



ASX Announcement

Pre-Quotation Disclosure

Sydney, Australia

Nyrada Inc. (ASX: NYR , 'Nyrada' or 'Company') is pleased to announce:

1. the completion of the issue or grant of the following securities:
 - 13,500,000 ordinary fully paid shares to be settled in the form of Chess Depository Interests (**CDIs**) pursuant to the Noxopharm Limited loan;
 - 21,588,752 ordinary fully paid shares to be settled in the form of CDIs and 1,725,656 options exercisable at \$0.20 expiring on 30 November 2020 upon the conversion of the convertible notes; and
 - 31,500,000 options granted pursuant to the employee share option plan (**ESOP Options**);
2. the full terms of the ESOP Options are as set out in Sections 10.5(c) and 11.6 of the prospectus dated 26 November 2019 (as varied by the supplementary prospectus dated 9 December 2019) (**Prospectus**) and as otherwise set out in the Company's equity incentive plan (as announced to ASX) and the template stock option grant notice annexed to this announcement as Annexure A; and
3. the board of the Company has resolved to confirm that the Fair Market Value for the purposes of the ESOP Options is AU\$0.20.

The Company further notes that:

4. the full terms and conditions of the options that have been issued to the convertible note holders upon conversion of the convertible notes are annexed to this announcement as Annexure B;
5. subject to point 6 of this announcement, the full terms and conditions of the warrants are as set out in Section 12.5 of the Prospectus and as otherwise set out in the template warrant annexed to this announcement as Annexure C; and
6. the Prospectus mistakenly notes that the Co-Lead Manager Warrant (as defined in the Prospectus) has an exercise period of 3 years. The correct exercise period of the Co-Lead Manager Warrant is the period commencing on the date of grant of the Co-Lead Manager Warrant and ending on 30 June 2024.

About Nyrada

Nyrada is developing new therapies for cardiovascular and neurological disorders, utilising novel synthetic drug compounds. Nyrada's lead programs are a cholesterol-lowering drug to prevent and treat cardiovascular disease and a treatment for brain injury which occurs following stroke or head trauma. Nyrada's commercial focus is on discovery and early phase clinical development.

For more information, please visit www.nyrada.com.



Ends

Investor & Corporate Enquiries:

Prue Kelly

M: (+61) 0459 022 445

T: +61 2 9144 2223

E: Prue.Kelly@nyrada.com

Media queries:

Catherine Strong

Citadel-MAGNUS

T: 02 8234 0111

E: cstrong@citadelmagnus.com

This announcement may contain forward-looking statements. You can identify these statements by the fact they use words such as “aim”, “anticipate”, “assume”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “plan”, “predict”, “project”, “plan”, “should”, “target”, “will” or “would” or the negative of such terms or other similar expressions. Forward-looking statements are based on estimates, projections and assumptions made by Nyrada, Inc. about circumstances and events that have not yet taken place. Although Nyrada, Inc. believes the forward-looking statements to be reasonable, they are not certain. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond Nyrada Inc.’s control that could cause the actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statement. No representation, warranty or assurance (express or implied) is given or made by Nyrada, Inc. that the forward-looking statements contained in this announcement are accurate and undue reliance should not be placed upon such statements.

Authorisation: This release was authorised by Graham Kelly (Non-Executive Director) on behalf of the Board of Directors.

Nyrada Inc., Level 4, Suite 3, 828 Pacific Highway, Gordon NSW 2072 AUSTRALIA



Annexure A – Template Stock Option Grant Notice

NYRADA INC.
STOCK OPTION GRANT NOTICE
(2018 EQUITY INCENTIVE PLAN)

NYRADA Inc. (the “*Company*”), pursuant to its 2018 Equity Incentive Plan (the “*Plan*”), hereby grants to Optionholder an option to purchase the number of shares of the Company’s Common Stock set forth below. This option is subject to all of the terms and conditions as set forth herein and in the Option Agreement, the Plan, and the Notice of Exercise, all of which are attached hereto and incorporated herein in their entirety.

