

**13 August 2022**

**Convertible Note Investors**

Dear BiomeBank Convertible Note Investors,

As noted in my 05 August letter, Convertible Note 02 (CN02) investors are now being offered two additional alternatives for dealing with their holding, as set out below. These alternatives will be implemented by BiomeBank subject to and conditional on Ellerston Capital (a lead CN03 investor) completing its CN03 investment.

Please make your selection – at the end of this letter – and return your completed selection to [registry@biomebank.com](mailto:registry@biomebank.com) by **no later than Friday 26 August 2022**. Please note that you may select one option only in respect of all CN02 that you hold.

**Option 1 – Convert CN02 to shares at a capped price and deeper discount**

Under this option, you will convert your CN02 (plus accrued interest) to fully paid ordinary shares in BiomeBank at a price which equates to a 20% discount to the CN03 price cap (\$60 million), being your existing 15% CN02 Conversion Discount plus an additional 5% discount for converting to equity at this stage. The share issue price will be \$382.60 per share (being \$48 million divided by 125,459 fully diluted shares).

If you select this option, and subject to satisfaction of the Ellerston Capital condition noted above, you will be deemed to have converted your CN02 plus accrued interest and applied for shares in BiomeBank and, effective 31 August 2022, all of your notes will be converted to fully paid ordinary shares in BiomeBank at the price determined above. Clause 5 of your CN02 Agreement will otherwise apply to the conversion, including that you will be required to accede to BiomeBank's Shareholder Deed and BiomeBank will issue a share certificate to you for your conversion shares.

**Option 2 – Amend CN02 terms to match commercial terms offered to CN03 investors**

Under this option, your CN02 will remain on issue but the terms of your CN02 will be amended with effect from 31 August 2022 to match the convertible note terms offered to CN03 investors. Based on current CN03 negotiations, those terms are:

- conversion to equity in BiomeBank triggered by capital raising of at least \$30 million;
- conversion price capped at a valuation of \$60 million;
- a range of discounts will apply on conversion (40% if conversion occurs in the near term down to 25% if conversion occurs closer to maturity), in addition to the protection of the \$60 million valuation cap;
- 3 year maturity to 31 August 2025; and  
8% interest rate will apply from 31 August 2022.

A document setting out the proposed amended terms for CN02, reflecting the current proposed CN03 convertible note terms, is attached. If the above CN03 terms are changed as part of negotiations with lead CN03 investors, a revised version of this document will be provided showing the changes.

If you select option 2, and subject to satisfaction of the Ellerston Capital condition noted above, you will be provided with a personalised document for signing which sets out the final amended CN02 terms (which will reflect the final CN03 convertible note terms). Your CN02 notes will continue but with amended terms from 31 August 2022.

**Option 3 – Cash repayment under terms of existing CN02 Agreement**

Under this option, you will be repaid (in cash) the face value of your CN02 plus all accrued interest, in accordance with your CN02 Agreement effective 11 October 2022. On repayment your CN02 will cease to exist.

Please select your preferred option on the following page for all of your CN02 and provide your selection to [registry@biomebank.com](mailto:registry@biomebank.com) by no later than Friday 26 August 2022.

Thank you again for your continued support and if you have any questions regarding this process, please feel free to contact me.

Yours Sincerely,

**Thomas Mitchell**  
**CEO at BiomeBank**

Attachment: Document setting out amended terms for CN01 and CN02 (Option 2)

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I/we \_\_\_\_\_ [*full name of CN02 Investor*]

confirm that we select the following Option in respect of all of our Convertible Notes 01, as per the letter from BiomeBank dated 10 August 2022 to Convertible Note 01 Investors:

<b>CN01 INVESTOR TO SELECT ONE OPTION BELOW</b>	<b>SELECT OPTION</b>
Option 1 – Convert CN02 to ordinary shares in BiomeBank	
Option 2 – Amend CN02 terms to match CN03 commercial terms	
Option 3 – Cash repayment under terms of existing CN02 Agreement	

Signed by or on behalf of the CN02 Investor:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

Dated: \_\_\_\_\_ August 2022