

IMAGION BIOSYSTEMS LIMITED

(ASX: IBX)

25 November 2021

IBXO Options Underwriting Agreement

MELBOURNE – Imagion Biosystems (ASX:IBX), a company dedicated to improving healthcare through the early detection of cancer, is pleased to announce it has entered into an options underwriting agreement (**Underwriting Agreement**) with Mercer Street Global Opportunity Fund LLC (**Underwriter**), a US based institutional investor, to underwrite the exercise of listed options (ASX: IBXO) which are exercisable at \$0.05 and due to expire on or before 5.00pm (AEDT) on 26 November 2021 (**Options**).

Under the terms of the Underwriting Agreement the Underwriter will subscribe for any outstanding Options remaining at the time of expiry. As of 24 November 2021 there were 16,161,610 Options on issue which remain unexercised, representing an underwriting amount of \$808,081. A 4% fee (of the underwritten amount) is payable to Brighton Capital Ltd, a US based broker.

Executive Chairman and CEO Bob Proulx said, “We are pleased to have secured this commitment from a quality US based institutional investor. Receiving the maximum funds from the IBXO options will strengthen our cash reserves as we continue towards completion of our MagSense® Phase I study and the development of our platform technology.”

Any shortfall shares to be issued on the exercise of outstanding options by the Underwriter pursuant to the Underwriting Agreement are expected to be issued in accordance with ASX Listing Rule 7.2 (Exception 10) and not require shareholder approval and will not form part of the Company’s ASX Listing Rule 7.1 placement capacity.

-ENDS

About Imagion Biosystems

Imagion Biosystems is developing a new non-radioactive and precision diagnostic molecular imaging technology. Combining biotechnology and nanotechnology, the Company aims to detect cancer and other diseases earlier and with higher specificity than is currently possible. Imagion Biosystems listed on the Australian Securities Exchange (ASX) in June 2017.

For further information please visit www.imagionbiosystems.com

Authorisation & Additional information

This announcement was authorised by the Board of Directors of Imagion Biosystems Limited

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ANNEXURE A: KEY TERMINATION PROVISIONS IN UNDERWRITING AGREEMENT

Rights of Termination

Subject to the provisions of this clause 7, if any of the following events occur at any time prior to the Final Allotment Date, the Underwriter in its absolute discretion and, without cost or liability to itself, may immediately terminate all its obligations under this Agreement by written notice to the Company and revoke any Valid Applications submitted:

- (a) **(No Default Certificate)**: the Company fails to deliver any No Default Certificate to the Underwriter in accordance with clause 4.3(b);
- (b) **(Certificate of Continuous Disclosure)**: the Company fails to deliver any Certificate of Continuous Disclosure to the Underwriter in accordance with clause 4.3(c);
- (c) **(ASIC Hearing and Investigation)**: ASIC gives notice of intention to hold a hearing examination, inspection, investigation, or it requires information to be disclosed, in connection with the Company, the Options or the Issue;
- (d) **(Court Order)**: an order is made in connection with the Options or the Issue, including under sections 1324 and 1325 of the Corporations Act;
- (e) **(Criminal Offence)**: any director or general manager of the Company or its Related Parties is prosecuted for a criminal offence;
- (f) **(fails to comply)**: the Company or any of its Related Parties fail to comply with:
 - (i) a clause of its Constitution;
 - (ii) a statute;
 - (iii) the Listing Rules;
 - (iv) any rule, policy or guideline of ASIC or ASX or any other requirement, order or request made by or on behalf of ASIC or ASX or any governmental agency;
 - (v) any agreement entered into by it.
- (g) **(charge)**: the Company or any of its Related Parties encumbers or agrees to encumber (or grant any other form of security) over the whole or a substantial part of its business or property to any third party (other than to Komatsu Corporate Finance in relation to the lease of mobile equipment) without the prior written consent of the Underwriter;
- (h) **(breach)**: the Company defaults under any provision of this Agreement including any representation, warranty or undertaking;
- (i) **(material adverse change)** if prior to the Final Allotment Date any of the following occurs:
 - (i) there is any material adverse change in the assets, liabilities, financial position, profits, losses or prospects of:
 - (A) the Company; or
 - (B) a Related Party of the Company; or
 - (ii) any act, omission or thing which could reasonably be expected to result in a material adverse change to the Company (including the appointment of an administrator, trustee or similar official being appointed over the assets or undertaking of the Company);
- (j) **(contracts)** if a significant or material contract is, without the prior written consent of the Underwriter:
 - (i) breached by the Company or any of its Related Parties;
 - (ii) terminated (whether by breach or otherwise);
 - (iii) altered or amended in any way; or
 - (iv) found to be void or voidable;
- (k) **(Timetable)** there is a delay in any date specified in the Timetable except where the Underwriter has consented in writing to the delay;
- (l) **(financial assistance)** the Company or any of its Related Parties seeks the approval of shareholders under section 260B of the Corporations Act without the prior written consent of the Underwriter (such consent to not be unreasonably withheld);
- (m) **(business)** the Company or any of its Related Parties:
 - (i) dispose or agree to dispose of the whole or a substantial part of its business or property;
 - (ii) ceases or threatens to cease to carry on business,

