculated under the terms of the Omnibus Plan after the vesting date, subject to any disposal restrictions, the satisfaction of the vesting conditions and any other requirement contained in the offer. The Board may decide, in its absolute discretion to substitute the issue, transfer of allocation of these shares for the payment of a cash amount.

No securities have yet been issued under the Omnibus Plan.

9.12 Intellectual property

Please refer to the Intellectual Property Report provided at section 8 of this prospectus.

9.13 Documents available for inspection

Copies of the following documents are available for inspection during normal office hours at the registered office of the Company for 13 months after the date of this Prospectus:

(d) the Constitution; and

(e) the consents to the issue of this Prospectus.

10 Details of the Offer

10.1 Description of the Offer

This Prospectus relates to an initial public offering of New Shares by the Company at an offer price of $0.20 per New Share. The Offer contained in this Prospectus is an invitation to apply for 175,000,000 New Shares offered by the Company raising a minimum of $35 million (before associated costs) (**Offer**).

The Offer is conditional on the Company raising the Minimum Subscription Amount and being granted conditional approval to list on the ASX. If these conditions are not met, the Offer will not proceed and investors' Application Monies will be returned (without interest).

The Offer comprises:

(a) the Broker Firm Offer, which is open to Australian resident retail clients of Brokers who have received a firm allocation of Shares from their Broker (refer to Section 10.6);

(b) the Institutional Offer, which consists of an offer to Institutional Investors in Australia and a number of other eligible jurisdictions to apply for Shares (refer to Section 10.7); and

(c) the Chairman's List Offer, which consists of an offer to selected investors in Australia who have received an invitation from the Chairman or the Company (refer to Section 10.8).

No general public offer of New Shares will be made under the Offer. Members of the public wishing to subscribe for New Shares must do so through a broker with a firm allocation.

The process for applying for Shares under the Offer is set out in the 'How to apply for Shares' section of this prospectus (section 10.5).

All New Shares offered under this Prospectus will rank equally with the existing Shares on issue. Refer to section 9.2 for details of the rights attaching to Shares.

10.2 Underwriting

The Offer is not underwritten.

10.3 What will the proceeds of the Offer be used for?

The proceeds of the Offer will allow the Company to:

(a) make payments under the Licence Agreement;

(b) continue Phase 1 clinical trials and manufacturing at City of Hope;

(c) conduct research and development into other cancer targets; and

(d) provide working capital;

(e) set up additional Phase 1 clinical trial sites; and

(f) set up commercial and academic collaborations.

This represents current intentions of the Company based on its current business plan and business conditions. The amounts and timing of the actual expenditure may vary and will depend upon numerous factors.

The Company expects to fund its operations through the proceeds of the Offer and Convertible Notes. The Company intends to apply the funds raised under the IPO, together with funds raised through the issue of Convertible Notes, over the first 24 months following Quotation as follows:

Source of proceeds	**Amount**
Estimated cash reserves on listing	$99
Cash proceeds received from issue of Convertible Notes	$855,493
Cash proceeds received from issue of Shares in Offer	$35,000,000
R&D rebate refund	$2,500,848
Interest Income	$173,517
Total	**$38,529,957**

Use of Funds	**Amount**
Offer Costs	$2,918,758
Admin, Corporate and general working capital	$5,454,318
Employment	$5,714,163
License fees to City of Hope	$6,966,611
Research and development on other cancer targets	$5,601,101
Phase 1 clinical trial and manufacturing	$1,875,006
Opening new additional Phase 1 sites	$5,000,000
Other commercial and academic collaborations	$5,000,000
Total	**$38,529,957**

This table represents the Company's current intentions based upon its plans and present business condition. The amounts and timing of the actual expenditures and investments may vary significantly and will depend on numerous factors including any changes from the expected business environment and the risk factors outlined in section 6. The Directors believe that the net proceeds from the Convertible Note offer, plus the net proceeds of the Offer will be sufficient to fund the Company's stated business objectives.

The Board believes that its current cash reserves and the funds raised from the Offer will provide the Company with sufficient working capital to achieve its stated objectives as detailed in this Prospectus.

10.4 Allocation of Shares

The Company, after consultation with the Joint Lead Managers, will allocate New Shares to Applicants under the Offer at its discretion.

The Company may allocate all, or a lesser number, of New Shares for which an application has been made, accept a late application or decline an application. Where applications are scaled back, there may be a different application of the scale-back policy to each Applicant.

Where no allocation is made to a particular Applicant or the number of New Shares allocated is less than the number applied for by an Applicant, surplus Application Money is returned to that Applicant. No interest is paid on refunded Application Money. Any interest earned on Application Money is the property of the Company.

Successful Applicants are given written notice of the number of Shares allocated to them as soon as possible after the Closing Date. It is the responsibility of Applicants to confirm the number of New Shares allocated to them before trading in New Shares. Applicants who sell New Shares before they receive notice of the New Shares allocated to them do so at their own risk.

If the Company's application for admission to ASX is denied, or for any reason this Offer does not proceed, all Application Money is refunded in full without interest.

10.5 How to apply

Applications may only be made on the Application Forms attached to or accompanying this Prospectus or in a paper copy form as downloaded in its entirety from www.chimerictherapeutics.com. Detailed instructions on how to complete the Application Forms are set out on the reverse of the relevant Application Form.

The Offer Price is $0.20 per New Share. Applications must be for a minimum of 10,000 New Shares ($2,000) and thereafter, in multiples of 2,500 New Shares ($500).

You may complete a paper copy of an Application Form or, alternatively, may apply for New Shares online by following the instructions on the website, www.chimerictherapeutics.com. Applicants making online applications may pay their application money by BPAY.

Paper copy Application Forms must be sent, with payment in Australian currency, to be received by the Closing Date to:

Post:
Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001

Hand Delivery:
Boardroom Pty Limited
Level 12
225 George Street
Sydney NSW 2000

Cheques or bank drafts must be made payable to 'Chimeric Therapeutics Limited' and should be crossed and marked 'Not Negotiable'.

Applicants with questions on how to complete an Application Form, or who require additional copies of the Prospectus, can contact 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia) or visit the website, www.chimerictherapeutics.com, to download a copy of the Prospectus.

