ASX ANNOUNCEMENT

Actinogen announces rights issue offer to raise $10 million[1]

Sydney, 2 August 2023. Actinogen Medical ASX: ACW ("ACW" or "the Company") is pleased to announce a non-renounceable rights issue offer to raise approximately $10 million (before costs) from eligible shareholders.

Highlights

- **One new share for every 4.54 shares held at an issue price of $0.025 (2.5 cents) per new share, plus 1 option for every 2 new shares issued under the offer**
- **CEO & MD Dr Steven Gourlay will take up his full entitlement related to privately held shares, representing an investment of ~$102,000**
- **Independent Board members will take up their full entitlements including those related to incentive loan shares, representing an investment of ~$66,000**

Funds raised from the rights issue will be used to progress the Company's Phase 2 clinical trial program including completion of the XanaCIDD trial in patients with cognitive impairment associated with depression, startup activities for the XanaMIA trial in patients with mild-moderate Alzheimer's disease, and general working capital purposes.

Dr Steven Gourlay, Actinogen's CEO and MD, said:

"In the context of challenging capital market conditions for biopharma companies, the Actinogen Board has decided to offer existing shareholders the opportunity to cornerstone this capital raising at an attractive valuation. The funds will allow the Company's promising clinical trial program to further progress. The Board sincerely thanks all our existing shareholders for their ongoing support.

"The next 12 months will be very exciting for the Company as the Phase 2b trial in patients with Alzheimer's disease commences and the Phase 2a trial reads out in patients with depression and cognitive impairment. The extensive clinical data generated on safety and activity to date indicate that these trials have relatively high probabilities of success. An effective and novel treatment mechanism in these diseases could revolutionize the lives of patients."

Further details of the rights issue offer

ACW is undertaking a non-renounceable rights issue offer to eligible shareholders to subscribe for one new share for every 4.54 shares held as at the record date of 14 August 2023 at an offer price of $0.025 (2.5 cents) per new share plus 1 option for every 2 new shares issued under the offer, to raise up to approximately

[1] Unless stated otherwise, all financial data is quoted in Australian dollars

$10 million (before costs) by the issue of approximately 400 million new shares. No shareholder approval is required for the issue of securities under the rights issue offer.

The table below summarizes key parameters of the rights issue. Full details will be in the prospectus.

Non-renounceable rights issue offer	Key parameters
Record date	14 August 2023
Approximate total capital raise target	$10 million No minimum amount Non underwritten
Total number of new shares	Approximately 400 million
Non-renounceable rights issue offer and price **PLUS** **Options offer and price**	1 new share for every 4.54 shares held as at the Record date at a price of 2.5 cents per new share 1 unlisted option for every 2 new shares at an exercise price of 3.75 cents each and expiry date 36 months after issue
Top-Up Offer for shareholders who subscribe for their full entitlement	Right to subscribe for additional shares at the same price (Top-Up Offer), and will also be issued 1 new option for every 2 additional shares issued to them under the Top-Up Offer
Fractional entitlements under all offers	Rounded up to the nearest whole number
Directors right to place shortfall	Rights reserved for up to 3 months after the close of the offer to place the balance of any new shares and accompanying options not taken up by eligible shareholders
Offer opens	17 August 2023
Offer closing date	4 September 2023
Legal & listing summary	Issues of new shares and options under this rights issue offer will be made pursuant to a prospectus dated 8 August 2023 issued in accordance Section 713 of the Corporations Act and therefore will not affect the Company's current Listing Rule 7.1

	capacity. No shareholder approval is required for the rights issue offer The new shares will be fully paid ordinary shares and will rank equally with the Company's existing issued shares. The Company will make an application to the ASX for the official quotation of the new shares.

The table below sets out, for illustrative purposes only, the existing share capital structure (before the rights issue offer) together with the impact of the issue of the new shares under the rights issue offer. It assumes that no options are exercised prior to the record date.

Shares	**Number**
Existing shares as at date of the rights issue offer	1,816,252,150
Maximum number of new shares issued under the offer (approximately)	400,055,540
Total issued shares following completion of the offer (assuming full subscription under the offer and no exercise of any of the options)	2,216,307,690

Full details of the rights issue offer will be sent to eligible shareholders in a prospectus to be lodged with the Australian Securities Exchange (ASX) on Tuesday 8 August 2023, and to be dispatched to shareholders on or around Thursday 17 August 2023.

