

14 December 2020

Buy-Back of Unmarketable Parcels of Shares

Anatara Lifesciences Limited (ASX:ANR) (**Anatara**) is pleased to announce that it has today instituted an off-market share buy-back facility (**Buy-Back Facility**) to buy-back all the shares held by shareholders who held unmarketable parcels of shares in Anatara (**Eligible Shareholders**) as at 7:00pm (Melbourne time) on Friday, 11 December 2020 (**Record Date**).

Under the Listing Rules of the Australian Securities Exchange (**ASX**), any shareholding in Anatara valued at less than \$500 is considered to be an "unmarketable parcel" of shares. Based on the closing price of \$0.19 per share as at the Record Date, an unmarketable parcel of shares in Anatara is any shareholding of 2,631 shares or less. Anatara shareholders who held 2,631 shares or more as at the Record Date will not be eligible to participate in the Buy-Back Facility.

The Buy-Back Facility will allow Eligible Shareholders to sell their shares back to Anatara at \$0.178 per share (**Buy-Back Price**), being the volume-weighted average price for the five-day trading period preceding the Record Date. Shares purchased by Anatara under the Buy-Back Facility will be cancelled in accordance with the *Corporations Act 2001* (Cth).

Anatara values all its shareholders and is offering to buy-back unmarketable parcels under the Buy-Back Facility to assist Eligible Shareholders to sell and realise their shares without incurring brokerage and other expenses. Anatara will pay for all costs related with the Buy-Back Facility (excluding tax consequences from the buy-back which remains the shareholder's responsibility) and expects to reduce administrative costs associated with maintaining a large number of very small holdings.

Eligible Shareholders will have their Anatara shares bought back by Anatara at the Buy-Back Price in full unless they opt-out or increase their shareholding to more than 2,631 shares by 7:00pm (Melbourne time) on Friday, 5 February 2021 (**Closing Time**).

Anatara is sending the attached letter to Eligible Shareholders (**Shareholder Letter**). The Shareholder Letter encloses relevant documents and provides more information about the Buy-Back Facility, including the procedure for opting-out of the Buy-Back Facility. Eligible Shareholders who wish to retain their shares must complete and sign their personalised Share Retention Form and forward it to Anatara's share registry, Computershare Investor Services Pty Limited (**Computershare**), by mail to GPO Box 52, Melbourne, Victoria, 3001 or by email to corpactprocessing@computershare.com.au, so that it is received by the Closing Time.

7:00pm (Melbourne time) Friday, 11 December 2020	Record Date
Monday, 14 December 2020	Formal announcement of the Buy-Back Facility to the ASX
Friday, 18 December 2020	Despatch of Shareholder Letters and Share Retention Forms to Eligible Shareholders
7:00pm (Melbourne time) Friday, 5 February 2021	Closing Time for receipt of Share Retention Forms / period to opt-out of Buy-Back Facility
Tuesday, 9 February 2021	Shares bought back through the Buy-Back Facility will be cancelled
Wednesday, 10 February 2021	Announcement of outcome of the Buy-Back Facility to the ASX
As soon as practicable post Friday, 12 February 2021	Eligible Shareholders whose shares were bought back under the Buy-Back Facility will have proceeds remitted to them and will be sent documentation advising them of the number of shares bought back and the amount of proceeds remitted. Proceeds will be remitted in Australian dollars to the bank account that the Eligible Shareholder has registered with Computershare. If no bank account is registered, proceeds will be remitted by cheque mailed to the address that the shareholder has registered with Computershare.

Anatara may modify these dates or suspend or terminate the Buy-Back Facility. Any modification, suspension or termination will be notified by written notice to the ASX.

For further information, please contact the **Anatara Buy-Back Information Line** on 1300 850 505 (from within Australia) or +61 3 9415 4000 (from outside Australia) between Monday, 14 December 2020 and Friday, 19 February 2021, between the hours of 8:30am to 5:00pm Monday to Friday (Melbourne time).

This announcement has been authorised by Anatara's Board of Directors.

– ENDS –



For more information please contact:

General inquiries	
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About Anantara Lifesciences Ltd

Anantara Lifesciences Ltd (ASX:ANR) is developing and commercialising innovative, evidence-based products for gastrointestinal health where there is significant unmet need. Anantara is a life sciences company with expertise in developing products for animal and human health. Anantara is focused on building a pipeline of human gastrointestinal health products. Underlying this product development program is our commitment to delivering real outcomes for patients and strong value for our shareholders.