10.6 Broker firm applicants

If you have received a firm allocation of New Shares from your broker, your application and payment procedures differ in two important respects from those described above:

(a) application monies should be paid in accordance with instructions received from your broker; and

(b) your completed Broker Firm Offer Application Form and cheque must be **delivered to the broker** directly (not to the share registry).

Applicants who receive a firm allocation of New Shares must lodge their Broker Firm Offer Application Form and Application Money with the relevant broker under the relevant broker's directions in order to receive their firm allocation. Your broker acts as your agent in submitting your application.

The Company, the share registry and the Joint Lead Managers take no responsibility for any acts or omissions by your broker in connection with your Application, Broker Firm Offer Application Form or Application Money.

The procedure should be explained to you in further detail by your broker. If you have a firm allocation of New Shares and are in any doubt about what action to take, you should immediately contact the broker who has made you the firm offer.

10.7 Institutional Offer

The Institutional Offer consists of an invitation to certain Institutional Investors in Australia and certain foreign jurisdictions to apply for New Shares. The Joint Lead Managers will advise Institutional Investors of the application procedures for the Institutional Offer.

10.8 Chairman's List Offer

Shares offered under the Chairman's List Offer will be allocated at the discretion of the Company, in consultation with the Joint Lead Managers. If you have received an offer to participate in the Chairman's List Offer, you must complete the Chairman's List Offer Application Form and deliver it with your Application Monies in accordance with the instructions on the Chairman's List Offer Application Form.

An Application in the Chairman's List Offer is an offer by you to the Company to apply for New Shares at the Offer Price, on the terms and conditions detailed in this Prospectus (including any supplementary or replacement document) and the Chairman's List Offer Application Form. To the extent permitted by law, an Application by an Applicant may not be varied and is irrevocable.

An Application may be accepted by the Company in respect of the full amount, or any amount lower than that specified on the Chairman's List Offer Application Form without further notice to the Applicant. The Company reserves the right to decline any Application if it believes any provisions or procedures in this Prospectus, the Chairman's List Offer Application Form or other laws or regulations may not be complied with in relation to the Application.

The Company and the Joint Lead Managers reserve the right to reject any Application which is not correctly completed or which is submitted by a person whom they believe is ineligible to participate in the Chairman's List Offer, or to waive or correct any errors made by the Applicant in completing their Application. In addition, the Company and the Joint Lead Managers reserve the right to aggregate any Applications which they believe may be multiple Applications from the same person or reject or scale back any Applications (or aggregation of applications).

The final allocation of Shares to Applicants in the Chairman's List Offer will be at the absolute discretion of the Company, in consultation with the Joint Lead Managers. The Company and the Joint Lead Managers may reject an Application, or allocate fewer Shares than the number, or the equivalent dollar amount applied for.

Successful Applicants in the Chairman's List Offer will be allotted Shares at the Offer Price. Acceptance of an Application will give rise to a binding contract, conditional on settlement and quotation of Shares on ASX on an unconditional basis.

Application Monies received under the Chairman's List Offer will be held in a special purpose account until Shares are issued or transferred to successful Applicants.

Applicants under the Chairman's List Offer whose Applications are not accepted, or who are allocated a lesser dollar amount of Shares than the amount applied for, will be mailed (or otherwise in the Company's discretion provided with) a refund (without interest) of all or part of their Application Monies, as applicable.

No refunds pursuant solely to rounding will be provided. Interest will not be paid on any monies refunded and any interest earned on Application Monies pending the allocation or refund will be retained by the Company.

It is your responsibility to ensure that your BPAY® payment or electronic funds transfer payment is received by the Share Registry by no later than 10.00am (AEDT) on 14 December 2020. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment.

10.9 Validity of Application Forms

An Application Form may only be distributed with, attached to or accompany a complete and unaltered copy of this Prospectus.

By completing and lodging an Application Form received with this Prospectus, the Applicant represents and warrants that the Applicant has personally received a complete and unaltered copy of this Prospectus before completing the relevant Application Form.

The Company does not accept a completed Application Form if it has reason to believe the Applicant has not received a complete copy of the Prospectus or it has reason to believe that the Application Form has been altered or tampered with in any way.

An Application Form is an irrevocable acceptance of the Offer.

10.10 ASX listing

An application will be made to ASX not later than seven days after the date of this Prospectus for the Company to be admitted to ASX, and for official quotation of the Shares. Acceptance of the application by ASX is not a representation by ASX about the merits of the Company or the Shares. Official quotation of Shares, if granted, commences as soon as practicable after the issue of initial shareholding statements to successful Applicants.

It is expected that trading of the Shares on ASX will commence on or about 18 January 2021.

If permission is not granted for official quotation of the Shares on ASX within three months of the date of this Prospectus, all Application Money received is refunded without interest as soon as practicable under the requirements of the Corporations Act.

ASX takes no responsibility for the contents of this prospectus.

The Company has obtained from ASX a waiver of Listing Rule 1.3.5(a) in relation to the scope of the financial information required to be provided in the Prospectus. The Company has also sought confirmation as to the application of ASX-imposed mandatory escrow.

Assuming the Minimum Subscription Amount is met, the expected free float of the Company on completion of the Offer will be 59.45%, based on 330,526,401 Shares being on issue less 134,026,354 Shares subject to mandatory escrow. See section 9.7 for further information on escrow.

10.11 CHESS

The Company will apply for the Shares to participate in CHESS. Applicants who are issued Shares under this Offer will receive shareholding statements in lieu of share certificates. They set out the number of Shares issued to each successful Applicant.

The shareholding statement also provides details of the Shareholder's HIN (in the case of a holding on the CHESS sub-register) or SRN (in the case of a holding on the issuer sponsored sub-register).

In future, Shareholders need to quote their HIN or SRN, as applicable, in all dealings with a stockbroker or the share registry. Further statements are given to Shareholders showing changes in their shareholding during a particular month. Additional statements may be requested at any time, although the Company reserves the right to charge a fee for them.

10.12 Withdrawal

The Company reserves the right to withdraw the Offer, at any time before the allotment of Shares. If the Offer does not proceed, the Application Money is refunded. No interest is paid on any Application Money refunded as a result of the withdrawal of the Offer.