Optionholder:	<u>[insert]</u>
Date of Grant:	<u>[insert]</u>
Vesting Commencement Date:	<u>See below</u>
Type of Grant:	<u>NSO</u>
Number of Shares Subject to Option:	<u>[insert]</u>
Exercise Price (Per Share):	<u>See below</u>
Total Exercise Price:	<u>See below</u>
Expiration Date:	<u>[insert]</u>

Exercise Schedule: Early Exercise Permitted

Vesting Schedule: [insert]

Payment: By one or a combination of the following items (described in the Option Agreement):

- By cash or check
- Pursuant to a Regulation T Program if the Shares are publicly traded
- By delivery of already-owned shares if the Shares are publicly traded

Additional Terms/Acknowledgements: The undersigned Optionholder acknowledges receipt of, and understands and agrees to, this Stock Option Grant Notice, the Option Agreement and the Plan. Optionholder acknowledges and agrees that this Stock Option Grant Notice and the Option Agreement may not be modified, amended or revised except in a writing signed by Optionholder and a duly authorized officer of the Company. Optionholder further acknowledges that as of the Date of Grant, this Stock Option Grant Notice, the Option Agreement, and the Plan set forth the entire understanding between Optionholder and the Company regarding the acquisition of stock in the Company and supersede all prior oral and written agreements, promises and/or representations on that subject with the exception of (i) options previously granted and delivered to Optionholder under the Plan, and (ii) the following agreements only:

OTHER AGREEMENTS:

NYRADA INC.

OPTIONHOLDER:

By: _____
Signature

Signature

Title: _____

Date: _____

Date: _____

ATTACHMENTS: Option Agreement, NYRADA Inc. 2018 Equity Incentive Plan, Notice of Exercise, Early Exercise Agreement, 83(b) Election

ATTACHMENT I

NYRADA INC. 2018 EQUITY INCENTIVE PLAN

OPTION AGREEMENT (INCENTIVE STOCK OPTION OR NONSTATUTORY STOCK OPTION)

Pursuant to your Stock Option Grant Notice (“*Grant Notice*”) and this Option Agreement, NYRADA Inc. (the “*Company*”) has granted you an option under its 2018 Equity Incentive Plan (the “*Plan*”) to purchase the number of shares of the Company’s Common Stock indicated in your Grant Notice at the exercise price indicated in your Grant Notice. Defined terms not explicitly defined in this Option Agreement but defined in the Plan shall have the same definitions as in the Plan.

The details of your option are as follows:

1. VESTING. Subject to the limitations contained herein, your option will vest as provided in your Grant Notice; *provided* that vesting will cease upon the termination of your Continuous Service.

2. NUMBER OF SHARES AND EXERCISE PRICE. The number of shares of Common Stock subject to your option and your exercise price per share referenced in your Grant Notice may be adjusted from time to time for Capitalization Adjustments.

3. EXERCISE RESTRICTION FOR NON-EXEMPT EMPLOYEES. In the event that you are an Employee eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (*i.e.*, a “*Non-Exempt Employee*”), you may not exercise your option until you have completed at least six (6) months of Continuous Service measured from the Date of Grant specified in your Grant Notice, notwithstanding any other provision of your option.

4. EXERCISE PRIOR TO VESTING (“EARLY EXERCISE”). If permitted in your Grant Notice (*i.e.*, the “Exercise Schedule” indicates “Early Exercise Permitted”) and subject to the provisions of your option, you may elect at any time that is both (i) during the period of your Continuous Service and (ii) during the term of your option, to exercise all or part of your option, including the unvested portion of your option; provided, however, that:

(a) a partial exercise of your option shall be deemed to cover first vested shares of Common Stock and then the earliest vesting installment of unvested shares of Common Stock;

(b) any shares of Common Stock so purchased from installments that have not vested as of the date of exercise shall be subject to the purchase option in favor of the Company as described in the Company’s form of Early Exercise Stock Purchase Agreement;

(c) you shall enter into the Company's form of Early Exercise Stock Purchase Agreement with a vesting schedule that will result in the same vesting as if no early exercise had occurred; and

(d) if your option is an Incentive Stock Option, then, to the extent that the aggregate Fair Market Value (determined at the time of grant) of the shares of Common Stock with respect to which your option plus all other Incentive Stock Options you hold are exercisable for the first time by you during any calendar year (under all plans of the Company and its Affiliates) exceeds one hundred thousand dollars (\$100,000), your option(s) or portions thereof that exceed such limit (according to the order in which they were granted) shall be treated as Nonstatutory Stock Options.