Disclaimer

The information in this presentation does not constitute personal investment advice. The presentation is not intended to be comprehensive or provide all information required by investors to make an informed decision on any investment in Anantara Lifesciences Ltd, ACN 145 239 872 (Company). In preparing this presentation, the Company did not take into account the investment objectives, financial situation, and particular needs of any particular investor. Further advice should be obtained from a professional investment adviser before taking any action on any information dealt with in the presentation. Those acting upon any information without advice do so entirely at their own risk. Whilst this presentation is based on information from sources which are considered reliable, no representation or warranty, express or implied, is made or given by or on behalf of the Company, any of its directors, or any other person about the accuracy, completeness or fairness of the information or opinions contained in this presentation. No responsibility or liability is accepted by any of them for that information or those opinions or for any errors, omissions, misstatements (negligent or otherwise) or for any communication written or otherwise, contained or referred to in this presentation. Neither the Company nor any of its directors, officers, employees, advisers, associated persons or subsidiaries are liable for any direct, indirect or consequential loss or damage suffered by any person as a result of relying upon any statement in this presentation or any document supplied with this presentation, or by any future communications in connection with those documents and all of those losses and damages are expressly disclaimed. Any opinions expressed reflect the Company's position at the date of this presentation and are subject to change.

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14 December 2020

OFFER FROM ANATARA LIFESCIENCES LIMITED TO BUY-BACK UNMARKETABLE PARCELS OF SHARES (OFFER)

This letter contains important information about your shareholding in Anatarata Lifesciences Limited

I am writing to you as a shareholder with an unmarketable parcel of shares in Anatarata Lifesciences Limited (ASX:ANR) (**Anatarata**) as at 7:00pm (Melbourne time) on Friday, 11 December 2020 (**Record Date**).

In order to provide liquidity to eligible shareholders, the Board of Anatarata has instituted an off-market share buy-back facility (**Buy-Back Facility**) to buy-back all the shares held by shareholders who held unmarketable parcels of shares in Anatarata (**Eligible Shareholders**) as at the Record Date, as announced to the Australian Securities Exchange (**ASX**) on Monday, 14 December 2020. The buy-back will be undertaken under the terms set out in this Offer and the procedure in Division 2 of Part 2J.1 of the *Corporations Act 2001* (Cth) (**Corporations Act**).

Under the Listing Rules of the ASX (**ASX Listing Rules**), any shareholding in Anatarata valued at less than \$500 is considered to be an "unmarketable parcel" of shares. Based on the closing price of \$0.19 per share as at the Record Date, an unmarketable parcel of shares in Anatarata is any shareholding of 2,631 shares or less.

The Buy-Back Facility has been instituted to allow shareholders like you to sell and realise their shares without incurring brokerage and other expenses and to reduce the administrative and registry costs for Anatarata that are associated with unmarketable parcels. Anatarata will pay for all costs related with the Buy-Back Facility (excluding tax consequences from the buy-back which remains the shareholder's responsibility).

The Buy-Back Facility will allow Eligible Shareholders to sell their shares back to Anatarata at \$0.178 per share (**Buy-Back Price**), being the volume-weighted average price for the five-day trading period preceding the Record Date. Shares that are purchased by Anatarata under the Buy-Back Facility will be cancelled in accordance with the *Corporations Act*.

This letter provides more information about the Buy-Back Facility and the choices that are available to you. The directors wish to remind you that as a valued shareholder Anatarata will not buy-back your shares if you wish to retain your shareholding.

Your choices

- 1 If you want Anatarata to buy-back your unmarketable parcel at the Buy-Back Price of \$0.178 per share, **you do not need to do anything.**
- 2 If you do not want Anatarata to buy-back your unmarketable parcel, then you must:
 - (a) complete the enclosed, personalised Share Retention Form and return it in accordance with the instructions on that form. Your completed Share Retention Form must be received by our share registry, Computershare Investor Services Pty Limited (**Computershare**), by mail to GPO Box 52, Melbourne, Victoria, 3001 or by email to corpactprocessing@computershare.com.au, by **no later than 7:00pm (Melbourne time) on Friday, 5 February 2021 (Closing Time)**. If your completed Share Retention Form is not received by Computershare by the Closing Time, your shares will be bought back by Anatarata in accordance with the Offer; or



- (b) acquire additional shares in Anantara on-market so that your shareholding is noted on Anantara's share register as being greater than 2,631 shares (that is, a marketable parcel) as at the Closing Time; or
- (c) if you hold shares in multiple shareholdings that together constitute a parcel of more than 2,631 shares, arrange to have those holdings merged into one shareholding that is noted on Anantara's share register as being greater than 2,631 shares (that is, a marketable parcel) as at the Closing Time.