10.13 Taxation considerations

The taxation consequences of an investment in the Company depend upon your particular circumstances. You should make your own enquiries about the taxation consequences of an investment in the Company. If you are in doubt about the course you should follow, you should consult your accountant, stockbroker, lawyer or other professional adviser.

10.14 Foreign selling restrictions

This Prospectus does not constitute an offer of New Shares in any jurisdiction in which it would be unlawful. In particular, this Prospectus may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except as provided below.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (**SFO**). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or

elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" (within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing section 86(7) of the FSMA). This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

United States

This Prospectus may only be distributed in the United States to Institutional Investors by a registered US broker-dealer of a Joint Lead Manager and only if this Prospectus is accompanied by the US Offering Circular. The New Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares will not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

New Zealand.

This Prospectus has not been registered, filed with, or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (New Zealand) (**FMCA**). This Prospectus is not a product disclosure statement under New Zealand law and is not required to, and may

not, contain all the information that a product disclosure statement under New Zealand law is required to contain. The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who is a "wholesale investor" within the meaning of clause 3(2) of Schedule 1 of the FMCA – that is, a person who:

(a) is an "investment business" within the meaning of clause 37 of Schedule 1 of the FMCA;

(b) meets the "investment activity criteria" specified in clause 38 of Schedule 1 of the FMCA;

(c) is "large" within the meaning of clause 39 of Schedule 1 of the FMCA; or

(d) is a "government agency" within the meaning of clause 40 of Schedule 1 of the FMCA.

The New Shares are not being offered or sold to retail investors in New Zealand.

10.15 Investor representations

Each Applicant applying for New Shares warrants and represents that he/she/it:

(a) is resident or domiciled in Australia or, if outside Australia, is an Institutional Investor;

(b) is located in Australia at the time of the application;

(c) is not acting for the account or benefit of any person in the United States or any other foreign person, excluding Applicants who are Institutional Investors;

(d) understands that the New Shares have not been, and will not be, registered under the US Securities Act and may not be offered or sold in the United States, except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws; and

(e) has not and will not send this Prospectus or any other material relating to the Offer to any person in the United States or elsewhere outside Australia.

11 Additional information

11.1 Incorporation

The Company was incorporated in New South Wales as a proprietary company limited by shares on 2 February 2020 and was converted to a public company limited by shares on 4 September 2020.

11.2 Rights attaching to Shares

The rights attaching to Shares in Chimeric are set out in the constitution and summarised in section 9.2 of this Prospectus.

11.3 Shareholding qualifications

Directors are not required under the constitution to hold any Shares.

11.4 Options

The Company will have the following options on issue at Completion:

Option holder	Options	Issue date	Exercise price	Expiry date
Ms Leslie Chong	2,750,000	Immediately prior to Completion	$0.20	4 years from issue
Dr Lesley Russell	2,750,000	Immediately prior to Completion	$0.20	4 years from issue
Dr Syed Rizvi	6,280,002	Immediately prior to Completion	$0.20	4 years from issue
Ms Jennifer Chow	6,280,002	Immediately prior to Completion	$0.20	5 years from issue
Joint Lead Managers	4,957,897	Immediately prior to Completion	$0.30	3 years from issue

(a) The options granted to Dr Lesley Russell and Ms Leslie Chong are unquoted options in the Company exercisable at $0.20 per option vesting annually over three years as follows:

(i) 33% will vest upon Completion;

(ii) 33% will vest 12 months from the date of Completion; and

(iii) the remaining 34% will vest 24 months from the date of Completion.

(b) The options granted to Dr Rizvi and Ms Chow are unquoted options in the Company exercisable at $0.20 per option vesting annually over three years as follows:

(i) 33% will vest on Completion;

(ii) 33% will vest 24 months from the date Completion; and

(iii) the remaining 34% will vest 36 months from the date of Completion.

(c) The options granted to the Joint Lead Managers are unquoted, immediately exercisable at $0.30 per option and expire 3 years from the date of Completion.

11.5 Litigation

To the best of the Director's knowledge and belief, no litigation is currently underway or threatened against the Company.

11.6 Speculative nature of Offer and risk factors

As with any investment in listed securities, an investment in the Company is subject to several risks. Applicants should understand that the Company's projects are both speculative and subject to a wide range of risks and that even if the Company successfully achieves all its stated goals, Applicants may lose the entire value of their investment.

Before deciding to invest in the Company, Applicants should read this document carefully and, in its entirety, with a particular emphasis on the risk factors detailed in section 6.

Applicants should consider these matters having regard to their personal circumstances (including financial and taxation affairs), their own risk profiles and investment parameters and, where necessary, seek professional advice before deciding whether, or not, to apply for New Shares.

11.7 Consents and disclaimers of responsibility

None of the parties referred to below has made any statement that is included in this Prospectus or any statement on which a statement made in this Prospectus is based, except as specified below. Each of the parties referred to below, to the maximum extent permitted by law, expressly disclaims, and takes no responsibility for, any part of this Prospectus, other than the reference to its name and a statement included in this Prospectus with the consent of that party, as specified below.

Bell Potter has given, and has not withdrawn, its written consent to be named as Joint Lead Manager to the Offer in the form and context in which it is named.

Baker Young has given, and has not withdrawn, its written consent to be named as Joint Lead Manager to the Offer in the form and context in which it is named.

McCullough Robertson has given, and has not withdrawn, its written consent to be named as lawyers to the Company in the form and context in which it is named.

Grant Thornton Corporate Finance Pty Ltd has given, and has not withdrawn, its written consent to be named as Investigating Accountant, in the form and context in which it is named and for the inclusion of its Investigating Accountant's Report in section 7 of this Prospectus in the form and context in which it is included.

Grant Thornton Audit Pty Ltd has given, and not withdrawn, its consent to be named as Auditor in the form and context in which it is named.

Boardroom Pty Limited has given, and not withdrawn, its written consent to be named as share registrar in the form and context in which it is named.

11.8 Interests of experts and advisers

Except as set out in this Prospectus:

(a) no person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus has any interest or has had any interest during the last two years:

(i) in the formation or promotion of Chimeric; or

(ii) in property acquired or proposed to be acquired by Chimeric in connection with its formation or promotion; or

(iii) the Offer of the New Shares; and

(b) no amount has been paid or agreed to be paid, and no benefit has been given, or agreed to be given, to any person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus in connection with the services provided by the person in connection with the:

(i) formation or promotion of Chimeric; or

(ii) the Offer of the New Shares.