5. METHOD OF PAYMENT. Payment of the exercise price is due in full upon exercise of all or any part of your option. You may elect to make payment of the exercise price in cash or by check or in any other manner permitted by your Grant Notice, which may include one or more of the following:

(a) provided that at the time of exercise the Common Stock is publicly traded and quoted regularly in *The Wall Street Journal*, pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds; and

(b) provided that at the time of exercise the Common Stock is publicly traded and quoted regularly in *The Wall Street Journal*, by delivery to the Company (either by actual delivery or attestation) of already-owned shares of Common Stock that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise.

Notwithstanding the foregoing, you may not exercise your option by tender to the Company of Common Stock to the extent such tender would violate the provisions of any law, regulation or agreement restricting the redemption of the Company's stock.

6. WHOLE SHARES. You may exercise your option only for whole shares of Common Stock.

7. SECURITIES LAW COMPLIANCE. Notwithstanding anything to the contrary contained herein, you may not exercise your option unless the shares of Common Stock issuable upon such exercise are then registered under the Securities Act or, if such shares of Common Stock are not then so registered, the Company has determined that such exercise and issuance would be exempt from the registration requirements of the Securities Act. The exercise of your option also must comply with other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such laws and regulations.

8. TERM. You may not exercise your option before the commencement or after the expiration of its term. The term of your option commences on the Date of Grant and expires upon the earliest of the following:

- (a) Immediately upon the termination of your Continuous Service for Cause;
- (b) three (3) months after the termination of your Continuous Service for any reason other than your Disability or death, provided that if during any part of such three (3) month period your option is not exercisable solely because of the condition set forth in the section above relating to “Securities Law Compliance,” your option shall not expire until the earlier of the Expiration Date or until it shall have been exercisable for an aggregate period of three (3) months after the termination of your Continuous Service;
- (c) twelve (12) months after the termination of your Continuous Service due to your Disability;
- (d) eighteen (18) months after your death if you die either (i) during your Continuous Service or (ii) within three (3) months after your Continuous Service terminates for any reason other than Cause;
- (e) the Expiration Date indicated in your Grant Notice; or
- (f) the day before the tenth (10th) anniversary of the Date of Grant.

If your option is an Incentive Stock Option, note that to obtain the federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the date of grant of your option and ending on the day three (3) months before the date of your option’s exercise, you must be an employee of the Company or an Affiliate, except in the event of your death or Disability. The Company has provided for extended exercisability of your option under certain circumstances for your benefit but cannot guarantee that your option will necessarily be treated as an Incentive Stock Option if you continue to provide services to the Company or an Affiliate as a Consultant or Director after your employment terminates or if you otherwise exercise your option more than three (3) months after the date your employment with the Company or an Affiliate terminates.

9. EXERCISE.

(a) You may exercise the vested portion of your option (and the unvested portion of your option if your Grant Notice so permits) during its term by delivering a Notice of Exercise (in a form designated by the Company) together with the exercise price to the Secretary of the Company, or to such other person as the Company may designate, during regular business hours, together with such additional documents as the Company may then require.

(b) By exercising your option you agree that, as a condition to any exercise of your option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company arising by reason of (1) the exercise of your option, (2) the lapse of any substantial risk of forfeiture to

which the shares of Common Stock are subject at the time of exercise, or (3) the disposition of shares of Common Stock acquired upon such exercise.

(c) If your option is an Incentive Stock Option, by exercising your option you agree that you will notify the Company in writing within fifteen (15) days after the date of any disposition of any of the shares of the Common Stock issued upon exercise of your option that occurs (i) within two (2) years after the date of your option grant, or (ii) within one (1) year after such shares of Common Stock are issued to you upon exercise of your option.

(d) By exercising your option you agree that you shall not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, any shares of Common Stock or other securities of the Company held by you, for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act (the "**Lock-Up Period**"); *provided, however*, that nothing contained in this section shall prevent the exercise of a repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company and/or the underwriter(s) that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. The underwriters of the Company's stock are intended third party beneficiaries of this Section 9(d) and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

10. REORGANIZATIONS. If at any time the issued capital of the Company is reorganized, all of your rights under your option are to be changed in a manner consistent with the Plan and the Listing Rules of ASX at the time of reorganization. Otherwise, your option does not confer the right to a change in the Exercise Price or a change in the number of underlying securities over which your option may be exercised.

