



cyclo^{medica}
techne^{gas}
cyclo^{pet}
ultra^{lute}

5 June 2017

Dear Shareholder

Cyclopharm Ltd
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Non-renounceable entitlement offer

Cyclopharm Limited (**Company**) is pleased to advise that it is undertaking a non-renounceable pro-rata entitlement offer to raise approximately \$7.0 million (**Entitlement Offer**).

The Entitlement Offer provides eligible shareholders with the opportunity to subscribe for 1 new share for every 6.8 shares held at 7pm (Sydney time) on Thursday, 8 June 2017 (**Record Date**) at an issue price of \$0.80 per new share.

The Entitlement Offer will be fully underwritten by Bell Potter Securities Limited.

Issue price

The issue price of \$0.80 per new share under the Entitlement Offer represents a discount of approximately:

- 17.2% to the 5 day volume weighted average price up to and including 2 June 2017 of \$0.967; and
- 20.0% to the closing price on 2 June 2017 of \$1.00.

Eligible Shareholders

The Entitlement Offer will be offered to all shareholders of the Company with a registered address in Australia, New Zealand or the United Kingdom as at the Record Date (**Eligible Shareholders**).

The Company regrets that, having considered the number of shareholders with registered addresses outside Australia, New Zealand and the United Kingdom (**Ineligible Shareholders**), the number and value of the shareholdings held by Ineligible Shareholders, and the costs of complying with the laws and any requirements of any regulatory authority in each applicable jurisdiction, it will not offer the Entitlement Offer to Ineligible Shareholders.

Additional New Shares

Eligible Shareholders may apply for up to \$15,000 worth of New Shares in excess of their entitlement (**Additional New Shares**). Additional New Shares will be sourced from entitlements that were not taken up under the Entitlement Offer and will not exceed the shortfall. The Directors reserve the right to allot and issue Additional New Shares in their absolute discretion and there is no guarantee that Eligible Shareholders will receive the number of Additional New Shares applied for, or any.

Entitlements

Entitlements in respect of new shares will be rounded down to the nearest whole number and holdings on different registers or sub-registers will not be aggregated to calculate entitlements. The Entitlement Offer is non-renounceable and entitlements cannot be traded on the ASX.

Company's capital structure pro-forma

The table below provides a pro-forma capital structure of the Company after completion of the Entitlement Offer (assuming no other shares are issued by the Company).

Share Capital	Shares
Shares on issue before announcement of the Entitlement Offer	59,951,733
New Shares to be issued under the Entitlement Offer	8,816,432
Shares on issue after Entitlement Offer	68,768,165

Further information

The Entitlement Offer will be made under section 708AA of the Corporations Act. Accordingly, the Company will not prepare a prospectus or other disclosure document. The Company will release a copy of the Entitlement Offer Booklet and the Entitlement and Acceptance Form to the ASX announcements platform on Wednesday, 14 June 2017. A copy of the Entitlement Offer Booklet will also be sent to all Eligible Shareholders on that date.

Further details of the Entitlement Offer will be contained in the Entitlement Offer Booklet.

Important dates

Event	Date
Announcement of terms of the Entitlement Offer	Monday, 5 June 2017
Existing shares quoted on an 'ex-entitlement' basis	Wednesday, 7 June 2017
Record Date	7pm (Sydney time) Thursday, 8 June 2017
Entitlement Offer opens Entitlement Offer Booklet and acceptance forms despatched	Wednesday, 14 June 2017
Entitlement Offer closes	5pm (Sydney time) Friday, 23 June 2017
Announcement of shortfall (if any) under the Entitlement Offer	Wednesday, 28 June 2017
Allotment date of new shares issued under the Entitlement Offer	Friday, 30 June 2017
Despatch of holding statements for New Shares issued under the Entitlement Offer Normal trading of New Shares issued under the Entitlement Offer	Monday, 3 July 2017

The timetable is subject to change and the Company reserves the right to withdraw or vary the timetable for the offer without notice. In particular, the Company reserves the right to extend the closing date for the Entitlement Offer and to accept late applications whether generally or in particular cases.

The Directors thank you for your ongoing support of the Company.

Yours sincerely,



James McBrayer
Managing Director and Company Secretary

For more information, please contact:

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