Bell Potter and Baker Young have acted as Joint Lead Managers to the Offer. Bell Potter and Baker Young will be paid a management fee, details of which are disclosed in section 9.3 of this Prospectus.

McCullough Robertson has acted as legal adviser to the Company for the Offer and has undertaken due diligence enquiries and provided legal advice on the Offer. McCullough Robertson will be paid an amount of $250,000 for these services.

Grant Thornton Corporate Finance Pty Ltd has acted as Investigating Accountant to the Offer and has prepared the Investigating Accountant's Report in section 7 and performed work on due diligence enquiries. Grant Thornton Corporate Finance Pty Ltd will be paid an estimated fee of $24,000 for these services. Further amounts may be paid to Grant Thornton Corporate Finance Pty Ltd in accordance with their normal time-based charges.

Grant Thornton Audit Pty Ltd has acted as Independent Auditor to the Company. Grant Thornton Audit Pty Ltd will be paid an estimated fee of $15,000 (GST exclusive) for the audit of the financial report for the year ended 30 June 2020. Further amounts may be paid to Grant Thornton Audit Pty Ltd in accordance with their normal time-based charges.

Davies Collison Cave has given, and not withdrawn, its consent to be named in the form and context in which it is named.

Acuity Technology Management has given, and not withdrawn, its consent to be named in the form and context in which it is named.

11.9 Interests of Directors

Other than as set out above or elsewhere in this Prospectus:

(a) no Director or proposed Director of Chimeric has, or has had in the two years before lodgment of this Prospectus, any interest in:

(i) the formation or promotion of Chimeric; or

(ii) the Offer of Shares; or

(iii) any property proposed to be acquired by Chimeric in connection with the formation or promotion of the Offer of the New Shares; and

(b) no amounts have been paid or agreed to be paid and no benefit has been given or agreed to be given, to any Director or proposed Director of Chimeric either:

(i) to induce him or her to become, or to qualify him or her as a Director; or

(ii) otherwise for services rendered by him or her in connection with the formation or promotion of Chimeric or the Offer of New Shares.

11.10 Director shareholdings

The Directors, including through their related parties and associates have a beneficial interest in the following Shares and options in the Company at the date of this Prospectus:

Director	Shares	Options upon completion of the Offer
Mr Paul Hopper	82,386,830	0
Ms Leslie Chong	0	2,750,000
Dr Lesley Russell	0	2,750,000

The Directors reserve the right to apply for further shares under the Offer.

11.11 Transactions with related parties

Other than the usual contractual arrangements (i.e. executive contract with Mr Hopper, appointment letters with other Directors, and deeds of access, insurance and indemnity), as set out in further detail in section 9.8, there are currently no material arrangements between Chimeric and its Directors, or other related parties.

11.12 Payments to Directors

The constitution of Chimeric provides that the Directors may be paid, as remuneration for their services, a sum set from time to time by the Shareholders in general meeting, with that sum to be divided among the Directors as they agree.

The maximum aggregate amount which has been approved by the Shareholders for payment to the non-executive Directors is $500,000 per annum. The current non-executive directors fees are $50,000 per annum for each of the non-executive directors.

11.13 Substantial Shareholders

It is expected that the following Shareholders will have a substantial holding in Chimeric following completion of the Offer:

Shareholder	Shares	Percentage interest
Paul Hopper (including through his related parties and associates)	82,386,830	24.92%

The above assumes no additional participation by these Shareholders in the Offer.

Final holdings of all substantial Shareholders will be notified to the ASX on the Company's listing.

11.14 Expenses of the Offer

The total estimated expenses of the Offer payable by the Company including ASX and ASIC fees, management fees, accounting fees, legal fees, share registry fees, printing costs, public relations costs and other miscellaneous expenses are estimated to be approximately $2,918,758.

11.15 Electronic Prospectus

This Prospectus is available in electronic form at https://www.chimerictherapeutics.com/. Any person receiving this Prospectus electronically will, on request, be sent a paper copy of the Prospectus by Chimeric free of charge until the Closing Date.

Applications must be made by completing a paper copy of an Application Form. Chimeric does not accept Application Forms electronically.

An Application Form may only be distributed attached to a complete and unaltered copy of the Prospectus. An Application Form included with this Prospectus contains a declaration that the investor has personally received the complete and unaltered Prospectus before completing the relevant Application Form.

Chimeric will not accept a completed Application Form if it has reason to believe that the Applicant has not received a complete paper copy or electronic copy of the Prospectus or if it has reason to believe that the Application Form or electronic copy of the Prospectus has been altered or tampered with in any way.

While Chimeric believes that it is extremely unlikely that during the period of the Offer the electronic version of the Prospectus will be altered in any way, Chimeric can not give any absolute assurance that this will not occur. Any investor in doubt about the validity or integrity of an electronic copy of the Prospectus should immediately request a paper copy of the Prospectus directly from Chimeric or a financial adviser.

11.16 Privacy

When applying for New Shares in the Company, Applicants will be asked to provide personal information to Chimeric directly, and through the share registry, such as name, address, telephone and fax numbers, tax file number and account details. The Company and the share registry collect, hold and use that personal information to assess Applications, provide facilities and services to Applicants and undertake administration. Access to information may be disclosed by the Company to its agents and service providers on the basis that they deal with the information under the *Privacy Act 1988* (Cth). Incomplete applications may not be processed. Under the *Privacy Act 1988* (Cth), Applicants may request access to their personal information held by or on behalf of the Company by contacting the share registry.

11.17 Authorisation

This Prospectus is issued by the Company. Each Director has consented to the lodgment of the Prospectus with ASIC.