The following is an indicative timetable for the rights issue offer:

Indicative Rights Issue Event Timetable[1]	**Date**
Rights issue announcement and company resumes trading	Wednesday, 2 August 2023
Lodgement of prospectus with ASX and ASIC	Tuesday, 8 August, 2023
Record Date	Monday, 14 August 2023
Dispatch of prospectus and rights issue offer opens	Thursday, 17 August 2023
Closing of rights issue offer	Monday, 4 September 2023
Allotment and issue of new shares under rights issue offer	Monday, 11 September 2023
Expected normal trading of new shares under rights issue offer	Tuesday, 12 September 2023

1. Dates / times are indicative and subject to change.

ENDS

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Announcement authorised by the Board of Directors of Actinogen Medical

About Actinogen Medical

Actinogen Medical (ACW) is an ASX-listed, biotechnology company developing a novel therapy for neurological and neuropsychiatric diseases associated with dysregulated brain cortisol. There is a strong association between cortisol and detrimental changes in the brain, affecting cognitive function, harm to brain cells and long-term cognitive health.

Cognitive function means how a person understands, remembers and thinks clearly. Cognitive functions include memory, attention, reasoning, awareness and decision-making.

Actinogen is currently developing its lead compound, Xanamem,® as a promising new therapy for Alzheimer's Disease and Depression and hopes to study Fragile X Syndrome and other neurological and psychiatric diseases in the future. Reducing cortisol inside brain cells could have a positive impact in these and many other diseases. The cognitive dysfunction, behavioural abnormalities, and neuropsychological burden associated with these conditions is debilitating for patients, and there is a substantial unmet medical need for new and improved treatments.

Current and Upcoming Clinical Trials

The **XanaCIDD Phase 2a depression trial** is a double-blind, six-week proof-of-concept, placebo-controlled, parallel group design trial in 160 patients. Patients are evenly randomized to receive Xanamem 10 mg once daily or placebo, in some cases in addition to their existing antidepressant therapy, and effects on cognition and depression are assessed.

The **XanaMIA Phase 2b Alzheimer's disease trial** is a double-blind, 36-week treatment, placebo-controlled, parallel group design trial in 330 patients with mild to moderate AD and progressive disease, determined by clinical criteria and confirmed by an elevated level of pTau181 protein in blood. Patients receive Xanamem 5 mg or 10 mg, or placebo, once daily, and effects on cognition, function and progression of Alzheimer's disease are assessed. Thus, Xanamem is being assessed in this trial for its potential effects as a both a cognitive enhancer and a disease course modifier.

About Xanamem

Xanamem's novel mechanism of action is to block the production of cortisol inside cells through the inhibition of the 11β-HSD1 enzyme in the brain. Xanamem is designed to get into the brain after it is absorbed in the intestines upon swallowing.

Chronically elevated cortisol is associated with cognitive decline in Alzheimer's Disease and excess cortisol is known to be toxic to brain cells. Cognitive impairment is also a feature in Depression and many other diseases. Cortisol itself is also associated with depressive symptoms and when targeted via other mechanisms has shown some promise in prior clinical trials.

The Company has studied 11β-HSD1 inhibition by Xanamem in more than 300 volunteers and patients, so far finding a statistically significant improvement in working memory and attention, compared with placebo, in healthy, older volunteers in two consecutive trials and clinically significant improvements in functional and cognitive ability in patients with biomarker-positive mild AD. Previously, high levels of target engagement in the brain with doses as low as 5 mg daily have been demonstrated in a human PET imaging study. A series of Phase 2 studies in multiple diseases is being conducted to further confirm and characterize Xanamem's therapeutic potential.

® Xanamem is a registered trademark of Actinogen Medical Limited

Xanamem is an investigational product and is not approved for use outside of a clinical trial by the FDA or by any global regulatory authority. Xanamem® is a trademark of Actinogen Medical.

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ACTINOGEN MEDICAL ENCOURAGES ALL CURRENT INVESTORS TO GO PAPERLESS BY REGISTERING THEIR DETAILS WITH THE DESIGNATED REGISTRY SERVICE PROVIDER, AUTOMIC GROUP.