If you choose to complete and return a Share Retention Form as outlined in step 2(a) above, you are advised to allow reasonable time for it to be received by Computershare by the Closing Time.

If you choose to acquire additional shares or merge multiple shareholdings as outlined in step 2(b) or step 2(c) above, you are advised to allow reasonable time for these actions to be effected on Anantara's share register by the Closing Time.

Key dates for the Buy-Back Facility:

7:00pm (Melbourne time) Friday, 11 December 2020	Record Date
Monday, 14 December 2020	Formal announcement of the Buy-Back Facility to the ASX
Friday, 18 December 2020	Despatch of letters and Share Retention Forms to Eligible Shareholders
7:00pm (Melbourne time) Friday, 5 February 2021	Closing Time for receipt of Share Retention Forms / period to opt- out of Buy-Back Facility
Tuesday, 9 February 2021	Shares bought back through the Buy-Back Facility will be cancelled
Wednesday, 10 February 2021	Announcement of outcome of the Buy-Back Facility to the ASX
As soon as practicable post Friday, 12 February 2021	Eligible Shareholders whose shares were bought back under the Buy-Back Facility will have proceeds remitted to them and will be sent documentation advising them of the number of shares bought back and the amount of proceeds remitted. Proceeds will be remitted in Australian dollars to the bank account that the Eligible Shareholder has registered with Computershare. If no bank account is registered, proceeds will be remitted by cheque mailed to the address that the shareholder has registered with Computershare.

Anantara may modify these dates or suspend or terminate the Buy-Back Facility. Any modification, suspension or termination will be notified by written notice to the ASX.

For further important information about the Buy-Back Facility, please read the 'Additional Important Information' and 'Frequently Asked Questions' sections below. If, after reading those sections, you still have questions or need further information, you may contact the **Anantara Buy-Back Information Line** on 1300 850 505 (from within Australia) or +61 3 9415 4000 (from outside Australia) between Monday, 14 December 2020 and Friday, 19 February 2021, between the hours of 8:30am to 5:00pm Monday to Friday (Melbourne time).

Yours sincerely,



Sue MacLeman
Chairman

Additional Important Information

- 1 The Buy-Back Facility was first announced to the ASX on Monday, 14 December 2020.
- 2 Anatara is offering to buy-back shares under the Buy-Back Facility in accordance with the terms set out in this Offer, the procedure in Division 2 of Part 2J.1 of the Corporations Act and the ASX Listing Rules.
- 3 If a shareholder holds more than one unmarketable parcel, Anatara will buy-back each unmarketable parcel unless:
 - (a) Computershare receives a Share Retention Form for each unmarketable parcel that the shareholder wishes to retain; or
 - (b) multiple unmarketable parcels are merged to form a marketable parcel of greater than 2,631 shares.
- 4 It is important to note that the market price of Anatara's shares may change from time to time. The Buy-Back Price may be more or less than the actual market price at the time of the buy-back and may not be the best price obtainable on the day on which your shares are bought back. Information on the price of Anatara's shares can be obtained from the daily financial press or through the ASX website (www.asx.com.au) using Anatara's ASX code, which is "ANR".
- 5 While Anatara will pay for brokerage and handling costs associated with the buy-back of shares through the Buy-Back Facility, any taxation consequences from the buy-back will be the shareholder's responsibility. Please see the 'Frequently Asked Questions' section below for general information on taxation consequences. If you have questions about taxation consequences, please seek the independent advice of a legal, financial or taxation adviser.
- 6 Anatara makes no recommendation as to whether you should participate in this Buy-Back Facility, whether or how you should sell your shares or the value of your shares. If you have questions about whether to retain or sell your shares, you should consult a legal, financial or taxation adviser.
- 7 Before a buy-back is effected under the Buy-Back Facility, Anatara may revoke a notice given in relation to, or suspend or terminate the operation of the Buy-Back Facility, either generally or in specific cases.
- 8 Anatara reserves the right to change any of the dates, terms or conditions referred to in the Offer by written notice to the ASX.
- 9 This information sheet (and the accompanying Offer documents) does not constitute advice, nor is it a recommendation to sell, buy or hold shares in Anatara.

