



1 December 2017

Dear Optionholder

**Loyalty Options – Bonus Issue**

We write to you as the registered holder of vested Actinogen Medical Limited (ASX: ACW) **(Company)** options as at today's date.

As advised in the Company's ASX announcement dated 29 November 2017, the Company is proposing to issue two free Loyalty Option for every fifteen fully paid ordinary shares **(Shares)** held to all eligible shareholders at 7pm (AEDT) the record date of 7 December 2017 **(Record Date)**, each exercisable at \$0.06 on or before 31 March 2019.

The Bonus Issue will be available to all Company shareholders registered on the Record Date with a registered address in Australia and New Zealand **(Eligible Shareholders)**.

A prospectus in relation to the Bonus Issue lodged with ASIC and ASX on 1 December 2017 and is available on the websites of the Company ([www.actinogen.com.au](http://www.actinogen.com.au)) and ASX from that date. The prospectus will be sent to Eligible Shareholders by 13 December 2017.

Under the terms of the options you currently hold, there is no entitlement to participate in the Bonus Issue (in respect of your options) unless you exercise your options and are entered into the register as an Eligible Shareholder by the Record Date.

The purpose of this letter is to inform you that if you are not an Eligible Shareholder on the Record Date then the Bonus Issue will not extend to you, the prospectus will not be sent to you and you will not be issued Loyalty Options under the Bonus Issue. To qualify as an Eligible Shareholder, you need to have an address in Australia and New Zealand prior to the Record Date, as notified to the Company's share registry Link Market Services.

If you do not wish to participate in the Bonus Issue (in respect of your vested options), no action is required. Before deciding whether to exercise any or all of your vested options, you should consider the prospectus carefully and, if in any doubt, consult with your professional advisor.

If you have any questions in relation to the Bonus Issue, please contact the Company Secretary on +61 (02) 8964 7401.

Yours sincerely

A handwritten signature in black ink, appearing to read "Peter Webse", is positioned above the typed name.

Peter Webse  
**Company Secretary**