Dated 23 November 2020

Mr Paul Hopper
Executive Chairman

12 Glossary

In this document:

AAS	means Australian Accounting Standards.
AASB	means the Australian Accounting Standards Board.
Applicant	means a person or entity who submits an Application Form.
Application Form	means an application form attached to this Prospectus.
Application Money	means the money received by the Company under the Offer, being the Offer Price multiplied by the number of Shares applied for.
ASIC	means Australian Securities and Investments Commission.
ASX	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
ASX Settlement	means ASX Settlement Pty Ltd ACN 008 504 532.
ASX Settlement Operating Rules	means the ASX Settlement Operating Rules, being the operating rules of the Settlement Facility for the purposes of the Corporations Act.
Baker Young	means Baker Young Limited.
Beckman Institute	means the Beckman Research Institute of the City of Hope.
Bell Potter	means Bell Potter Securities Limited.
Board	means the board of directors of the Company.
Broker Firm Offer	means the invitation to investors in Australia who have received a firm allocation of Shares from their broker, as described in section 10.6.
Broker Firm Offer Application Form	means the Broker Firm Offer application form attached to this Prospectus.
CAR T	means chimeric antigen receptor T.
CFO Solution	means CFO Solution HQ Pty Ltd ACN 054 583 612.
Chairman's List Offer	means offer of Shares under this Prospectus to selected investors in Australia who have received an invitation from the Chairman or the Company, as described in section 10.8.
Chairman's List Offer Application Form	means the Chairman's List Offer application form attached to this Prospectus.
CHESS	means Clearing House Electronic Subregister System, operated by ASX Settlement.
Closing Date	means the date on which the Offer closes, being 14 December 2020, or another date nominated by the Company in consultation with the Joint Lead Managers.
CLTX	means a chlorotoxin.
CLTX-CAR T	means the combination of CLTX and CAR T therapy.
Company or Chimeric	means Chimeric Therapeutics Limited ACN 638 835 828.
Completion	the completion of the Offer, being the date upon which commencement of official quotation of the Company's Shares begins on the ASX.

Constitution	means Chimeric's constitution adopted on 24 September 2020.
Convertible Note Deeds	means the convertible note deed entered into between the Company and the Convertible Note Holders dated 28 August 2020, as described in section 9.6.
Convertible Notes	means the 4,300,000 convertible notes issued by the Company under the Convertible Note Deeds.
Convertible Note Holders	means the holders of Convertible Notes.
Corporations Act	means *Corporations Act 2001* (Cth).
COVID-19	means the coronavirus disease.
Directors	means the directors of the Company.
EBIT	means earnings before interest and income tax.
EBITDA	means earnings before interest, income tax, depreciation and amortisation.
Eligible US Fund Manager	means a dealer or other professional fiduciary organised or incorporated in the United States that are acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not US persons for which they have and are exercising investment discretion within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act.
Existing Shareholders	means the holders of Shares before the date of this Prospectus.
FDA	means the US Food and Drug Administration.
FMCA	means the Financial Markets Conduct Act 2013 (New Zealand).
FPO	means the UK Financial Services and Markets Act 2000 (Financial Promotions) Order 2005.
FSMA	means the UK Financial Services and Markets Act 2000.
IAI	means an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) under the US Securities Act.
IFRS	means International Financial Reporting Standards.
IND	means investigational new drug.
Institutional Investor	means an institutional or professional investor (and any person for whom it is acting) in Australia, Hong Kong, the United Kingdom and the United States, and in particular: (a) if in Australia, who is a "wholesale client" for the purpose of section 761G of the Corporations Act and who is either a "professional investor" or "sophisticated investor" within the meaning of sections 708(11) and 708(8) of the Corporations Act; (b) if in Hong Kong, it (and any such person) is a "professional investor" as defined under the SFO; (c) if in the United Kingdom, it (and any such person) is (i) a "qualified investor" within the meaning of Article 2(e) of the Prospectus Regulation (2017/1129/EU), replacing Section 86(7) of the FSMA and (ii) within the categories of persons referred to in Article 19(5) (investment professionals) or Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO, as amended; and (d) if in the United States, it (and any such person) is (i) an IAI; or (ii) an Eligible US Fund Manager.

Institutional Offer	means the invitation to institutional investors in Australia and certain overseas jurisdictions, described in section 10.7.
Intellectual Property Report	means the intellectual property report prepared by Davies Collison Cave and provided at section 8.
Kilinwata	means Kilinwata Investments Pty Ltd as trustee for the Life Science Portfolio Managers Trust.
Joint Lead Managers	means Bell Potter Securities Limited and Baker Young Limited.
Licence Agreement	means the licence agreement entered into between the Company and City of Hope on 24 July 2020.
Liquidity Event	has the meaning set out in section 9.6.
Listing Rules	means the listing rules of ASX.
Maturity Date	has the meaning set out in section 9.6.
Minimum Subscription Amount	means $35,000,000.
New Shares	means Shares issued pursuant to the Offer.
Note Subscription Amount	has the meaning set out in section 9.6.
Offer	means the offer of Shares under this Prospectus, as described in section 10.
Offer Management Agreement	means the offer management agreement entered into between the Company and the Joint Lead Managers on 23 November 2020.
Offer Price	means $0.20 per New Share.
Omnibus Plan	means the Company's omnibus incentive plan described in section 9.11.
Personnel	means employees and professional services contractors of Chimeric.
Prospectus	means this prospectus.
Service Agreement	means the service agreement between Chimeric and the CFO Solution dated 12 September 2020.
Settlement Facility	has the meaning specified in the ASX Settlement Operating Rules.
SFO	means Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong.
Shareholders	means holders of shares in Chimeric.
Shares	means fully paid ordinary shares in Chimeric.
Sponsored Research Agreement	means the sponsored research agreement entered into between the Company and the Beckman Institute dated 24 July 2020.
Technology Report	means the report prepared for Chimeric by Acuity Technology Management provided at section 3.
Transaction Documents	has the meaning set out in section 9.6.
Us or we	means the Company.

US Offering Circular	means the offering circular that must accompany any distribution of the Prospectus in the United States to IAIs or Eligible US Fund Managers.
US Securities Act	means the US Securities Act of 1933, as amended.
You	means the investors under this Prospectus.