Frequently Asked Questions

Who is eligible to participate in this Buy-Back Facility?

Under the ASX Listing Rules, any shareholding in Anataru valued at less than \$500 is considered to be an "unmarketable parcel" of shares.

Shareholders in Anataru are eligible to participate in this Buy-Back Facility if they held shareholdings in Anataru valued at less than \$500 as at the Record Date (being 7:00pm (Melbourne time) on Friday, 11 December 2020). Based on the closing price of \$0.19 per share as at the Record Date, an unmarketable parcel of shares in Anataru is any shareholding of 2,631 shares or less.

Anataru shareholders who hold 2,631 shares or more as at the Record Date will not be eligible to participate in this Buy-Back Facility.

If my shares are bought back through the Buy-Back Facility, how much will I receive per share?

If your unmarketable parcel is bought back through the Buy-Back Facility, you will receive the Buy-Back Price of \$0.178 per share. The Buy-Back Price has been determined using the volume-weighted average price for the five-day trading period preceding the Record Date.

What do I need to do to sell my shares?

Nothing. Your unmarketable parcel will be bought back through the Buy-Back Facility unless you return a Share Retention Form or increase your shareholding to more than 2,631 shares by the Closing Time.

If my shares are bought back through the Buy-Back Facility, how much will I receive for all of my shares?

The total price that you will receive for an unmarketable parcel if it is bought back through this Buy-Back Facility will be the number of shares in that unmarketable parcel multiplied by the Buy-Back Price of \$0.178 per share.

You can confirm the number of shares in your unmarketable parcel by reviewing the enclosed, personalised Share Retention Form or by contacting the **Anataru Buy-Back Information Line** on 1300 850 505 (from within Australia) or +61 3 9415 4000 (from outside Australia) between Monday, 14 December 2020 and Friday, 19 February 2021, between the hours of 8:30am to 5:00pm Monday to Friday (Melbourne time), noting the Closing Time for receipt of your Share Retention Form is 7:00pm (Melbourne time) on Friday, 5 February 2021.

Do I need to pay anything if I participate in the Buy-Back Facility?

Anataru will pay all costs and expenses arising in connection with the Offer. Any tax consequences from the buy-back will be your responsibility.

If my shares are bought back through the Buy-Back Facility, when will I receive the proceeds from the buy-back?

If your unmarketable parcel is bought back through the Buy-Back Facility, the proceeds from that buy-back will be remitted to you as soon as practicable after Friday, 12 February 2021. Around that time, you will also receive documentation detailing the number of your shares sold and the amount of proceeds remitted to you. This documentation will be sent by mail or email if you have previously nominated to receive communication electronically.

What if I do not wish to sell my unmarketable parcel?

If you do not wish to sell your unmarketable parcel, you must return the Share Retention Form or increase your shareholding to more than 2,631 shares by the Closing Time.

If my shares are bought back through the Buy-Back Facility, how will I receive the proceeds from the buy-back?

If your unmarketable parcel is bought back through the Buy-Back Facility, the proceeds from that buy-back will be paid in Australian dollars into the bank account with any Australian "Authorised Deposit-taking Institution" (as defined in the Corporations Act) that you have nominated for your shareholding or by cheque to the postal address you have registered for your shareholding.

You can update your bank account details by visiting www.investorcentre.com or by contacting the **Anatara Buy-Back Information Line** on 1300 850 505 (from within Australia) or +61 3 9415 4000 (from outside Australia) between Monday, 14 December 2020 and Friday, 19 February 2021 between the hours of 8:30am to 5:00pm Monday to Friday (Melbourne time). If you are an issuer sponsored shareholder and need to update your address, you can also do this at www.investorcentre.com. If you have a CHES sponsored holding and need to update your address, you will need to contact your controlling participant.

If you participate in the Buy-Back Facility and would like your updated address or bank account details to be used when remitting proceeds and sending documentation to you, please ensure that these details are updated by the Closing Time.