11. NO STOCKHOLDER RIGHTS. Prior to exercise of this option, you shall not be entitled to any rights of a stockholder with respect to your Option Shares (as defined below), including (without limitation) the right to vote such Option Shares, receive dividends or other distributions thereon, exercise preemptive rights, participate in new issuances of securities or be notified of stockholder meetings, and except as otherwise provided in this option, you shall not be entitled to any stockholder notice or other communication concerning the business or affairs of the Company. However, the Company will ensure that, for the purposes of determining the entitlements to any new issuances of capital offered to stockholders during the term of your option, the record date for any such issuance will be at least 6 business days after the issuance is announced. This will give you the opportunity to exercise your option prior to the date for determining entitlements to participate in any such issuance.

12. TRANSFERABILITY. Your option is not transferable, except by will or by the laws of descent and distribution, and is exercisable during your life only by you. Notwithstanding the foregoing, by delivering written notice to the Company, in a form satisfactory to the Company, you may designate a third party who, in the event of your death, shall thereafter be entitled to exercise your option. In addition, if permitted by the Company you may transfer your option to a

trust if you are considered to be the sole beneficial owner (determined under Section 671 of the Code and applicable state law) while the option is held in the trust, provided that you and the trustee enter into a transfer and other agreements required by the Company.

13. RIGHT OF FIRST REFUSAL.

(a) Shares of Common Stock that you acquire upon exercise of your option (“*Option Shares*”) are subject to a right of first refusal as described in this Section 11 (the “*Right of First Refusal*”). The Company’s Right of First Refusal shall expire on the first date upon which any security of the Company is listed (or approved for listing) upon notice of issuance on a national securities exchange or quotation system (the “*Listing Date*”).

(b) Prior to the Listing Date, you may not validly Transfer (as defined below) the Option Shares, or any interest in the Option Shares, unless such Transfer is made in compliance with the following provisions:

(i) Before there can be a valid Transfer of any Option Shares or any interest in the Option Shares, the record holder of the shares to be transferred (the “*Offered Shares*”) will give written notice (by registered or certified mail) to the Company. Such notice will specify the identity of the proposed transferee, the cash price offered for the Offered Shares by the proposed transferee (or, if the proposed Transfer is one in which the holder will not receive cash, such as an involuntary transfer, gift, donation or pledge, the holder will state that no purchase price is being proposed), and the other terms and conditions of the proposed Transfer. For purposes of this Section 11, the term “*Notice Date*” means the date such notice is mailed and the term “*Offeror*” means the record holder of the Offered Shares. If, from time to time, there is any stock dividend, stock split or other change in the character or amount of any of the outstanding Common Stock, then in such event any and all new, substituted or additional securities to which you are entitled by reason of your ownership of the Common Stock acquired under this Agreement will be immediately subject to the Company’s Right of First Refusal with the same force and effect as the shares subject to the Right of First Refusal immediately before such event.

(ii) For a period of thirty (30) calendar days after the Notice Date, or such longer period as may be required to avoid the classification of the Award as a liability for financial accounting purposes, the Company will have the option to purchase all (but not less than all) of the Offered Shares at the purchase price and on the terms set forth in Section 11(a)(iii). In the event that the proposed Transfer is one involving no payment of a purchase price, the purchase price will be deemed to be the Fair Market Value of the Offered Shares as determined in good faith by the Board in its discretion. The Company may exercise its Right of First Refusal by mailing (by registered or certified mail) written notice of exercise of its Right of First Refusal to the Offeror prior to the end of said thirty (30) days, as adjusted to include any extension required to avoid classification of the Award as a liability for financial accounting purposes.

(iii) The price at which the Company may purchase the Offered Shares pursuant to the exercise of its Right of First Refusal will be the cash price offered for the Offered Shares by the proposed transferee (as set forth in the notice required under Section 11(a)(i)), or

the Fair Market Value as determined by the Board in the event no purchase price is involved. To the extent consideration other than cash is offered by the proposed transferee, the Company will not be required to pay any additional amounts to the Offeror other than the cash price offered (or the Fair Market Value, if applicable). The Company's notice of exercise of its Right of First Refusal will be accompanied by full payment for the Offered Shares and, upon such payment by the Company, the Company will acquire full right, title and interest to all of the Offered Shares.

