Announcement Summary

Entity name

AVECHO BIOTECHNOLOGY LIMITED

Announcement Type

New announcement

Date of this announcement

3/4/2023

The Proposed issue is:

☑ A standard pro rata issue (including non-renounceable or renounceable)
☑ A placement or other type of issue

Total number of +securities proposed to be issued for a standard pro rata issue (including non-renounceable or renounceable)

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	Options at an exercise price of $0.012 each expiring 3 years from the date of issue (New Options)	2,756,804,016
AVE	ORDINARY FULLY PAID	1,837,869,344

Ex date

5/4/2023

+Record date

6/4/2023

Offer closing date

3/5/2023

Issue date

10/5/2023

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	Options with exercise price of $0.012 each, expiring on same date as attaching New Options	150,000,000

Proposed +issue date

10/5/2023

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

AVECHO BIOTECHNOLOGY LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.
If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ACN

Registration Number

056482403

1.3 ASX issuer code

AVE

1.4 The announcement is

☑ New announcement

1.5 Date of this announcement

3/4/2023

1.6 The Proposed issue is:

☑ A standard +pro rata issue (non-renounceable or renounceable)
☑ A placement or other type of issue

1.6a The proposed standard +pro rata issue is:

☑ + Non-renounceable

Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 Do any external approvals need to be obtained or other conditions satisfied before the entitlement offer can proceed on an unconditional basis?
☑ No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +security code and description

AVE : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
☑ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?
☑ Yes

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?
☑ No

Details of +securities proposed to be issued

ASX +security code and description

AVE : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

The quantity of additional +securities to be issued	For a given quantity of +securities held
1	1

What will be done with fractional entitlements?	Maximum number of +securities proposed to be issued (subject to rounding)
Fractions rounded down to the nearest whole number or fractions disregarded	1,837,869,344

Offer price details for retail security holders

In what currency will the offer be made?	What is the offer price per +security for the retail offer?
AUD - Australian Dollar	AUD 0.00600

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?
Yes

Describe the limits on over-subscription

No Additional Shares or Additional Options will be issued if, to do so would, to the extent of the knowledge of Avecho, result in a breach of the Listing Rules or the restrictions on obtaining or increasing relevant interests of greater than 20% of Avecho's issued voting shares under Chapter 6 of the Corporations Act, or would otherwise be contrary to the Corporations Act or the Listing Rules.

Will a scale back be applied if the offer is over-subscribed?
Yes

Describe the scale back arrangements

The allocation of any New Securities under the Additional Share Facility will be at the discretion of the Directors.

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?
Yes

Attaching +Security

Is the proposed attaching security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional +securities in a class that is already quoted or recorded by ASX)?
New class

Attaching +Security - New class (+securities in a class that is not yet quoted or recorded by ASX)

Details of attaching +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

ISIN Code for the entitlement or right to participate in a non-renounceable issue (if Issuer is foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☑ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☑ Yes

ASX +security code

New class-code to be confirmed

+Security description

Options at an exercise price of $0.012 each expiring 3 years from the date of issue (New Options)

+Security type

Options

Offer ratio (ratio of attaching securities at which the new +securities will be issued)

The quantity of attaching +securities to be issued

3

For a given quantity of the new +securities issued

2

What will be done with fractional entitlements?

Fractions rounded down to the nearest whole number or fractions disregarded

Maximum number of +securities proposed to be issued (subject to rounding)

2,756,804,016

Offer price details for retail security holders

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security for the retail offer?

AUD 0.00000

Oversubscription & Scale back details

Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?

☑ Yes

Describe the limits on over-subscription

No Additional Shares or Additional Options will be issued if, to do so would, to the extent of the knowledge of Avecho, result in a breach of the Listing Rules or the restrictions on obtaining or increasing relevant interests of greater than 20% of Avecho's issued voting shares under Chapter 6 of the Corporations Act, or would otherwise be contrary to the Corporations Act or the Listing Rules.