Corporate directory

Company
Chimeric Therapeutics Limited
Level 3, 62 Lygon Street
CARLTON SOUTH VIC 3053
www.chimerictherapeutics.com

Directors
Mr Paul Hopper
Ms Leslie Chong
Dr Lesley Russell

Joint Company Secretaries
Mr Phillip Hains
Mr Nathan Jong

Share Registry
Boardroom Pty Limited
Level 12 225 George Street
Sydney NSW 2000
www.boardroomlimited.com.au

Joint Lead Managers

Bell Potter Securities Limited
Level 29, 101 Collins Street
Melbourne VIC 3000
www.bellpotter.com.au

Baker Young Limited
L6, 121 King William St,
Adelaide SA 5000
www.bakeryoung.com.au

Auditor
Grant Thornton Audit Pty Ltd
Collins Square, Tower 5
727 Collins Street
Melbourne VIC 3008
www.grantthornton.com.au

Investigating Accountant
Grant Thornton Corporate Finance Pty Ltd
Collins Square, Tower 5
727 Collins Street
Melbourne VIC 3008
www.grantthornton.com.au

Lawyers to the Offer
McCullough Robertson
Level 11
66 Eagle Street
Brisbane QLD 4000
www.mccullough.com.au

Intellectual Property Advisers
Davies Collison Cave Pty Ltd
Level 10, 301 Coronation Dr,
Milton, QLD, 4064
Phone: +61 (7) 3011 9700
www.dcc.com

Appendix A

Summary of the Company's significant accounting policies

The Financial Information have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Chimeric Therapeutics Limited is a for-profit entity for the purpose of preparing the financial statements.

(i) Compliance with IFRS

The financial information of the Chimeric Therapeutics Limited group also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) Historical cost convention

The financial information has been prepared on a historical cost basis.

Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

For the period ended 30 June 2020, the Company incurred an operating loss of $64,008 and net asset deficiency of $63,908 as at 30 June 2020.

The ability of the Company to continue as a going concern is principally dependent upon one or both of the following conditions:

- The ability of the group to raise sufficient capital and when necessary, and
- The successful IPO listing on the ASX.

These conditions give rise to a material uncertainty, which may cast significant doubt over the group's ability to continue as a going concern.

The following matters have been considered by directors in determining the appropriateness of the going concern basis of preparation:

- The company has entered into a convertible note agreement whereby they have issued 28,666,731 convertible notes at $0.15 per note ($4,300,000).
- The company plans to raise $35 million upon listing on the ASX.
- The company can scale down its operations sufficiently should the above not occur.

Based on the above, the directors are satisfied that the company has access to sufficient sources of funding to meet its commitments over the next 12 months, and for that reason the financial statements have been prepared on the basis that the company is a going concern.

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the company based on known information. This consideration extends to the nature of the research and development, staffing and geographic regions in which the company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Should the company be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets amounts or to the amounts and classification of liabilities that might be necessarily incurred should the company not continue as a going concern.

Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements is presented in the Australian dollar ($), which is Chimeric Therapeutics Limited's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at period end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss and other comprehensive income, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss and other comprehensive income on a net basis within finance income.

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

Section 3

Chimeric Therapeutics Limited
ACN 638 835 828
Broker Firm Application Form

Broker Reference – Stamp Only

Broker Code

Advisor Code

This is an Application Form for Shares in Chimeric Therapeutics Limited (**Company**) on the terms set out in the Prospectus dated 23 November 2020. Defined terms in the Prospectus have the same meaning in this Application Form. You may apply for a minimum of 10,000 Shares and multiples of 2,500 shares thereafter. This Application Form and your payment must be received by **5.00pm (Sydney Time) on the closing date**.

This Application Form is important. If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. The Prospectus dated 23 November 2020 contains information relevant to a decision to invest in the Shares of the Company and you should read the entire Prospectus carefully before applying for Shares.

The Share Registry's Privacy Policy (**Privacy Policy**) also sets out important information relating to the collection, use and disclosure of all personal information that you provide to the Company. Please ensure that you and all relevant individuals have read the Privacy Policy carefully before submitting this Application Form. The Privacy Policy can be found on the website https://www.boardroomlimited.com.au/corp/privacy-policy

To meet the requirements of the *Corporations Act 2001* (Cth), this Application Form must not be distributed to another person unless included in or accompanied by the Prospectus dated 23 November 2020. A person who gives another person access to this Application Form must, at the same time and by the same means, give the other person access to the Prospectus. During the Offer period, the Company will send you a free copy of the Prospectus if you have received an electronic prospectus and you ask for a paper copy.

PLEASE FOLLOW THE INSTRUCTIONS TO COMPLETE THIS APPLICATION FORM (SEE REVERSE) AND PRINT CLEARLY IN CAPITAL LETTERS USING BLACK OR BLUE PEN.

A **Number of Shares you are applying for**

Minimum of 10,000 Shares to be applied for and multiples of 2,500 thereafter

x $0.20 per Share =

B **Total amount payable**

$

C **Write the name(s) you wish to register the Shares in *(see reverse for instructions)***

Applicant #1

Name of Applicant #2 or <Account Designation>

Name of Applicant #3 or <Account Designation>

D **Write your postal address here**

Number/Street

Suburb/Town

State

Postcode

E **CHESS participant – Holder Identification Number (HIN)**

X

Important please note *if the name and address details above in sections C and D do not match exactly with your registration details held at CHESS, any Shares issued as a result of your Application will be held on the Issuer Sponsored subregister.*

F **Enter your Tax File Number(s), ABN, or exemption category**

Applicant #1

Applicant #2

Applicant #3

G **Cheque payment details –** PIN CHEQUE(S) HERE. Cheque to be made in accordance with the instruction from your broker. If payment is made by cheque, enter cheque details below.

Name of drawer of cheque	Cheque no.	BSB no.	Account no.	Cheque Amount A$

H **Contact telephone number (daytime/work/mobile)**

Contact Name

E-mail Address

Declaration

By submitting this Application Form with your Application Monies, I/we declare that I/we:

- ✓ have read the Prospectus in full;
- ✓ have received a copy of the electronic Prospectus or a print out of it;
- ✓ have completed this Application Form in accordance with the instructions on the form and in the Prospectus.
- ✓ Declare that the Application Form and all details and statements made by me/us are complete and accurate;
- ✓ agree and consent to the Company collecting, holding, using and disclosing my/our personal information in accordance with the Prospectus;
- ✓ where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company;
- ✓ acknowledge that once the Company accepts my/our Application Form, I/we may not withdraw it;
- ✓ apply for the number of Shares that I/we apply for (or a lower number allocated in a manner allowed under the Prospectus);
- ✓ acknowledge that my/our Application may be rejected by the Company in its absolute discretion;
- ✓ authorise the Company and their respective officers and agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Shares to be allocated to me/us;
- ✓ am/are over 18 years of age;
- ✓ agree to be bound by the constitution of the Company;
- ✓ acknowledge that neither the Company nor any person or entity guarantees any particular rate of return on the Shares, nor do they guarantee the repayment of capital;
- ✓ represent, warrant and agree that I/we am/are not in the United States or a US Person and am/are not acting for the account or benefit of a US Person; and
- ✓ represent, warrant and agree that I/we have not received this Prospectus outside Australia and am/are not acting on behalf of a person resident outside Australia.

