

Factor Therapeutics enters into Term Sheet for acquisition of PowerLime, Inc.

Changes to Board composition

Brisbane (Australia) 20 April 2021: Factor Therapeutics Limited (ASX:FTT) ("Factor" or "the Company") announces that the Company has entered into a term sheet with PowerLime, Inc. ("PowerLime") for the acquisition of PowerLime and its assets ("Acquisition").

PowerLime holds an option to acquire land located in Early County, South Georgia (USA), considered prospective for the development of an advanced high calcium limestone project.

The Acquisition is proposed to be implemented by means of a purchase agreement. The result of the Acquisition will be that PowerLime becomes a wholly owned subsidiary of Factor, with the goal of pivoting Factor into a resources company.

The term sheet is non-binding and remains subject to completion of satisfactory due diligence by both parties, necessary regulatory approvals and receipt by Factor of in-principle advice from ASX.

Factor has today submitted to ASX an in-principle advice application seeking guidance on relevant Listing Rule matters so as to ascertain to a reasonable degree of certainty any fundamental hurdles to Factor's application for admission to the ASX official list under Listing Rule 1.1 Condition 1 and Listing Rule 1.19.

The Board currently anticipates that PowerLime will make a presentation to the Company's Annual General Meeting which is scheduled to occur from 1.00pm, Friday 28 May 2021. More details on the Annual General Meeting will be announced in the coming week.

Changes to Board Composition

The Board announces that Non-Executive Director, Dr Christian Behrenbruch, will not seek re-election and accordingly will retire from the Board effective 28 May 2021. This decision is reflective of the change in proposed commercial direction for the Company, outside of the biotechnology field. Dr Behrenbruch is Managing Director and CEO of Telix Pharmaceuticals Limited (ASX:TLX), an ASX300 nuclear medicine company. His retirement from the Board of Factor follows five and a half years' service since being appointed on 12 October 2015.

Dr David Brookes, Chairman, said "Chris's contribution to the Company during his tenure cannot be overstated and his fellow directors will always be grateful for the expertise and work ethic that Chris brought to the Board, acknowledging his deep commitment to the Factor shareholders in endeavouring to deliver value. On behalf of the Board, I thank Chris for his contribution and wish him the very best in all respects."

The Board is pleased to announce the appointment of Ms Melanie Farris as Non-Executive Director, effective 20 April 2021.

Ms Farris is an experienced governance and corporate operations professional and non-executive director with over 13 years' experience in listed life sciences companies, as well as extensive



experience in the planning, management and delivery of strategic corporate activities including IPO and M&A due diligence and integration.

Ms Farris previously served as Non-Executive Director and Company Secretary for Invion Limited (ASX: IVX); and Chairperson of Synapse Australia Limited. She is currently Chief Governance and Risk Officer and Group Company Secretary for Telix Pharmaceuticals Limited (ASX:TLX). Melanie holds a Bachelor of Communication (Public Relations), and a Graduate Diploma in Applied Corporate Governance. She is a Fellow of the Governance Institute of Australia, a Fellow of the Chartered Governance Institute (UK) and a Graduate of the Australian Institute of Company Directors. Ms Farris has acted as Company Secretary of Factor Therapeutics Limited since September 2016.

The Board wishes to advise that the appointment of Ms Farris does not increase the overall aggregate annual remuneration paid to Non-executive Directors. Further, the Board resolved that effective 1 August 2020, directors would defer 50% of director fees until such time that a transaction was completed, and the Company had re-complied with Listing Rules 1 & 2 to the satisfaction of ASX. At that time the Board would consider making payment of the deferred fee in cash or equity.

-ENDS-

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