(iv) If, and only if, the option given pursuant to Section 11(a)(ii) is not exercised, the Transfer proposed in the notice given pursuant to Section 11(a)(i) may take place; *provided, however*, that such Transfer must, in all respects, be exactly as proposed in said notice except that such Transfer may not take place either before the tenth calendar day after the expiration of said thirty (30)-day option exercise period or after the ninetieth (90th) calendar day after the expiration of said thirty (30)-day option exercise period, and if such Transfer has not taken place prior to said ninetieth (90th) day, such Transfer may not take place without once again complying with this Section 11. The option exercise periods in this Section 11(a)(ii) will be adjusted to include any extension required to avoid the classification of the Award as a liability for financial accounting purposes.

(c) As used in this Section 11, the term "*Transfer*" means any sale, encumbrance, pledge, gift or other form of disposition or transfer of the Option Shares or any legal or equitable interest in the Option Shares; provided, however, that the term Transfer does not include a transfer of such shares or interests by will or intestacy to your Immediate Family (as defined below). In such case, the transferee or other recipient will receive and hold the shares so transferred subject to the provisions of this Section 11, and there will be no further transfer of such shares except in accordance with the terms of this Section 11. As used herein, the term "*Immediate Family*" will mean your spouse, the lineal descendant or antecedent, father, mother, brother or sister, child, adopted child, grandchild or adopted grandchild of you or your spouse, or the spouse of any child, adopted child, grandchild or adopted grandchild of you or your spouse.

(d) No Option Shares will be transferred on the Company's books nor will the Company recognize any such Transfer of any such shares or any interest in the Option Shares unless and until all applicable provisions of this Section 11 have been complied with in all respects. The certificates of stock evidencing the Option Shares will bear an appropriate legend referring to the transfer restrictions imposed by this Section 11.

14. RIGHT OF REPURCHASE. To the extent provided in the Company's bylaws in effect at such time the Company elects to exercise its right, the Company shall have the right to repurchase all or any part of the shares of Common Stock you acquire pursuant to the exercise of your option.

15. OPTION NOT A SERVICE CONTRACT. Your option is not an employment or service contract, and nothing in your option shall be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to continue your employment. In addition, nothing in your option shall obligate the Company or an Affiliate, their respective stockholders, Boards of Directors, Officers

or Employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

16. WITHHOLDING OBLIGATIONS.

(a) At the time you exercise your option, in whole or in part, or at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for (including by means of a “cashless exercise” pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company), any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise of your option.

(b) Upon your request and subject to approval by the Company, in its sole discretion, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested shares of Common Stock otherwise issuable to you upon the exercise of your option a number of whole shares of Common Stock having a Fair Market Value, determined by the Company as of the date of exercise, not in excess of the minimum amount of tax required to be withheld by law (or such lower amount as may be necessary to avoid classification of your option as a liability for financial accounting purposes). If the date of determination of any tax withholding obligation is deferred to a date later than the date of exercise of your option, share withholding pursuant to the preceding sentence shall not be permitted unless you make a proper and timely election under Section 83(b) of the Code, covering the aggregate number of shares of Common Stock acquired upon such exercise with respect to which such determination is otherwise deferred, to accelerate the determination of such tax withholding obligation to the date of exercise of your option. Notwithstanding the filing of such election, shares of Common Stock shall be withheld solely from fully vested shares of Common Stock determined as of the date of exercise of your option that are otherwise issuable to you upon such exercise. Any adverse consequences to you arising in connection with such share withholding procedure shall be your sole responsibility.

(c) You may not exercise your option unless the tax withholding obligations of the Company and/or any Affiliate are satisfied. Accordingly, you may not be able to exercise your option when desired even though your option is vested, and the Company shall have no obligation to issue a certificate for such shares of Common Stock or release such shares of Common Stock from any escrow provided for herein unless such obligations are satisfied.

17. TAX CONSEQUENCES. You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You shall not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your option or your other compensation. In particular, you acknowledge that this option is exempt from Section 409A of the Code only if the exercise price per share specified in the Grant Notice is at least equal to the “fair market value” per share of the Common Stock on the Date of Grant and there is no other impermissible deferral of compensation associated with the option. Because the Common Stock is not traded on an established securities market, the Fair Market Value is determined by the Board, perhaps in consultation with an independent valuation firm retained by the Company.

You acknowledge that there is no guarantee that the Internal Revenue Service will agree with the valuation as determined by the Board, and you shall not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates in the event that the Internal Revenue Service asserts that the valuation determined by the Board is less than the “fair market value” as subsequently determined by the Internal Revenue Service.