Guide to the Application Form

YOU SHOULD READ THE PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM.

Please complete all relevant sections of the appropriate Application Form using BLOCK LETTERS. These instructions are cross-referenced to each section of the Application Form.

Instructions

A If applying for Shares insert the ***number*** of Shares for which you wish to subscribe at Item **A** (not less than 10,000 Shares representing a minimum investment of $2,000.00. Multiply by A$0.20 to calculate the total Application Monies for Shares and enter the ***A$amount*** at Item **B**.

C Write your ***full name***. Initials are not acceptable for first names.

D Enter your ***postal address*** for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.

E If you are sponsored in CHESS by a stockbroker or other CHESS participant you may enter your CHESS HIN if you would like the allocation to be directed to your HIN. **NB: your registration details provided must match your CHESS account exactly.**

F Enter your Australian tax file number ("TFN") or ABN or exemption category, if you are an Australian resident. Where applicable, please enter the TFN/ABN of each joint Applicant. Collection of TFNs is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application Form. However, if no TFN is quoted your dividends and distributions may be taxed at the highest marginal tax rate plus medicare levy.

G Applicants pay their Application Monies to their Broker in accordance with the relevant Broker's directions. Please contact your broker for further instructions.

H Enter your ***contact details,*** *including name, phone number and e-mail address,* so we may contact you regarding your Application Form or Application Monies.

Correct Form of Registrable Title

Note that ONLY legal entities can hold the Shares. The Application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Individual	Mr John David Smith	J D Smith
Company	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings	Mr John David Smith & Mrs Mary Jane Smith	John David & Mary Jane Smith
Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

Lodgment

Mail your completed Application Form with your cheque(s) or bank draft attached to your broker, and complete the broker details below:

Broker Contact Number | **Broker Name**

The Broker Firm Offer closes at 5:00 p.m. (Sydney Time) on 14 December 2020, unless varied in accordance with the Corporations Act and ASX Listing Rules.

It is not necessary to sign or otherwise execute the Application Form.

If you have any questions as to how to complete the Application Form, please contact Boardroom Pty Limited on 1300 737 760 within Australia and +61 2 9290 9600 outside Australia.

Privacy Statement

Chimeric Therapeutics Limited advises that Chapter 2C of the Corporations Act requires information about its shareholders (including names, addresses and details of shares held) to be included in the Company's share register. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the Company. To obtain access to your personal information or more information on how the Company collects, stores, uses and disclosures your information please contact the Company at the address or telephone number shown in the Prospectus.

Chimeric Therapeutics Limited
ACN 638 835 828

Offer Application Form

This is an Application Form for Shares in Chimeric Therapeutics Limited (**Company**) on the terms set out in the prospectus dated 23 November 2020 (Prospectus). Defined terms in the Prospectus have the same meaning in this Application Form. You may apply for a minimum of 10,000 Shares and multiples of 2,500 Shares thereafter. This Application Form and your cheque or bank draft must be received by **5.00pm (Sydney Time) on the Closing Date**.

This Application Form is important. If you are in doubt as to how to deal with this Application Form, please contact your accountant, lawyer, stockbroker or other professional adviser. The Prospectus dated 23 November 2020 contains information relevant to a decision to invest in the Shares of the Company and you should read the entire Prospectus carefully before applying for Shares.

The Share Registry's Privacy Policy (**Privacy Policy**) also sets out important information relating to the collection, use and disclosure of all personal information that you provide to the Company. Please ensure that you and all relevant individuals have read the Privacy Policy carefully before submitting this Application Form. The Privacy Policy can be found on the website http://www.boardroomlimited.com.au/Privacy.html

To meet the requirements of the *Corporations Act 2001* (Cth), this Application Form must not be distributed to another person unless included in, or accompanied by the Prospectus. A person who gives another person access to this Application Form must, at the same time and by the same means, give the other person access to the Prospectus. During the Offer period the Company will send you a free paper copy of the Prospectus if you have received an electronic prospectus and you ask for a paper copy before the Prospectus closes on 23 November 2020.

PLEASE FOLLOW THE INSTRUCTIONS TO COMPLETE THIS APPLICATION FORM (SEE REVERSE) AND PRINT CLEARLY IN CAPITAL LETTERS USING BLACK OR BLUE PEN.

A **Number of Shares you are applying for**

Minimum of 10,000 Shares to be applied for and thereafter in multiples of 2,500 Shares

x $0.20 per Share =

B **Total amount payable**

$

C **Write the name(s) you wish to register the Shares in *(see reverse for instructions)***

Applicant #1

Name of Applicant #2 or <Account Designation>

Name of Applicant #3 or <Account Designation>

D **Write your postal address here**

Number/Street

Suburb/Town

State

Postcode

E **CHESS participant – Holder Identification Number (HIN)**

X

Important please note *if the name and address details above in sections C and D do not match exactly with your registration details held at CHESS, any Shares issued as a result of your Application will be held on the Issuer Sponsored subregister.*

F **Enter your Tax File Number(s), ABN, or exemption category**

Applicant #1

Applicant #2

Applicant #3

G **Cheque payment details –** PIN CHEQUE(S) HERE. Cheque to be made payable to "Chimeric Therapeutics Limited – Subscription A/C" and crossed Not Negotiable. Enter cheque details below.

