

# IMAGION BIOSYSTEMS LIMITED

(ASX: IBX)

7 March 2023

## Imagion Funding Update

### Highlights:

- **Shareholder entitlement offer seeking to raise up to \$2.4 million**
- **Funding facility of up to \$15 million secured with Mercer Street Global Opportunity Fund, LLC.**

MELBOURNE – Imagion Biosystems (ASX:IBX), a company dedicated to improving healthcare through the early detection of cancer, today announced an entitlement offer to its shareholders seeking to raise up to \$2.4 million as well as a funding facility with Mercer Street Global Opportunity Fund, LLC a US-based investment fund managed by Mercer Street Capital Partners, LLC (together “Mercer”), of up to \$15 million (see further details below as well as separate announcements). Combined, the funding will be used to prepare the Company’s MagSense® HER 2 breast cancer imaging agent for the next phase of clinical development, funding towards pipeline growth into oncology indications such as prostate and ovarian cancer and to provide additional general working capital to advance the Company’s business.

“Building on the results we shared earlier in the month in relation to the path to market for MagSense® Technology, we are pleased to be inviting our shareholders to continue supporting the Company on our next exciting growth phase,” commented CEO Bob Proulx. “Funds raised from the entitlement offer in addition to funds received from Mercer from the convertible securities will enable us to advance the development of our MagSense® HER2 breast cancer imaging agent into the next phase of clinical testing. As previously mentioned we have already initiated the regulatory process with the US Food and Drug Administration (FDA) to bring the HER2 Breast Cancer clinical studies to the US where there will be access to a larger number of sites and a more substantial patient population. The plan is to use a portion of these funds to pursue an IND application which will be a significant milestone for Imagion.”

### ***Entitlement Offer (refer to separate announcement for further details)***

The Company is seeking to raise up to \$2.4 million through the offer of one (1) new fully paid ordinary shares in the Company (**Share**) for every eight (8) shares held by eligible shareholders registered at 10 March 2023 at an issue price of \$0.017 per share (**Offer**). The Offer is not underwritten and there is no minimum subscription. The issue price for the Offer represents a 22.7% discount to the closing price of the Company’s shares on 6 March 2023, being the last trading day before this announcement.

### ***Mercer Funding Package (refer to separate announcement for further details)***

Mercer will initially invest \$1.5 million in convertible securities. Additionally, subject to closing conditions, Mercer will invest in a further \$1.0 million in convertible securities, if shareholders approve this further tranche, with the potential for Mercer to invest up to a further \$12.5 million in convertible securities which is also subject to either shareholder approval or the Company having available placement capacity in accordance with the ASX Listing Rules.

“We have been following Imagion’s progress and are excited to be partnering with Imagion to help facilitate this next stage of its development. We believe Imagion’s technology could significantly impact the cancer imaging market. As this is our second investment into Imagion, we have built a strong relationship with Imagion’s management and we have strong confidence in their potential for growth,” – Jonathan Juchno, Managing Partner from Mercer, said.



“We are pleased to be partnering with Mercer as we enter into a significant phase of growth,” commented CEO Bob Proulx. “A facility such as this ensures we have funding options to support our clinical development plans for our MagSense® technology.”

### ***The Path to Market for MagSense® Technology***

As previously announced an independent blinded review by a panel of expert breast cancer radiologists has corroborated the Company’s previously reported positive findings that the MagSense® HER2 imaging agent when used with conventional Magnetic Resonance Imaging (MRI) was aiding in the evaluation of metastatic nodal disease.

Each radiologist ascertained that the MagSense® HER2 imaging agent produces a change in image contrast and that the contrast in nodes highly suspicious for tumour is distinctly different from the image contrast seen in non-involved nodes. The independent reviews are consistent with the Company’s previous assessment that the MagSense® imaging agent provides new information for the radiologist not available through conventional methods, like ultrasound, and has the potential to aid in the clinical assessment of nodal metastasis in HER2 positive breast cancer.

The confirmation by the panel of the Company’s assessment that cancer detection can be achieved when using the MagSense® imaging agent with MRI has significant implications for the Company.

- MRI is already part of clinical workflow and clinical decision making with a large installed base of scanners and trained radiologists throughout the world, which will help drive faster clinical adoption.
- It eliminates the near-term expense and risks associated with developing and introducing a new type of detection technology.
- It demonstrates the clinical potential for the Company’s pipeline of imaging agents targeting other cancers.

Since all MagSense® targeted imaging agents use the same underlying magnetic nanoparticle technology, the Company now plans to prioritize the development of its MagSense® nanoparticle technology for use with mainstream clinical MRI scanners.

**-ENDS**

### **About Imagion Biosystems**

Imagion Biosystems is developing a new non-radioactive and precision diagnostic molecular imaging technology. Combining biotechnology and nanotechnology, the Company aims to detect cancer and other diseases earlier and with higher specificity than is currently possible.

For further information please visit [www.imagionbiosystems.com](http://www.imagionbiosystems.com)

### **Authorisation & Additional information**

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

#### **U.S. Media Contact:**

Casie Ost  
[Casie.ost@imagionbio.com](mailto:Casie.ost@imagionbio.com)  
+1-619-693-4428

#### **Australian Media & Investor Relations:**

Hannah Howlett, WE Communications  
[We-AUImagionBiosystems@we-worldwide.com](mailto:We-AUImagionBiosystems@we-worldwide.com)  
+61 (0) 450648064