



ADDENDUM TO NOTICE OF ANNUAL GENERAL MEETING

Including Explanatory Notes

To be held:

10:00 am AEDT on Thursday 21 November 2024
Minter Ellison, Collins Arch Level 20
447 Collins Street Melbourne VIC 3000

-and-

Virtually at this web address - <https://web.lumiagm.com/337-483-326>

Meeting ID: 337-483-326

**This is an important document. It should be read in its entirety.
If you are in doubt as to the course you should follow, consult your financial or other professional adviser.**

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PERCHERON THERAPEUTICS LIMITED

ACN 095 060 745

ADDENDUM TO NOTICE OF ANNUAL GENERAL MEETING

Percheron Therapeutics Limited (**Company**) hereby gives notice to Shareholders that, in relation to the Notice of Annual General Meeting released to the ASX on 18 October 2024 (**Notice**) in respect of the Company's Annual General Meeting of members to be held at 10:00am (AEDT) on 21 November 2024 (**Meeting**), the Directors have resolved to include new Resolutions 8 and 9 on the terms set out in this Addendum (**Additional Resolutions**).

The Addendum is supplemental to the Notice and should be read in conjunction with the Notice. Apart from the amendment set out below, all Resolutions and the Explanatory Statement in the original Notice remain unchanged.

Replacement Proxy Form

Annexed to this Addendum to the Notice is a replacement Proxy Form (**Replacement Proxy Form**). To ensure clarity of voting instructions by Shareholders on the Resolutions to be considered at the Meeting, Shareholders are advised that:

- a) If you have already completed and returned the Proxy Form annexed with the Notice (**Original Proxy Form**) and you wish to change your original vote for Resolutions 1 to 7 or cast votes for the Additional Resolutions, you must complete and return the Replacement Proxy Form.
- b) If you have already completed and returned the Original Proxy Form and you do not wish to change your original vote for Resolutions 1 to 7 or vote on the Additional Resolutions, you do not need to take any action as the earlier submitted Original Proxy Form will be accepted by the Company for Resolutions 1 to 7 unless you submit a Replacement Proxy Form. For the sake of clarity, the Company notes that if you do not lodge a Replacement Proxy Form, you will not have cast a vote on the Additional Resolutions.
- c) If you have not yet completed and returned a Proxy Form and you wish to vote on the Resolutions in the Notice as supplemented by the Addendum (including the Additional Resolutions), please complete and return the Replacement Proxy Form.

SUPPLEMENTARY BUSINESS OF THE MEETING

The agenda of the notice is amended by including the following resolutions:

Resolution 8: Ratification of Prior Issue of Shares to Institutional Investors

To consider, and if thought fit, pass the following resolution as an advisory and non-binding **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and all other purposes, Shareholders approve under Listing Rule 7.1 the prior issue of 135,231,746 Shares to institutional and sophisticated investors on the terms and conditions and in the manner detailed in the Explanatory Notes."

A voting exclusion statement applies to this Resolution. Please see below.

Resolution 9: Approval of the issue of Adviser Options to Canaccord

To consider, and if thought fit, pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.1 and all other purposes, Shareholders approve under Listing Rule 7.1 the agreement to issue the 12,109,460 Adviser Options over fully paid ordinary shares in the Company to Canaccord or its related entity as part of the fee payable to Canaccord in connection with their engagement as lead manager and adviser of the Company in relation to the capital raising launched and announced to the ASX on 18 October 2024, on the terms and conditions and in the manner detailed in the Explanatory Notes."

A voting exclusion statement applies to this Resolution. Please see below.

VOTING EXCLUSION STATEMENTS

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution set out below by or on behalf of the following persons:

Resolution 8 Ratification of Prior Issue of Shares to Institutional Investors	The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of all participating institutional and sophisticated investors and each of their associates.
Resolution 9 Approval of Adviser Options	The Company will disregard any votes cast in favour of the Resolution by or on behalf of Canaccord, and any person or any of their associates, who will obtain a material benefit as a result of the proposed issue of Adviser Options to Canaccord (except a benefit solely by reason of being a holder of Shares in the Company).

However, the above voting exclusion statement does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

PERCHERON THERAPEUTICS LIMITED

ACN 095 060 745

EXPLANATORY STATEMENT

Resolution 8: Ratification of Prior Issue of Shares

8 Background

As announced on 18 October 2024, the Company completed a share placement of 135,231,746 ordinary fully paid shares with an issue price per share of \$0.08 (**Offer Price**) to institutional and sophisticated investors (**Tranche 1 Placement**) to be issued and allotted on or about 24 October 2024.

