



SHAREHOLDER UPDATE

1 MARCH 2022

LETTER TO SHAREHOLDERS – RIGHTS ISSUE

Dear fellow shareholders

We are delighted to announce that the Board has decided to offer shareholders the opportunity to increase their ownership in Chimeric (CHM) on the same terms as institutional investors. The downturn in global biotech markets, and the subsequent downward impact on our own share price, provides shareholders with this opportunity after a most successful 12 months following our IPO during which your company has made significant advances across many fronts.

As you may be aware from the announcement to the ASX on Wednesday 23 February, CHM plans to conduct a non-renounceable rights issue for all shareholders on the basis of 1 new Chimeric share for every 3.15 existing shares currently held, at a price of \$0.17 per new share. This represents a 15% discount to the closing price of shares on 18 February 2022 (being the last trading day before announcement of the Entitlement Offer).

When fully subscribed, the rights issue will raise \$18 million. Proceeds from the rights issue will be used to continue advancement of our exciting drug development program which is expected to see CHM with four Phase 1 clinical trials within the next 12 months, in one of the most promising areas of cancer research today, cell therapy. CHM has the richest pipeline of any company in Australia in this field.

Those shareholders participating in the rights issue will also receive a free option for each rights share taken up on the basis of 1 for 1. The options will have an exercise price of \$0.255 and a term of 2 years. Based on a Black Scholes valuation method, assuming 100% volatility, the option has a theoretical value of 9.25 cents. The options will be listed on the ASX.

Options are a very attractive future funding mechanism for CHM, since if the options are exercised in 2 years time, they will provide CHM with an additional \$27m in funding.

We are pleased to advise that all CHM Directors will participate in the rights issue, and your Chairman will personally subscribe for \$500,000 of rights.

It really is worth reminding ourselves that we are all invested in a company which is at the cutting edge of discovering new cancer treatments, in partnership with some of the leading US medical institutions. The work is thrilling, and every day brings us closer to the real possibility of relief from the scourge of cancer which has touched all our lives.



We will be in Sydney and Melbourne the week beginning Monday 7 March to meet shareholders and provide updates on the exciting year ahead.

We do hope you are able to attend and to meet your senior leadership team in person.

Please join us:

Sydney Monday 7th March 2022, 4.30-6.30pm
Radisson Blu Plaza Hotel, 27 O'Connell Street

Melbourne Tuesday 8th March 2022, 4.30-6.30pm
Garden State Hotel, Observatory Room, 101 Flinders Lane

RSVP to: alison@chimerictherapeutics.com

Paul Hopper
Executive Chairman

Jenn Chow
CEO & Managing Director

ABOUT CHIMERIC THERAPEUTICS

Chimeric Therapeutics, a clinical stage cell therapy company and the ASX leader in cell therapy, is focused on bringing the promise of cell therapy to life for more patients with cancer. We believe that cellular therapies have the promise to cure cancer not just delay disease progression.

To bring that promise to life for more patients, Chimeric's world class team of cell therapy pioneers and experts is focused on the discovery, development, and commercialization of the most innovative and promising cell therapies.

CHM 1101 (CLTX CAR T) is a novel and promising CAR T therapy developed by scientists at the City of Hope Medical Centre in California for the treatment of patients with solid tumours. CHM 1101 is currently being studied in a phase 1 clinical trial in recurrent/ progressive glioblastoma. A 2nd CLTX CAR T phase 1 clinical trial is planned to begin in 2022 in additional solid tumours.

CHM 2101 (CDH17 CAR T) is a novel, 3rd generation CDH17 CAR T invented at the University of Pennsylvania. CHM 2101 (CDH17 CAR T) is currently in preclinical development with a planned phase 1 clinical trial in 2022 in Neuroendocrine Tumours, Colorectal, Pancreatic and Gastric Cancer.



Recently Chimeric announced the addition of the CORE-NK platform, a clinically validated, off the shelf natural killer (NK) cell therapy platform to their portfolio (CHM 0201). From the CORE-NK platform, Chimeric will initiate development of four new next generation NK and CAR NK assets with plans for phase 1 clinical trials to begin in 2023 in solid tumours and blood cancers.

Chimeric Therapeutics continues to be actively engaged in further developing its oncology pipeline with new and novel cell therapy assets that will bring the promise of cell therapy to life for more patients with cancer.

CONTACT

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