MARKET RELEASE

2 September 2016

Cynata Therapeutics Limited

TRADING HALT

The securities of Cynata Therapeutics Limited (the "Company") will be placed in Trading Halt Session State at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in Trading Halt Session State until the earlier of the commencement of normal trading on Tuesday 6 September 2016 or when the announcement is released to the market.

Security Code: CYP

Chris Bailey
Listings Compliance (Perth)

2 September 2016

Mr Sebastian Bednarczyk
ASX Operations
Level 40 Central Park
152-158 St George's Terrace
PERTH WA 6000

Via Email

Dear Sebastian

TRADING HALT REQUEST

In accordance with ASX Listing Rule 17.1, the Company hereby requests that its securities be placed into an immediate trading halt pending an announcement regarding a commercial partnering transaction with respect to the Company's proprietary Cymerus™ stem cell technologies.

The Company requests that trading in its securities be halted until after the expected announcement is made or until the market opens on Tuesday, 6 September 2016, whichever is the earlier.

The Company is not aware of any reason why this trading halt request should not be granted.

Yours faithfully

Peter Webse
Company Secretary