The Company has also committed to issue a further 27.5 million Shares at the Offer Price to certain institutional and sophisticated investors who participated in the Placement, to raise up to an additional \$2.2 million, subject to and conditional on the ratification of the Shares to be issued under the Placement (**Tranche 2 Conditional Placement**).

The Tranche 1 Placement and Tranche 2 Conditional Placement together referred to as the **Placement**.

8.1 Listing Rules

Listing Rule 7.1 allows the Company to issue new securities up to 15% of the existing capital of the Company in any 12-month period without the prior approval of Shareholders, unless one of the exceptions in Listing Rule 7.2 applies. The Shares issued to all participating institutional and sophisticated investors were within this limitation.

Under Listing Rule 7.4 an issue of equity securities will be treated as having been made with approval for the purposes of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 at the time and Shareholders subsequently approve it. As the issue of Shares to all participating institutional and sophisticated investors was within the Listing Rule 7.1 capacity and was not previously approved by Shareholders, the Company now seeks Shareholder ratification of the issue pursuant to Listing Rule 7.4.

If Resolution 8 is approved, the prior issue of 135,231,746 Shares to all participating institutional and sophisticated investors may be treated by the Company as having been made with approval under Listing Rule 7.1. The Company will therefore be able to:

- (a) issue additional equity securities without the Shares the subject of Resolution 8 counting towards the 15% threshold for the purposes of Listing Rule 7.1; and
- (b) complete the Tranche 2 Conditional Placement and issue the further 27.5 million Shares and receive the additional \$2.2 million.

If Resolution 8 is not approved, the 135,231,746 Shares issued to institutional and sophisticated investors will be included in calculating the Company's combined 15% limit in Listing Rule 7.1, the result of which is:

- (a) the Company will have utilised its entire 15% threshold for the purposes of Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without

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- Shareholder approval over the 12-month period following the date of issue of the Shares to all participating institutional and sophisticated investors; and
- (b) the Tranche 2 Conditional Placement will not proceed, the further 27.5 million Shares will not be issued and the additional \$2.2 million will not be received by the Company.

The following information is provided in compliance with Listing Rule 7.5:

- (a) The number of securities issued was 135,231,746 Shares.
- (b) The Shares were issued at an issue price of \$0.08 per Share.
- (c) The Shares rank equally in all respects with the Company's existing Shares on issue.
- (d) The Shares were issued to institutional and sophisticated investors.
- (e) Canaccord Genuity (**Canaccord**) acted as sole Lead Manager for the Placement.
- (f) Funds raised from the Shares will enable the ongoing international Phase IIb study of ATL1102 in Duchenne muscular dystrophy and also working capital purposes.
- (g) A voting exclusion statement is included in the Addendum.

The Directors recommend that you vote in **favour** of this Ordinary Resolution.

Resolution 9: Approval of Issue of Adviser Options

9 Background

The Company completed the Tranche 1 Placement on 18 October 2024. In connection with the Placement, Canaccord were engaged to act as lead manager and adviser to the Company. As a part of the fee payable to Canaccord in connection with the Placement, the Company agreed to issue to Canaccord options to a right over a fully paid ordinary share in the capital of the Company (the **Adviser Options**) subject to and conditional on completion of the Tranche 1 Placement.

It is expected that the Adviser Options will be issued to Canaccord on or about 30 November 2024.

9.1 Listing Rules

Listing Rule 7.1 allows the Company to issue new securities up to 15% of the existing capital of the Company in any 12-month period without the prior approval of Shareholders, unless one of the exceptions in Listing Rule 7.2 applies. The agreement to issue the Adviser Options to Canaccord were within this limitation.

Under Listing Rule 7.4 an agreement to issue equity securities will be treated as having been made with approval for the purposes of Listing Rule 7.1 if the agreement to issue did not breach Listing Rule 7.1 at the time and Shareholders subsequently approve it. As the agreement to issue Adviser Options to Canaccord was within the Listing Rule 7.1 capacity and was not previously approved by Shareholders, the Company now seeks Shareholder approval of the issues pursuant to Listing Rule 7.4.

If Resolution 9 is approved, the Adviser Options to be issued to Canaccord on or about 30 November 2024 may be treated by the Company as having been made with approval under Listing Rule 7.1. The Company will therefore be able to issue additional equity securities without the Adviser Options the subject of Resolution 9 counting towards the 15% threshold for the purposes of Listing Rule 7.1.