18. NOTICES. Any notices provided for in your option or the Plan shall be given in writing and shall be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company.

19. GOVERNING PLAN DOCUMENT. Your option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. In the event of any conflict between the provisions of your option and those of the Plan, the provisions of the Plan shall control.



Annexure B – Terms and Conditions of Options granted to Convertible Note Holders

The Options entitle the holder (**Optionholder**) to subscribe for fully paid CHESS Depository Interests in the capital of Nyrada Inc. ARBN 625 401 818 (**Company**) on the following terms and conditions:

- a) Subject to k), each Option gives the Optionholder the right to subscribe for one fully paid CHESS Depository Interest in the capital of the Company (**CDI**).
- b) The Options will expire at 5.00pm (Sydney time) on 30 November 2020 (**Expiry Date**). Any Options not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- c) The amount payable upon exercise of each Option will be AU\$0.20 (**Exercise Price**).
- d) The Options held by the Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- e) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - a. a written notice of exercise of Options specifying the number of Options being exercised; and
 - b. a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised,

(Exercise Notice).

- f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- g) Within 2 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of CDIs required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- h) The Options are transferable.
- i) All CDIs allotted upon the exercise of the Options will upon allotment rank pari passu in all respects with other CDIs.
- j) The Company will not apply for quotation of the Options on ASX. However, the Company will apply for quotation of all CDIs allotted pursuant to the exercise of Options on ASX within 2 Business Days after the date of allotment of those CDIs.
- k) If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Delaware General Corporation Law and the Listing Rules at the time of the reconstruction.
- l) There are no participating rights or entitlements inherent to the Options and the Optionholders will not be entitled to participate in new issues of capital offered to



shareholders or CDI holders during the currency of the Options. However, the Company will ensure that for the purposes of determining the entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

- m) Subject to clause k), an Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Option can be exercised.

In this document, the following definitions apply, unless the context otherwise requires:

ASX means ASX Limited ACN 008 624 691 or the securities exchange which it operates, as the context requires.

Listing Rules means the official listing rules of the ASX.

Board means the Board of Directors of the Company.

Business Days means a day that is not a Saturday, Sunday, bank holiday or public holiday in Sydney, Australia.

Option means an option in the capital of the Company on the terms and conditions set out in this document.



Annexure C – Template Warrant

THIS WARRANT AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. THE SECURITIES MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, HYPOTHECATED, TRANSFERRED OR ASSIGNED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER APPLICABLE SECURITIES LAWS OR UNLESS OFFERED, SOLD, PLEDGED, HYPOTHECATED OR TRANSFERRED PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THOSE LAWS. THE COMPANY SHALL BE ENTITLED TO REQUIRE AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED TO THE EXTENT THAT AN OPINION IS REQUIRED PURSUANT TO THE AGREEMENT UNDER WHICH THE SECURITIES WERE ISSUED.

Date of Issuance
25 November, 2019

NYRADA INC.

WARRANT TO PURCHASE CHESS DEPOSITORY INTERESTS

This Warrant is issued to [insert] or its assigns (the “Holder”) by NYRADA INC., a Delaware corporation (the “Company”).

1. Purchase of CDIs.

(a) Number of CDIs. Subject to the terms and conditions set forth herein, the Holder is entitled, upon surrender of this Warrant at the principal office of the Company (or at such other place as the Company shall notify the Holder in writing), to purchase from the Company up to [insert] fully paid and nonassessable CHESS Depository Interests (“CDIs”) of the Company (the “Warrant Securities”).

(b) Exercise Price. The exercise price for the Warrant Securities issuable pursuant to this Section 1 shall be AU\$0.20 per CDI (the “Exercise Price”).

2. Exercise Period. This Warrant shall be exercisable, in whole or in part, during the term commencing on the date hereof and ending at 5:00 p.m. (New York time) on June 30, 2024 (the “Exercise Period”); provided, however, that the Exercise Period shall expire on the date that is six (6) months from the date hereof in the event that the Company has not listed its CHESS Depository Interests on the Australian Securities Exchange (“ASX”) on or prior to such date.