in either case without the prior written consent of the Underwriter;

- (n) **(ASIC Prosecution)** ASIC gives notice of an intention to prosecute the Company or any director or employee of the Company (or any Related Party of the Company);
- (o) **(Official quotation):** on or before the Final Allotment Date, approval to grant Official Quotation (as that term is used in the Listing Rules) of all the Shares comprising the Issue is not granted or is granted subject to a condition which is unacceptable to the Underwriter;
- (p) **(ASX 300 Index)** the ASX/300 Index falls by more than 10% below the ASX/300 Index as at close of business of the ASX on the Business Day immediately before the date of this Agreement (**Reference Value**);
- (a) **(Dow Jones Industrial Average)** the Dow Jones Industrial Average falls by more than 10% below the Dow Jones Industrial Average on the Business Day immediately before the date of this Agreement;
- (q) **(Bill Rate)** the Bill Rate moves more than 0.5% above the Bill Rate as at the Business Day immediately before this Agreement;
- (r) **(Legislation)** there is:
 - (i) introduced into the Parliament of the Commonwealth of Australia or of an Australian State or Territory a law intended to come into effect within 12 months; or
 - (ii) an official announcement on behalf of the Government of the Commonwealth of Australia or of the Government of an Australian State or Territory, the Reserve Bank of Australia or any Commonwealth financial authority that a law will be introduced or policy adopted (as the case may be) with effect from the date of the announcement or within 3 months afterwards,

which has altered adversely or could reasonably be expected to alter adversely:

 - (iii) any condition or circumstances relating to the Issue existing at the time of execution of this Agreement; or
 - (iv) the income tax position of the Company or the Underwriter;
- (s) **(hostilities)** there is any outbreak of hostilities (or, where applicable, there is an escalation of existing hostilities), whether war has been declared or not, actively involving any one of Australia, the United Kingdom, the United States of America, the Peoples Republic of China, the Republic of Taiwan or Japan; and
- (t) **(insolvency event)** an Insolvency Event occurs in relation to the Company or any of its Related Parties;
- (b) **(constitution)** the constitution of the Company or its Related Parties are amended without the prior written consent of the Underwriter (which consent must not be unreasonably withheld);
- (c) **(capital alteration)** the Company or any of its Related Parties takes any steps to alter its capital structure without the prior written consent of the Underwriter (which consent must not be unreasonably withheld);
- (d) **(judgement)** a judgment in an amount exceeding \$100,000 is obtained against the Company any of its Related Parties and is not set aside or satisfied within seven days;
- (e) **(process)** any distress, attachment, execution or other process of a Government Body in an amount exceeding \$100,000 is issued against, levied or enforced on any of the assets of the Company or any of its Related Parties and is not set aside or satisfied within seven days.