If Resolution 9 is not approved, the Adviser Options to be issued to Canaccord will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the

number of equity securities that the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Adviser Options to be issued to Canaccord.

The following information in relation to the key terms of the Adviser Options is provided in compliance with Listing Rule 7.5:

(a) the Adviser Options have been agreed to be issued to Canaccord in 3 tranches:

- (i) Tranche 1 – 4,036,487 Adviser Options;
- (ii) Tranche 2 – 4,036,487 Adviser Options; and
- (iii) Tranche 3 – 4,036,486 Adviser Options.

(b) The other key terms of the Adviser Options are as follows:

	Adviser Options																				
Purpose	Each Adviser Option will entitle its holder to acquire one Share in the Company in accordance with the terms set out in this table. The Adviser Options were issued in connection with Canaccord's engagement as lead manager and adviser under the Placement.																				
Exercise price of Adviser Options	Tranche 1 – 100% premium to the 5-Day VWAP of the 5 days prior to 16 October 2024 Tranche 2 – 200% premium to the 5-Day VWAP of the 5 days prior to 16 October 2024 Tranche 3 – 300% premium to the 5-Day VWAP of the 5 days prior to 16 October 2024																				
Issue Date	Expected to be 29 November 2024.																				
Expiry date	5 years from the Issue Date.																				
Vesting conditions	Adviser Options vesting to commence at the end of month 3 from the Issue Date being 28 February 2025 and will cease vesting at the close of month 12 from the Issue Date being 28 November 2025. All three Adviser Option tranches will vest in equal monthly proportions from month 3 to month 12 (i.e. one tenth of the options vested each month). i.e.: <table> <tr> <td>28 February 2025</td><td>1,210,946</td></tr> <tr> <td>31 March 2025</td><td>1,210,946</td></tr> <tr> <td>30 April 2025</td><td>1,210,946</td></tr> <tr> <td>31 May 2025</td><td>1,210,946</td></tr> <tr> <td>30 June 2025</td><td>1,210,946</td></tr> <tr> <td>31 July 2025</td><td>1,210,946</td></tr> <tr> <td>31 August 2025</td><td>1,210,946</td></tr> <tr> <td>30 September 2025</td><td>1,210,946</td></tr> <tr> <td>31 October 2025</td><td>1,210,946</td></tr> <tr> <td>30 November 2025</td><td>1,210,946</td></tr> </table>	28 February 2025	1,210,946	31 March 2025	1,210,946	30 April 2025	1,210,946	31 May 2025	1,210,946	30 June 2025	1,210,946	31 July 2025	1,210,946	31 August 2025	1,210,946	30 September 2025	1,210,946	31 October 2025	1,210,946	30 November 2025	1,210,946
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30 September 2025	1,210,946																				
31 October 2025	1,210,946																				
30 November 2025	1,210,946																				
Value of Option	Tranche 1 \$0.032 based on Black Scholes valuation model using a risk-free rate of 3.98%, volatility of 71.88%, and a closing share price on 3 July 2024 of \$0.084.																				

	Tranche 2 \$0.025 based on Black Scholes valuation model using a risk-free rate of 3.98%, volatility of 71.88%, and a closing share price on 3 July 2024 of \$0.084. Tranche 3 \$0.02 based on Black Scholes valuation model using a risk-free rate of 3.98%, volatility of 71.88%, and a closing share price on 3 July 2024 of \$0.084.
Other terms	The Adviser Options will not be quoted on the ASX. The underlying Shares issued upon the exercise of the Adviser Options will be fully paid ordinary shares ranking pari passu with other existing fully paid ordinary shares in the Company.

- (c) A voting exclusion statement is included in the Notice of Meeting.
- (d) The material terms of the advisory mandate between Canaccord and the Company dated 3 July 2024 under which the Adviser Options are issued (**Advisory Mandate**) are as follows:
 - (i) The Company has engaged Canaccord under the Advisory Mandate to provide corporate advisory services, including in relation to the Placement;
 - (ii) The Advisory Mandate includes customary representations, warranties and indemnities in favour of Canaccord for an agreement of this nature;
 - (iii) The Adviser Options form part of the fees payable by the Company under the Advisory Mandate; and
 - (iv) The minimum term of the agreement is 3 months commencing on 3 July 2024, and will continue until terminated by either party in accordance with the Advisory Mandate.

The Directors recommend that you vote in **favour** of this Ordinary Resolution.