Alternatively you can apply online at www.chimerictherapeutics.com **and pay by BPAY.**

Name of drawer of cheque	Cheque no.	BSB no.	Account no.	Cheque Amount A$

H **Contact telephone number (daytime/work/mobile)**

Contact Name

E-mail Address

Declaration

By submitting this Application Form with your Application Monies, I/we declare that I/we:

- ✓ have read the Prospectus in full;
- ✓ have received a copy of the electronic Prospectus or a print out of it;
- ✓ have completed this Application Form in accordance with the instructions on the form and in the Prospectus.
- ✓ declare Form and declare that all details and statements made by me/us are complete and accurate;
- ✓ agree and consent to the Company collecting, holding, using and disclosing my/our personal information in accordance with the Prospectus;
- ✓ where I/we have been provided information about another individual, warrant that I/we have obtained that individual's consent to the transfer of their information to the Company;
- ✓ acknowledge that once the Company accepts my/our Application Form, I/we may not withdraw it;
- ✓ apply for the number of Shares that I/we apply for (or a lower number allocated in a manner allowed under the Prospectus);
- ✓ acknowledge that my/our Application may be rejected by the Company in its absolute discretion;
- ✓ authorise the Company and their respective officers and agents to do anything on my/our behalf necessary (including the completion and execution of documents) to enable the Shares to be allocated to me/us;
- ✓ am/are over 18 years of age;
- ✓ agree to be bound by the constitution of the Company;
- ✓ acknowledge that neither the Company nor any person or entity guarantees any particular rate of return on the Shares, nor do they guarantee the repayment of capital;
- ✓ represent, warrant and agree that I/we am/are not in the United States or a US Person and am/are not acting for the account or benefit of a US Person; and
- ✓ represent, warrant and agree that I/we have not received this Prospectus outside Australia or New Zealand and am/are not acting on behalf of a person resident outside Australia or New Zealand.

Guide to the Application Form

YOU SHOULD READ THE PROSPECTUS CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM.

Please complete all relevant sections of the appropriate Application Form using BLOCK LETTERS. These instructions are cross-referenced to each section of the Application Form.

Instructions

A If applying for Shares insert the ***number*** of Shares for which you wish to subscribe at Item **A** (not less than 10,000 Shares representing a minimum investment of $2,000.00). Multiply by A$0.20 to calculate the total Application Monies for Shares and enter the ***A$amount*** at Item **B**.

C Write your ***full name***. Initials are not acceptable for first names.

D Enter your ***postal address*** for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.

E If you are sponsored in CHESS by a stockbroker or other CHESS participant you may enter your CHESS HIN if you would like the allocation to be directed to your HIN. **NB: your registration details provided must match your CHESS account exactly.**

F Enter your Australian ***tax file number*** (TFN) or ABN or exemption category, if you are an Australian resident. Where applicable, please enter the TFN/ABN of each joint Applicant. Collection of TFN(s) and ABN(s) is authorised by taxation laws. Quotation of your TFN or ABN is not compulsory and will not affect your Application Form.

G Complete ***cheque details*** as requested. Make your cheque payable to "Chimeric Therapeutics Limited". Cross it and mark it 'Not negotiable'. Cheques must be in Australian currency, and must be drawn on a bank or financial institution in Australia. **Alternatively you can apply online at** www.chimerictherapeutics.com **and pay by BPAY. If you apply online, you do not need to complete a paper Application Form. See below.**

H Enter your ***contact details,*** *including name, phone number and e-mail address,* so we may contact you regarding your Application Form or Application Monies.

By providing an e-mail address you are electing to receive notices of meetings, annual reports and other communications from the Company electronically to the provided e-mail address.

Payment by BPAY

You may apply for Shares online and pay your Application Monies by BPAY. Applicants wishing to pay by BPAY should complete the online Application Form accompanying the electronic version of the prospectus available at **www.chimerictherapeutics.com** and follow the instructions on the online Application Form. When completing your BPAY payment please ensure you use the specific Biller Code and Unique CRN provided in the online Application Form and confirmation e-mail. If you do not use the correct Biller Code and CRN your Application will not be recognised as valid. It is your responsibility to ensure payment is received by 5:00pm (Sydney Time) on the Closing Date. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and should therefore take this into consideration when making payment. Neither Boardroom Pty Limited nor Chimeric Therapeutics limited accepts any responsibility for loss incurred through incorrectly completed BPAY payments.

Correct Form of Registrable Title

Note that ONLY legal entities can hold the Shares. The Application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registrable Title	Incorrect Form of Registrable Title
Individual	Mr John David Smith	J D Smith
Company	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings	Mr John David Smith & Mrs Mary Jane Smith	John David & Mary Jane Smith
Trusts	Mr John David Smith <J D Smith Family A/C>	John Smith Family Trust
Deceased Estates	Mr Michael Peter Smith <Est Lte John Smith A/C>	John Smith (deceased)
Partnerships	Mr John David Smith & Mr Ian Lee Smith	John Smith & Son
Clubs/Unincorporated Bodies	Mr John David Smith <Smith Investment A/C>	Smith Investment Club
Superannuation Funds	John Smith Pty Limited <J Smith Super Fund A/C>	John Smith Superannuation Fund

Lodgment

Mail or deliver your completed Application Form with your cheque(s) or bank draft attached to one of the following addresses:

Mailing address:
Chimeric Therapeutics Limited
C/-Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

Delivery address:
Chimeric Therapeutics Limited
C/-Boardroom Pty Limited
Level 12, 225 George Street
SYDNEY NSW 2000

The Offer closes at 5:00 p.m. (Sydney Time) on 14 December 2020, unless varied in accordance with the Corporations Act and ASX Listing Rules.

It is not necessary to sign or otherwise execute the Application Form.

If you have any questions as to how to complete the Application Form, please contact Boardroom Pty Limited on 1300 737 760 within Australia and +61 2 9290 9600 outside Australia.

Privacy Statement

Chimeric Therapeutics Limited advises that Chapter 2C of the Corporations Act requires information about its shareholders (including names, addresses and details of Shares held) to be included in the Company's share register. Information is collected to administer your security holding and if some or all of the information is not collected then it might not be possible to administer your security holding. Your personal information may be disclosed to the Company. To obtain access to your personal information or more information on how the Company collects, stores, uses and disclosures your information please contact the Company at the address or telephone number shown in the Prospectus.

CHIMERIC THERAPEUTICS

Prospectus

For an offer of 175,000,000 shares at $0.20 per share in

Chimeric Therapeutics Limited

ACN 638 835 828

ASX: CHM