Will a scale back be applied if the offer is over-subscribed?
☑ Yes

Describe the scale back arrangements

The allocation of any New Securities under the Additional Share Facility will be at the discretion of the Directors.

Will all the +securities issued in this class rank equally in all respects from their issue date?
☑ Yes

Options details

+Security currency

AUD - Australian Dollar

Exercise price

AUD 0.0120

Expiry date

Details of the type of +security that will be issued if the option is exercised

AVE : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

Each New Option entitles the holder to subscribe for one fully paid AVE Share upon exercise of the New Option and payment of the exercise price prior to the Expiry Date.

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02650579-3A615962?access_token=83ff96335c2d45a094df02a206a39ff4

Part 3C - Timetable

3C.1 +Record date

6/4/2023

3C.2 Ex date

5/4/2023

3C.4 Record date

6/4/2023

3C.5 Date on which offer documents will be sent to +security holders

entitled to participate in the +pro rata issue

13/4/2023

3C.6 Offer closing date

3/5/2023

3C.7 Last day to extend the offer closing date

28/4/2023

3C.9 Trading in new +securities commences on a deferred settlement basis

4/5/2023

3C.11 +Issue date and last day for entity to announce results of +pro rata issue

10/5/2023

3C.12 Date trading starts on a normal T+2 basis

11/5/2023

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

15/5/2023

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

☑ Yes

3E.1a Who is the lead manager/broker?

CoPeak Corporate Pty Ltd ("Peak Asset Management") and CPS Capital Group Pty Ltd ("CPS Capital")

3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

As outlined under section 5.9 of the Prospectus.

3E.2 Is the proposed offer to be underwritten?

☑ No

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

☑ No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Part 3F - Further Information

3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

As outlined under section 1.3 of the Prospectus lodged on 3 April 2023.

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

☑ No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

☑ No

3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue

Countries outside of Australia and New Zealand.

3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

☑ Yes

3F.5a Please provide further details of the offer to eligible beneficiaries

The same terms and conditions to Eligible Shareholders, as outlined in the Prospectus lodged on 3 April 2023.

3F.6 URL on the entity's website where investors can download information about the proposed issue

https://avecho.com.au/investor-centre/

3F.7 Any other information the entity wishes to provide about the proposed issue

3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?

☑ Yes

3F.9 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

☑ The publication of a +disclosure document or +PDS for the +securities proposed to be issued

Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?
☑ No

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?
☑ New class

Will the proposed issue of this +security include an offer of attaching +securities?
☑ No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?
☑ No

Will the entity be seeking quotation of the 'new' class of +securities on ASX?
☑ Yes

ASX +security code	+Security description
New class-code to be confirmed	Options with exercise price of $0.012 each, expiring on same date as attaching New Options

+Security type

Options

Number of +securities proposed to be issued

150,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?
☑ No

Please describe the consideration being provided for the +securities

As outlined under section 1.13 of the Prospectus lodged on 3 April 2023.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

1,500.000000

Will all the +securities issued in this class rank equally in all respects from their issue date?

Yes

Options details

+Security currency	Exercise price	Expiry date
AUD - Australian Dollar	AUD 0.0120	

Details of the type of +security that will be issued if the option is exercised

AVE : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

Each JLM Option entitles the holder to subscribe for one fully paid AVE Share upon exercise of the JLM Option and payment of the exercise price prior to the Expiry Date.

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02650579-3A615962?access_token=83ff96335c2d45a094df02a206a39ff4

Part 7C - Timetable

7C.1 Proposed +issue date

10/5/2023

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

150,000,000

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

☑ No

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

☑ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☑ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☑ No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

☑ No

7E.2 Is the proposed issue to be underwritten?

☑ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

This issue of options is pursuant to the mandate between Peak Asset Management and CPS Capital, as outlined in the Prospectus lodged on 3 April 2023.

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Services rendered by the Joint Lead Managers under the Entitlement Offer and Shortfall Offer.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☑ No

7F.2 Any other information the entity wishes to provide about the proposed issue

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

- The publication of a +disclosure document or +PDS for the +securities proposed to be issued