3. Method of Exercise.

(a) While this Warrant remains outstanding and exercisable in accordance with Section 2 above, the Holder may exercise, in whole or in part (provided that, if the Warrant

is exercised in part, it is exercised in multiples of 1,000 on each occasion), the purchase rights evidenced hereby. Such exercise shall be effected by:

(i) the surrender of the Warrant, together with a duly executed copy of the Notice of Exercise attached hereto, to the Secretary of the Company at its principal office (or at such other place as the Company shall notify the Holder in writing); and

(ii) the payment to the Company of an amount equal to the aggregate Exercise Price for the number of Warrant Securities being purchased.

(b) Each exercise of this Warrant shall be deemed to have been effected immediately prior to the close of business on the day on which this Warrant is surrendered to the Company as provided in Section 3(a) above. At such time, the person or persons in whose name or names any holding statement for the Warrant Securities shall be issuable upon such exercise as provided in Section 3(c) below shall be deemed to have become the holder or holders of record of the Warrant Securities represented by such holding statement.

(c) As soon as practicable after the exercise of this Warrant in whole or in part, and in any event within 2 business days thereafter, the Company at its expense will cause to be issued in the name of, and delivered to, the Holder, or as such Holder (upon payment by such Holder of any applicable transfer taxes) may direct:

(i) a holding statement for the number of Warrant Securities to which such Holder shall be entitled, and

(ii) in case such exercise is in part only, a new warrant or warrants (dated the date hereof) of like tenor, calling in the aggregate on the face or faces thereof for the number of Warrant Securities equal to the number of such Warrant Securities called for on the face of this Warrant minus the number of Warrant Securities purchased by the Holder upon all exercises made in accordance with Section 3(a) above.

(d) All Warrant Securities allotted upon exercise of the Warrant will, upon allotment, rank *pari passu* in all respects with all other CDIs.

(e) The Company will not apply for quotation of the Warrant on ASX. However, the Company will apply for quotation of all Warrant Securities allotted pursuant to the exercise of the Warrant within 2 business days after the date of allotment of those Warrant Securities.

4. Representations and Warranties of the Holder. In connection with the transactions provided for herein, the Holder hereby represents and warrants to the Company that:

(a) Authorization. The Holder represents that it has full power and authority to enter into this Warrant. This Warrant constitutes the Holder's valid and legally binding obligation, enforceable in accordance with its terms, except as may be limited by (i) applicable bankruptcy, insolvency, reorganization, or similar laws relating to or affecting the enforcement of creditors' rights and (ii) laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

(b) Purchase Entirely for Own Account. The Holder acknowledges that this Warrant is entered into by the Holder in reliance upon such Holder's representation to the Company that the Warrant and the Warrant Securities (collectively, the "Securities") will be acquired for investment for the Holder's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that the Holder has no present intention of selling, granting any participation in or otherwise distributing the same. By acknowledging this Warrant, the Holder further represents that the Holder does not have any contract, undertaking, agreement, or arrangement with any person to sell, transfer or grant participations to such person or to any third person, with respect to the Securities.

(c) Disclosure of Information. The Holder acknowledges that it has received all the information it considers necessary or appropriate for deciding whether to acquire the Securities. The Holder further represents that it has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of the Securities.

(d) Investment Experience. The Holder is an investor in securities of companies in the development stage and acknowledges that it is able to fend for itself, can bear the economic risk of its investment, and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in the Securities. If other than an individual, the Holder also represents it has not been organized solely for the purpose of acquiring the Securities.

(e) Accredited Investor. The Holder is an "accredited investor" within the meaning of Rule 501 of Regulation D, as presently in effect, as promulgated by the Securities and Exchange Commission (the "SEC") under the 1933 Securities Act, as amended (the "Act").

(f) Restricted Securities. The Holder understands that the Securities are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Act, only in certain limited circumstances. In this connection, the Holder represents that it is familiar with Rule 144, as presently in effect, as promulgated by the SEC under the Act ("Rule 144"), and understands the resale limitations imposed thereby and by the Act.

(g) Further Limitations on Disposition. Without in any way limiting the representations set forth above, the Holder further agrees not to make any disposition of all or any portion of the Securities unless and until the transferee has agreed in writing for the benefit of the Company to be bound by the terms of this Warrant, including, without limitation, this Section 4, Section 16, and:

(i) there is then in effect a registration statement under the Act covering such proposed disposition and such disposition is made in accordance with such registration statement; or

(ii) the Holder shall have notified the Company of the proposed disposition and shall have furnished the Company with a detailed statement of the circumstances

surrounding the proposed disposition, the Company shall have provided express written consent to such disposition and if reasonably requested by the Company, the Holder shall have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, that such disposition will not require registration of such shares under the Act. It is agreed that the Company will not require opinions of counsel for transactions made pursuant to Rule 144 except in extraordinary circumstances.

