ASX Announcement | 4 May 2026

AdAlta Limited (ASX:1AD)

Strategic placement raises A$2.5 million to advance BZDS1901 CAR-T therapy

Placement to supports advancement of BZDS1901 towards key US FDA regulatory and Australian manufacturing milestones

Investment highlights

- AdAlta has received firm commitments to raise A$2.5 million from high-net-worth investors at A$0.004 per Share.
- For every three Subscription Shares issued, the Company will issue one Attaching Option exercisable at A$0.01, with an expiry date of 3 June 2028 (ASX:1ADO).
- Recent clinical updates highlighting multiple advanced mesothelioma patient responses to BZDS1901 treatment, including complete tumour clearance in some patients, supported strong demand from new and existing sophisticated and professional investors.
- Proceeds enable AdAlta to obtain pre-IND regulatory guidance from US FDA and advance establishment of Australian manufacturing
- AdAlta continues to actively seek additional assets where its "East to West" globalization platform can add significant value, particularly in light of geopolitical tensions in biotech R&D
- Placement facilitated by Lead Manager, 62 Capital Pty Ltd
- Completion is subject in part to shareholder approval at an Extraordinary General Meeting ("**EGM**") to be held in early June.

AdAlta Limited (ASX:1AD) ("AdAlta" or **"the Company")**, developer of next generation cell and protein therapeutic products has received binding commitments to raise A$2.5 million in a private placement to sophisticated investors ("**Placement**"). The proceeds (net of costs of the issue) will further strengthen AdAlta's ability to advance development of BZDS1901, its next generation CAR-T cell therapy for advanced mesothelioma, and execute its "East to West" strategy.

AdAlta CEO and Managing Director, Tim Oldham said:
"*Clinical results showing multiple patients responding to BZDS1901, including difficult to achieve complete tumour clearance in some patients and one patient still alive 22 months after treatment with no reported tumour recurrence, continue to support the extraordinary potential of this product to offer new hope to advanced mesothelioma patients. With the signing of our first technology transfer Work Order with Cell Therapies Pty Ltd we are poised to address the second heavily scrutinized element of CAR-T cell therapy: manufacturing reliability and scalability.*

This financing enables us to advance BZDS1901 through value enhancing manufacturing and regulatory milestones. We are grateful to our leading shareholders for their continued support."

Placement strengthens AdAlta's ability to add value to BZDS1901
Mesothelioma is a rare but rapidly lethal cancer that is infamously linked to asbestos exposure. In early clinical data from studies in China, AdAlta's lead CAR-T[1] program, BZDS1901, has already demonstrated multiple tumour responses including two cases of complete tumour clearance ("**Complete Response" or "CR**") in patients with advanced mesothelioma. These responses have been seen in patients whose cancer had previously progressed after both chemotherapy and immunotherapy. For patients with relapsed mesothelioma, a Complete Response is exceptionally uncommon. In one BZDS1901-treated patient, tumours became undetectable after treatment and patient remains alive 22 months after treatment, with no tumour recurrence reported to date.

[1] CAR-T (chimeric antigen receptor-T cell) therapy is a living drug manufactured from a patient's own immune cells by engineering them in a laboratory to incorporate a receptor that can bind to a molecule found on the surface of a cancer, enabling the immune cells to be able to find and kill cancer. As a living drug, CAR-T cell therapy has the potential for a single dose to have durable effects and to be potentially curative.

The critical next steps prior to replicating these studies in Australian patients are:

- Engagement with regulators, including the US Food and Drug Administration ("**FDA**"), to ensure alignment of expectations ahead of clinical trial approval. AdAlta is working towards obtaining formal pre-Investigational New Drug (**pre-IND**) application guidance and evaluating potential expedited approval pathways. IND applications are necessary to commence clinical trials under US FDA oversight to support eventual approval of the product in the US.
- Moving manufacturing to Australia. The manufacturing transfer to Australia in particular is a a major value driver for future commercial partnerships given the criticality of robust, scalable manufacturing of patient specific CAR-T products to future partnering and commercial success. AdAlta has signed its first Work Order with Cell Therapies Pty Ltd ("**CTPL**") to commence transfer of manufacturing for BZDS1901 to Australia.

These value adding steps are enabled by the proceeds of the Placement.

AdAlta's "East to West" platform increasingly valuable in evolving geopolitical biotech R&D climate
The Company continues to attract significant interest in its "East to West" platform and is evaluating a pipeline of potential additional assets where it can rapidly add value by bridging Asian development efficiency and global regulatory and manufacturing requirements.

