



18 May 2016

Dear Shareholder

PARTICIPATION IN PRO-RATA NON-RENOUCEABLE RIGHTS ISSUE

This notice is provided to inform you that on 18 May 2016 Prescient Therapeutics Limited ("**Prescient**" or the "**Company**") lodged a Prospectus ("**Prospectus**") with ASIC and ASX in relation to a pro-rata non-renounceable rights issue ("**Offer**") of approximately 37.73 million New Shares and 18.86 million New Options seeking to raise up to A\$3.4 million.

As announced on 18 May 2016, the Company has also completed a placement which will involve the issue of approximately 77.7 million shares at 9.0 cents per share with one attaching option for every two shares subscribed (exercisable at 18 cents; expiring 30 June 2018). The placement will be undertaken in two tranches. The first tranche of approximately 19.4 million shares will be unconditional, with shareholders to approve the second tranche (of approximately 58.3 shares) and all attaching options.

Under the Offer, shareholders with a registered address in Australia and New Zealand ("**Eligible Shareholders**") are being invited to subscribe for 1 New Share for every 3 Shares held by Eligible Shareholders at the Record Date at an issue price of \$0.09 cents per New Share and 1 free New Option for every 2 New Shares subscribed for under the Offer with an exercise price of 18 cents per New Option and exercisable on or before 30 June 2018 ("**Entitlement**").

It is anticipated that the Prospectus will be mailed to Eligible Shareholders on 31 May 2016. The Prospectus may be viewed on the ASX website at www.asx.com.au or alternatively on the Company's website at www.prescienttherapeutics.com.

Treatment of ineligible shareholders

The Company has determined that it would be unreasonable to extend the Offer to shareholders with a registered address outside Australia and New Zealand ("**Ineligible Shareholders**") having regard to:

- the small number of shareholders with addresses in such other countries;
- the number and value of the shares they hold; and
- the cost to the Company of complying with applicable legal and regulatory requirements in such other countries.

Accordingly, Eligible Shareholders are those shareholders who:

- will be on the Company's register of shareholders as at the Record Date; and
- have a registered address in Australia and New Zealand.

Details of the Offer

The Offer will raise up to A\$3.4 million before costs. The Offer is not underwritten.

The proceeds of the Offer will be used to progress our clinical programs, including additional drug manufacture and clinical trial management and for working capital purposes.

As a result of the Offer the number of shares in the Company on issue will increase by a maximum of 93,741,665 fully paid shares to a maximum of 209,248,148 fully paid shares following the Offer and the Placement as announced on 18 May 2016.

In the event that following the close of the Offer, a shortfall remains, the Directors reserve the right to place such shortfall shares at their discretion with persons interested in subscribing for shares in the Company within 3

months of the close of the Offer, in accordance with the allocation policy described in the Prospectus, which is designed to mitigate potential control effects of any shortfall placement.

The New Shares issued under the Offer will be fully paid and will rank equally with the Company's existing Shares. The Company will make an application to the ASX for official quotation of the New Shares and New Options.

The Entitlement Offer is non-renounceable. Accordingly, Entitlements do not trade on the ASX, nor can they be transferred or otherwise disposed of.

Fractional shares will be rounded up to the nearest whole number of New Shares and holdings on different registers or sub-registers will not be aggregated to calculate Entitlements.

Shareholder approval is not required for Prescient to make the offer under the Entitlement Offer.

Key information and indicative dates in respect of the Rights Issue are as follows:

KEY OFFER TERMS FOR THE NEW SHARES

Issue price	\$0.09 (9 cents)
Maximum number of Fully Paid New Shares to be issued	37,728,703
Maximum number of New Options to be issued	18,864,352
Maximum amount to be raised under the Offer	\$3,395,583
Maximum number of Fully Paid Shares following the Offer and Placement	209,248,148

KEY DATES

EVENT	DATE (2016)
Lodgement of Prospectus with ASIC and Announcement of the Offer	Wednesday 18 May 2016
Notice sent to shareholders containing information required by Appendix 3B	Thursday 19 May 2016
"Ex" date where the Company's existing shares will commence trading without the entitlement to participate in the Offer	Wednesday 25 May 2016
Record date to determine Entitlements under the Offer	7.00pm, (Sydney time) Thursday 26 May 2016
Opening Date for the Offer	Tuesday 31 May 2016
Mailing of Prospectus and Entitlement and Acceptance Form to Eligible Shareholders	
Last day to extend Rights Issue Closing Date	Thursday 16 June 2016
Closing Date for the lodgement of Entitlement and Acceptance Forms and payment	5.00pm (Sydney time) Tuesday 21 June 2016
Securities quoted on a deferred settlement basis	Wednesday 22 June 2016
ASX notified of under subscriptions	Wednesday 22 June 2016
Allotment of New Shares and New Options for which valid applications have been received and accepted by the Company	Thursday 23 June 2016

Dispatch of holding statements for the New Shares and New Options	Thursday 23 June 2016
Normal trading of New Shares and New Options on ASX expected to commence	Friday 24 June 2016
Deadline for placement of remaining Shortfall Securities	Wednesday 21 September 2016

Subject to the Listing Rules, the above dates may be changed without notice.

Further details on the Offer are contained in the Prospectus. For further information please contact the Company on (+61 3) 9692 7222.

Yours faithfully



STEVEN YATOMI-CLARKE
CEO & Managing Director