What are the tax consequences of having my shares sold through the Buy-Back Facility?

The tax outcomes of participating in the Buy-Back Facility will vary depending on your circumstances.

If you are in the business of trading shares or hold the shares as revenue assets, you may have an assessable gain or loss on sale on revenue account.

It is Anatara's view that proceeds will be entirely treated as a return of capital, with the buy-back under the Buy-Back Facility resulting in a Capital Gains Tax (CGT) event.

If you are an Australian resident shareholder, you will need to calculate a capital gain or capital loss. Details of the CGT event are required to be disclosed in your 2021 income tax return, regardless of whether you are required to pay tax on the event.

If you are not an Australian resident, you should be entitled to disregard the capital gain or loss for the purposes of calculating your Australian taxable income. You may still have a tax liability in your country of residence.

The above is broad in nature, and it is strongly recommended that you consult with your taxation professional regarding your particular circumstances.

Can I sell some but not all of my shares through the Buy-Back Facility?

No, you may not sell part of an unmarketable parcel through the Buy-Back Facility. If you choose to participate in this Buy-Back Facility, your entire unmarketable parcel will be bought back by Anatara.

If I buy more shares, will my shareholding be bought back?

Your unmarketable parcel will not be bought back if you acquire additional shares in Anatara on-market so that your shareholding is noted on Anatara's share register as being greater than 2,631 shares (that is, a marketable parcel) as at the Closing Time.

Any additional shares acquired must be registered by the Closing Time, under the same name and address and with the same holder number (SRN or HIN) as set out in the accompanying Share Retention Form.

What do I do if I have multiple unmarketable parcels?

If there is more than one unmarketable parcel registered under your name, you will receive this letter and a personalised Share Retention Form for each of your unmarketable parcels.

If you would like Anatara to buy-back each of your unmarketable parcels, **you do not need to do anything** and all of the unmarketable parcels registered in your name will be bought back.

If you would like to keep one or more of your unmarketable parcels, you may take one of the following actions:

- 1 complete the enclosed, personalised Share Retention Form for each of the unmarketable parcels that you would like to keep and return it in accordance with the instructions on the Share Retention Form; or
- 2 acquire additional shares in Anantara on-market so that each of the unmarketable parcels that you would like to keep is noted on Anantara's share register as being greater than 2,631 shares (that is, a marketable parcel) as at the Closing Time; or
- 3 if the unmarketable parcels that you hold together constitute a parcel of more than 2,631 shares (that is, a marketable parcel), arrange to have those holdings merged into one shareholding that is noted on Anantara's share register as being greater than 2,631 shares as at the Closing Time.

Does the Buy-Back Facility apply to any shares I received through an Anantara employee share plan?

Yes. In determining whether you hold an unmarketable parcel, all Anantara shareholdings recorded in your name (as it appears on your personalised Share Retention Form), including any shares that have vested to you through any Anantara employee share plans, were taken into account.

The buy-back of your unmarketable parcel through the Buy-Back Facility would include the sale of all shares in that parcel, including any shares you received through any Anantara employee share plans as at the Record Date (being 7:00pm (Melbourne time) on Friday, 11 December 2020).

I need to update my address or bank account details. How do I do this?

You can update your bank account details by visiting www.investorcentre.com or by contacting the **Anantara Buy-Back Information Line** on 1300 850 505 (from within Australia) or +61 3 9415 4000 (from outside Australia) between Monday, 14 December 2020 and Friday, 19 February 2021, between the hours of 8:30am to 5:00pm Monday to Friday (Melbourne time). If you are an issuer sponsored shareholder and need to update your address, you can also do this at www.investorcentre.com. If you have a CHESSE sponsored holding and need to update your address, you will need to contact your controlling participant.

If you participate in the Buy-Back Facility and would like your updated address or bank account details to be used when remitting proceeds and sending documentation to you, please ensure these details are updated by the Closing Time.

Who do I contact if I have further questions?

If you have any further questions about the information contained in this letter or about the Buy-Back Facility, please contact the **Anantara Buy-Back Information Line** on 1300 850 505 (from within Australia) or +61 3 9415 4000 (from outside Australia) between Monday, 14 December 2020 and Friday, 19 February 2021, between the hours of 8:30am to 5:00pm Monday to Friday (Melbourne time).