The value and importance of AdAlta's platform has been exemplified by recent developments in the US. Since April 2026, a US House of Representatives Committee overseeing FDA funding is seeking to bar the FDA "from accepting, reviewing, or considering and covered clinical data generated by a clinical investigation site" in China, Russia, Iran or North Korea when a company submits an IND application. This would mean that products originating in China, for example, could not use clinical data generated in China to shorten regulatory pathways, but could continue to rely on Australian generated data.[2]

In 2025, the US FDA halted all clinical trials that involved sending American citizens' living cells to China and other hostile countries for genetic engineering and subsequent infusion back into U.S. patients, preventing CAR-T cell therapies from being manufactured in China. This increases the value of a global manufacturing reference site in Australia.[3]

A$2.5 million placement
The Placement will raise A$2.5 million before costs. The issue price of 0.4c per fully paid ordinary share is a 20% discount to closing price on 29 April 2026 and a 14.9% discount to the 15 day Volume Weighted Average Price ("**VWAP**") for the 15 trading days prior to 29 April 2026 of 0.47c. The Company will issue approximately 625,000,000 new fully paid ordinary shares ("**Subscription Shares**") at a price of A$0.004 and approximately 208,333,334 new ASX:1ADO options (one for every three Subscription Shares issued) exercisable at A$0.01, with expiry date of 3 June 2028 ("**Attaching Options**").

62 Capital Pty Ltd acted as Lead Manager for the Placement and is entitled to a fee of 6% of the gross proceeds raised, to be settled in shares and options ("**Fee Securities**") on the same terms as the Placement (ex GST). In addition, 62 Capital will be issued 156,250,000 Lead Manager Options exercisable at A$0.01, with expiry date of 3 June 2028 (ASX:1ADO) issued at A$0.000001.

Approximately 106,312,738 Subscription Shares will be issued utilizing the Company's existing placement capacity under Listing Rule 7.1. The balance of Subscription Shares plus the Attaching Options, Fee Securities and Lead Manager Options will be issued subject to shareholder approval at an EGM anticipated to be held in early June 2026.

[2] https://endpoints.news/house-panel-calls-to-ban-china-trial-data-from-fda-drug-trial-applications/
[3] https://www.fda.gov/news-events/press-announcements/fda-halts-new-clinical-trials-export-americans-cells-foreign-labs-hostile-countries-genetic

The indicative timetable for the Placement is as follows:

Summary of key dates	
ASX Announcement of Placement	4 May 2026
Settlement of Tranche 1 Placement shares	14 May 2026
Allotment and trading of Tranche 1 Placement Shares	15 May 2026
Shareholder meeting for Tranche 2	9 June 2026
Settlement of Tranche 2 Placement Shares	16 June 2026
Allotment and trading of Tranche 2 Placement Shares	17 June 2026

The above timetable is indicative only and may change without notice.

To view a summary and engage in discussion about this announcement visit AdAlta's InvestorHub here: https://investorhub.adalta.com.au/link/yO2p0P

This ASX announcement has been authorised for release by the Board of AdAlta Limited (ASX:1AD).

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About AdAlta

AdAlta (ASX: 1AD) is a clinical stage biotechnology business addressing the need for effective cellular immunotherapies for the treatment of solid cancers.

Through its subsidiary company, AdCella Pty Ltd's 'East to West' strategy, the Company is integrating Asia's prowess in T cell therapy development with the efficiency and quality of Australia's clinical and manufacturing ecosystem to create a pathway connecting 'Eastern' innovation in cellular immunotherapies with 'Western' regulated markets and patients.

AdCella in-licenses products from Asian originators and invests to establish US FDA regulated manufacturing and conduct Phase I clinical studies with potential to position each product for on-licensing to larger biopharmaceutical companies for potential registrational studies and commercialization.

AdCella implements a disciplined approach to asset selection focused on highly differentiated T cell therapy products supported by clinical data in solid cancers. The company adopts a capital efficient business model delivering a rapid return on investment in each project that is replicable and provides opportunities to scale across multiple products.

Solid tumours account for 90% of cancers yet remain underserved by current cellular immunotherapies. AdCella aims to dominate this high-growth segment. The cellular immunotherapy market is projected to grow at a compound annual growth rate of 34% to reach US$20.3 billion by 2028.

AdCella's first asset, BZDS1901, is a first in class CAR-T cell therapy for mesothelioma and other solid cancers including lung and gynaecological cancers. BZDS1901 is the first CAR-T product for mesothelioma to secrete its own immune checkpoint inhibitor "armouring" to help overcome tumour immune suppression, is manufactured in less than two days without expensive viral vectors, and has demonstrated clinical potential, including difficult to achieve complete responses in advanced mesothelioma in China.

Separately, AdAlta's first in class fusion protein, AD-214, takes a whole new approach to fibrotic diseases of the lung and kidney, such as the degenerative and fatal Idiopathic Pulmonary Fibrosis. Following demonstration of efficacy in multiple animal models of disease and two successful Phase I clinical studies, AD-214 is available for partnering. AdAlta's first in class i-body®, WD-34, is a discovery stage asset being advanced through partnering as a potentially transformational prophylaxis and treatment for malaria.

To learn more, please visit: www.adalta.com.au

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