(h) Legends. It is understood that the Securities may bear the following legend:

THE SECURITIES REPRESENTED HEREBY HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY APPLICABLE STATE SECURITIES LAWS. SUCH SECURITIES AND ANY SECURITIES ISSUED HEREUNDER OR THEREUNDER MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF SUCH REGISTRATION OR AN EXEMPTION THEREFROM UNDER SAID ACT AND APPLICABLE LAWS.

5. No Fractional Shares or Scrip. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant, but in lieu of such fractional shares the Company shall make a cash payment therefor on the basis of the Exercise Price then in effect.

6. Reconstructions. If at any time the issued capital of the Company is reconstructed, all rights of the Holder under this Warrant are to be changed in a manner consistent with the Delaware General Corporation Law and the Listing Rules of ASX at the time of reconstruction. Otherwise, this Warrant does not confer the right to a change in the Exercise Price or a change in the number of underlying securities over which this Warrant may be exercised.

7. No Stockholder Rights. Prior to exercise of this Warrant, the Holder shall not be entitled to any rights of a stockholder with respect to the Warrant Securities, including (without limitation) the right to vote such Warrant Securities, receive dividends or other distributions thereon, exercise preemptive rights, participate in new issues of securities or be notified of stockholder meetings, and except as otherwise provided in this Warrant, such Holder shall not be entitled to any stockholder notice or other communication concerning the business or affairs of the Company. However, the Company will ensure that, for the purposes of determining the entitlements to any new issues of capital offered to stockholders during the currency of the Warrant, the record date for any such issue will be at least 6 business days after the issue is announced. This will give the Holder the opportunity to exercise the Warrant prior to the date for determining entitlements to participate in any such issue.

8. Governing Law. This Warrant shall be governed by and construed under the laws of the State of Delaware as applied to agreements among Delaware residents, made and to be performed entirely within the State of Delaware.

9. Successors and Assigns. The terms and provisions of this Warrant shall inure to the benefit of, and be binding upon, the Company and the holders hereof and their respective successors and permitted assigns.

10. Counterparts. This Warrant may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

11. Titles and Subtitles. The titles and subtitles used in this Warrant are used for convenience only and are not to be considered in construing or interpreting this Warrant.

12. Notices. All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not so confirmed, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the respective parties at the following addresses (or at such other addresses as shall be specified by notice given in accordance with this Section 11):

If to the Company:

NYRADA INC.
Ste 3, L 4, 828 Pacific Highway
Gordon NSW 2072, AUSTRALIA

With copy to (which shall not constitute notice):

Reitler Kailas & Rosenblatt LLC
885 Third Avenue, 20th Floor
New York, New York 10022
Attention: John Watkins, Esq.

If to Holder:

At the address provided in writing to the Company by the Holder.

13. Finder's Fee. Each party represents that it neither is nor will be obligated for any finder's fee or commission in connection with this transaction. The Holder agrees to indemnify and to hold harmless the Company from any liability for any commission or compensation in the nature of a finder's fee (and the costs and expenses of defending against

such liability or asserted liability) for which the Holder or any of its officers, partners, employees or representatives is responsible.

14. Expenses. If any action at law or in equity is necessary to enforce or interpret the terms of this Warrant, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

15. Entire Agreement; Amendments and Waivers. This Warrant and any other documents delivered pursuant hereto constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof. Nonetheless, any term of this Warrant may be amended and the observance of any term of this Warrant may be waived (either generally or in a particular instance and either retroactively or prospectively), with the written consent of the Company and the Holder; or if this Warrant has been assigned in part, by the holders or rights to purchase a majority of the shares originally issuable pursuant to this Warrant.

16. Severability. If any provision of this Warrant is held to be unenforceable under applicable law, such provision shall be excluded from this Warrant and the balance of the Warrant shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date above written,

NYRADA INC.

By _____

Name:

Title:

ACKNOWLEDGED AND AGREED:

[insert]

By _____

Name:

Title:

