



12 April 2017

The Manager
Market Announcements Office
ASX Limited
Level 4, North Tower, Rialto
525 Collins Street
Melbourne VIC 3000

Further to the ASX announcement on 5 April 2017, Opthea Limited (ASX:OPT) (**Opthea**) will today issue:

- 37,914,377 shares at an issue price of A\$0.93 per share raising approximately A\$35.3 million under a placement to certain institutional and sophisticated investors (**Placement**); and
- 7,430,751 fully paid ordinary shares at a price of A\$0.93 per share to raise approximately A\$6.9 million under the institutional component of the accelerated non-renounceable pro-rata entitlement offer (**Institutional Entitlement Offer**).

The issue of shares pursuant to the Placement and Institutional Entitlement Offer is further described in the attached Appendix 3B.

Information required under ASX Listing Rules 3.10.5A and 7.1A.4(b)

Opthea provides the following information pursuant to Listing Rules 3.10.5A and 7.1A.4(b) in respect of the shares issued under Opthea's 10% Listing Rule 7.1A placement capacity:

- 15,165,666 shares have been issued pursuant to Opthea's Listing Rule 7.1A capacity (**7.1A Placement**). The shares issued pursuant to the 7.1A Placement represent 7.7% of the capital in the Company after the issue of Shares under the Placement and Institutional Entitlement Offer. Pre-Placement shareholders' overall interests will therefore be diluted by 7.7% following the 7.1A Placement (however some existing shareholders have participated in the Placement so their particular interests may have increased or been diluted to a lesser extent).
- The remainder of the 22,748,711 shares issued under the Placement have been issued pursuant to Opthea's Listing Rule 7.1 capacity (**7.1 Placement**). These shares represent 11.54% of the capital in the Company after the issue of Shares under the Placement and Institutional Entitlement Offer. Pre-Placement shareholders' overall interests will therefore be diluted by 11.54% following the 7.1 Placement (however some existing shareholders have participated in the Placement so their particular interests may have increased or been diluted to a lesser extent).
- As the Placement was conducted simultaneously with the Institutional Entitlement Offer, Opthea notifies that the shares issued under the Placement and Institutional Entitlement Offer result in the following dilution to existing holders of ordinary shares:

	Shares	%
Number of shares on issue prior to the Placement	151,738,078	76.99
Dilution as a result of issue under ASX LR7.1A	15,165,666	7.70
Dilution as a result of issue under ASX LR7.1	22,748,711	11.54
Issue of shares under the Institutional Entitlement Offer	7,430,751	3.77
Number of shares on issue following the Placement and Institutional Entitlement Offer	197,083,206	100.00

- (d) The percentage of post-Placement shares held (in aggregate) by the following shareholders after the issue of the Placement Shares (but before the issue of shares under the Institutional Entitlement Offer) is as follows:

	Shares	%
Shares held by Pre-Placement shareholders who did not participate in the ASX Listing Rule 7.1A component of the Placement	145,703,405	87.30
Shares held by pre-Placement shareholders who did participate in the ASX Listing Rule 7.1A component of the Placement	9,044,485	5.42
Shares held by new shareholders who participated in the ASX Listing Rule 7.1A component of the Placement	12,155,854	7.28

- (e) Opthea issued the shares under the Placement by way of the 7.1A Placement and not by way of a pro-rata offer as it considered that this was the most appropriate way of raising funds in the circumstances, providing more certainty for the Company. In any event, as announced by Opthea on Monday, 3 April 2017, Opthea is also undertaking an Entitlement Offer which gives shareholders an opportunity to acquire shares in Opthea and thereby participate in the capital raising. The Institutional Entitlement Offer was undertaken simultaneously with the Placement. The Retail Entitlement Offer opened on Monday, 10 April 2017 and will close at 5.00pm on Monday, 24 April 2017.
- (f) The issue price was A\$0.93 per share. The volume weighted average price (**VWAP**) of Opthea's shares in the 15 days before the shares were issued under the Placement was \$0.88 per share. Accordingly, the issue price under the Placement was at least 75% of the 15 day VWAP immediately before the date of issue as required by ASX Listing Rule 7.1A.3(b).
- (g) The Placement and Institutional Entitlement Offer was not underwritten. Opthea incurred fees and costs in connection with the Placement and Institutional Entitlement Offer totalling approximately 5.5% of the funds raised.

An Appendix 3B applying for quotation of the Placement and Institutional Entitlement Offer shares is annexed to this letter. A cleansing notice in respect of the Placement shares pursuant to section 708A(5)(e) of the *Corporations Act 2001* (Cth), has also been lodged with ASX today.

Yours sincerely,



Mike Tonroe
Company Secretary
Opthea Limited

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Opthea Limited (**Opthea**)

ABN

32 006 340 567

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1 +Class of +securities issued or to be issued

Fully paid ordinary shares (**Shares**)

2 Number of +securities issued or to be issued (if known) or maximum number which may be issued

37,914,377 Shares under the institutional placement announced by Opthea on 3 April 2017 (**Placement**).

7,430,751 Shares to eligible institutional shareholders under the institutional component of the pro-rata accelerated non-renounceable entitlement offer announced by Opthea on 3 April 2017 (**Institutional Entitlement Offer**).

Up to 3,401,969 Shares are expected to be issued on 3 May 2017 under the retail component of the pro-rata accelerated non-renounceable entitlement offer announced by Opthea on 3 April 2017 (**Retail Entitlement Offer**, and together with the Institutional Entitlement Offer, the **Entitlement Offer**).

The exact number of Shares to be issued under the Retail Entitlement Offer is not known at the date of this Appendix 3B as it remains subject to (among other things) the determination of the Company, the reconciliation of security holder entitlements and the effects of rounding.

80,000 Shares were also issued pursuant to the exercise of options.

3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

Same as existing quoted Shares.

4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

Yes.

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

5 Issue price or consideration

In respect of the Entitlement Offer and Placement, \$0.93 per Share.

In respect of issue of shares following the exercise of options, \$0.27 per Share.

+ See chapter 19 for defined terms.

6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	As described in the ASX announcement and investor presentation lodged with ASX on 3 April 2017 – namely, to raise capital to, amongst other things, fund clinical trials of Opthea’s drug compound, OPT-302, in a phase 2B clinical trial for wet age related macular degeneration (wAMD) and phase 2A clinical trials for treating diabetic macular edema and prior treated wAMD patients. 80,000 Shares have been issued pursuant to the exercise of quoted options.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	28 November 2016
6c	Number of +securities issued without security holder approval under rule 7.1	22,748,711 Shares
6d	Number of +securities issued with security holder approval under rule 7.1A	15,165,666 Shares
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of +securities issued under an exception in rule 7.2	Up to 10,832,720 Shares.
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Yes. Issue price: \$0.93. 15 day VWAP (from the date that the price at which the securities were to be issued was agreed): \$0.88

6h If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements

N/A

6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements

See Annexure 1.

7 +Issue dates
 Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.

Thursday, 6 April 2017 in respect of the issue of Shares following the exercise of the quoted options.

Wednesday, 12 April 2017 for Shares issued under the Placement and the Institutional Entitlement Offer.

Wednesday, 3 May 2017 for Shares issued under the Retail Entitlement Offer.

8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)

Number	+Class
After completion of the Institutional Entitlement Offer there will be 197,083,206 Shares on issue.	Fully paid ordinary shares
After completion of the Retail Entitlement Offer, there will be approximately 200,485,175 Shares on issue (based on 197,083,206 Shares on issue as at the date of this Appendix 3B and the aggregate approximate number of Shares to be issued under the Retail Entitlement Offer, as specified in item 2 of this Appendix 3B.	

+ See chapter 19 for defined terms.

48,174,922	Quoted options
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	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	1,000,000	Unquoted options issued to Bell Potter Securities Limited pursuant to a Corporate Advisory Agreement.
	7,000,000	Unquoted options issued to directors of Opthea.
	2,625,000	Unquoted options issued to employees of Opthea.

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	<p>Same as existing Shares, from the date of issue.</p> <p>The ability of the Company to offer dividends (if any) is contingent on it making taxable profits. The determination of any dividend is at the absolute discretion of the directors.</p>
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Part 2 - Pro rata issue

11 Is security holder approval required?	No.
12 Is the issue renounceable or non-renounceable?	Non-renounceable.
13 Ratio in which the +securities will be offered	1 Share for every 14 Shares held as at the record date for the Entitlement Offer.
14 +Class of +securities to which the offer relates	Fully paid ordinary shares.
15 +Record date to determine entitlements	7.00pm (AEST) on Wednesday, 5 April 2017.

16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No.
17	Policy for deciding entitlements in relation to fractions	Where fractions arise in the calculation of the shareholders' entitlements under the Entitlement Offer they will be rounded up to the next whole number of Shares.
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Under the Retail Entitlement Offer, all countries other than Australia and New Zealand. Under the Institutional Entitlement Offer, all countries other than Australia, New Zealand, the United States, Hong Kong, Singapore, Finland, Germany, Switzerland, Israel and the United Kingdom.
19	Closing date for receipt of acceptances or renunciations	Institutional Entitlement Offer closed on Tuesday, 4 April 2017. Retail Entitlement Offer closes Monday, 24 April 2017.
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A

+ See chapter 19 for defined terms.

26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	No prospectus is being prepared. A retail offer booklet and entitlement and acceptance form in respect of the Retail Entitlement Offer was sent to eligible retail security holders on Monday, 10 April 2017.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Issue date	Refer to item 7 of this Appendix 3B.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over
- 37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought N/A

39 +Class of +securities for which quotation is sought N/A

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?
N/A

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now N/A

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	N/A	N/A

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

Company secretary

12 April 2017
Date:

Print name: Mike Tonroe

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	150,190,303 shares
Add the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	15,500 shares (issued 18 May 2016) 30,900 shares (issued 7 October 2016) 1,400,375 shares (issued 3 February 2017) 21,000 shares (issued 29 March 2017) 80,000 shares (issued 6 April 2017)
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	None
“A”	151,738,078 shares

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	22,760,711 shares
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	22,748,711 shares (to be issued on 12 April 2017)
“C”	22,748,711
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	22,760,711 shares
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	22,748,711
<p>Total [“A” x 0.15] – “C”</p>	<p>Up to 12,000 shares</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	151,738,078 shares
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	15,173,807
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	15,165,666 shares (to be issued on 12 April 2017)
“E”	15,165,666

+ See chapter 19 for defined terms.

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	15,173,807
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	15,165,666
Total ["A" x 0.10] – "E"	Up to 8,141 shares <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.