22 August 2022

Melissa Kostopoulos
Adviser, Listings Compliance (Melbourne)
ASX Compliance Pty Ltd
Level 4, Rialto North Tower
525 Collins Street
Melbourne VIC 3000

Dear Melissa

Paradigm Biopharmaceuticals (ASX: PAR) - ASX Announcement

Cleansing Notice under Section 708AA(2)(f) of theCorporations Act 2001 (Cth)

On 15 August 2022 Paradigm Biopharmaceuticals Limited (ACN 169 346 963) (**Paradigm** or **Company**) announced that was undertaking a non-renounceable rights issue Offer of one (1) New Share for every fifteen (15) Shares held by shareholders with a registered address in Australia or New Zealand (or who would otherwise qualify as an exempt investor in their local jurisdiction and where registration of the Offer is not required) **(Eligible Shareholders**) at Record Date of 18 August 2022, for the issue of up to approximately 15,616,615 New Shares at $1.30 per Share to raise up to approximately $20.3 million (before costs) (**Offer**).

The Company announces that the Offer opens **today** (22 August 2022) and will be conducted pursuant to an Offer Booklet and Entitlement and Acceptance Form both lodged with ASX, and available online for download by Shareholders, today.

For the purpose of section 708AA(2)(f) of the Corporations Act, the Company advises:

1. The Company will offer the New Shares for issue without disclosure to investors under Part 6D.2 of the Corporations Act.

2. The Company is providing this notice under section 708AA(2)(f) of the Corporations Act.

3. As at the date of this notice, the Company has complied with:
   a. The provisions of Chapter 2M of the Corporations Act as they apply to the Company; and

   b. Section 674 of the Corporations Act.

4. As at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act that is required to be set out in this notice under section 708AA(7) of the Corporations Act; and

5. The potential effect of the Offer on the control of the Company and the consequences of that effect, will depend on a number of factors, including investor and existing shareholders' demand, is as follows:
   a. If all Eligible Shareholders take up all their Entitlements under the Offer, then the Offer will have no significant effect on the control of the Company.
   b. Should just the Company's major Shareholders subscribe for their full Entitlement,there will not be any material impact on the control of the Company following the issue of Shares under the Offer.

c. To the extent that Eligible Shareholders do not take up all of their Entitlements under theOffer, then the percentage holdings of those Eligible Shareholders will be diluted by those who subscribe for new Shares under the Offer.

d. The proportional interests of Ineligible Foreign Shareholders will be diluted because those Ineligible Foreign Shareholders are not entitled to participate in the Offer.

e. Shareholders that apply for Additional Shares under the Top-Up Facility may increase their interests beyond their percentage Entitlement. This would result in the dilution of holdings of those who did not accept their Entitlements in full.

f. If no Eligible Shareholders (other than the Directors, to the extent disclosed in the Company's announcement today) take up their Entitlements under the Offer then the Offer's effect on the control of the Company will depend on the subscriptions made under the Underwriting Agreement, which may potentially result in a new investor having a substantial interest in the Company

g. If no Eligible Shareholders (other than the Directors, to the extent disclosed in the Company's announcement today) take up their Entitlements under the Offer, the Underwriting Agreement is terminated for any reason and the Company issues the Shortfall under the Offer through placement to new investors, this may potentially result in one or more new investors having a substantial interest in the Company.

Assuming a 100% take up of the Offer (as the Offer is fully underwritten), the potential effect of the Rights Issue on the control of the Company is as follows:

Issued Shares	**Shares**
Total issued capital of the Company as at the Record Date	234,249,228
Number of Shares offered under the Rights Issue (assuming maximum number of Shares are issued under the Rights Issue)	15,616,615
Total Issued Capital of the Company at completion of the Rights Issue	285,003,227*

* includes 35,137,384 Shares issued under the Placement announced 15/8/22.

Further details about the Rights Issue Offer are expected to be announced on 22 August 2022, when the Offer is expected to open.

This notice has been authorised for release to ASX by the Board of Directors of the Company.

Yours sincerely

Paul Rennie
Chairman
Paradigm Biopharmaceuticals Limited