

Form 604

Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme Opthea Limited
 ACN/ARSN ACN 006 340 567

1. Details of substantial holder (1)

Name Baker Bros. Advisors LP and each of the persons and entities set out in Annexure A
 ACN N/A

There was a change in the interests of the substantial holder on 20 October 2020

The previous notice was given to the company on 14 August 2019
 The previous notice was dated 12 August 2019

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary shares	26,526,759	10.6%	34,020,359	9.86%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
20 October 2020	667, L.P.	Acquisition of relevant interest in 551,720 ordinary shares by warrants to acquire American Depositary Shares (Form of Warrant in Annexure C)	As set forth in Annexure B	551,720 ordinary shares by warrants to acquire American Depositary Shares	551,720
20 October 2020	Baker Brothers Life Sciences, L.P.	Acquisition of relevant interest in 6,941,880 ordinary shares by warrants to acquire American Depositary Shares (Form of Warrant in Annexure C)	As set forth in Annexure B	6,941,880 ordinary shares by warrants to acquire American Depositary Shares	6,941,880
20 October 2020	Julian Baker and Felix Baker	Acquisition of relevant interest in 7,493,600 ordinary shares by warrants to acquire American Depositary Shares (Form of Warrant in Annexure C) - interest by virtue of control of each of the other substantial holders	As set forth in Annexure B	7,493,600 ordinary shares by warrants to acquire American Depositary Shares	7,493,600

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
667, L.P.	667, L.P.	667, L.P.	Registered holder with power to vote or dispose of the shares (subject to outstanding instruction to convert to relevant interest under Corporations Act s.608(1)(b) and (c) under American Depositary Shares)	2,166,666 ordinary shares	2,166,666
667, L.P.	667, L.P.	667, L.P.	Relevant interest under Corporations Act s.608(8) in the form of warrants to purchase American Depositary Shares	551,720 ordinary shares subject to American Depositary Shares under warrants	551,720
Baker Brothers Life Sciences, L.P.	Baker Brothers Life Sciences, L.P.	Baker Brothers Life Sciences, L.P.	Registered holder with power to vote or dispose of the shares (subject to outstanding instruction to convert to relevant interest under Corporations Act s.608(1)(b) and (c) under American Depositary Shares)	24,360,093 ordinary shares	24,360,093
Baker Brothers Life Sciences, L.P.	Baker Brothers Life Sciences, L.P.	Baker Brothers Life Sciences, L.P.	Relevant interest under Corporations Act s.608(8) in the form of warrants to purchase American Depositary Shares	6,941,880 ordinary shares subject to American Depositary Shares under warrants	6,941,880
Each of the substantial shareholders	Each entity listed above in relation to the shares specified in respect of that entity	Each entity listed above in relation to the shares specified in respect of that entity	Deemed relevant interest by virtue of control by each of Julian Baker and Felix Baker of each of the other substantial holders	26,526,759 ordinary shares	26,526,759
Each of the substantial shareholders	Each entity listed above in relation to the shares specified in respect of that entity	Each entity listed above in relation to the shares specified in respect of that entity	Deemed relevant interest by virtue of control by each of Julian Baker and Felix Baker of each of the other substantial holders	7,493,600 ordinary shares subject to American Depositary Shares under warrants	7,493,600

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Each of the substantial holders	860 Washington Street, 3 rd Floor New York NY 10014

Signature

print name Alexandra A. Toohy capacity Chief Financial Officer

sign here  date 21 October 2020

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of 'associate' in section 9 of the Corporations Act 2001.
- (3) See the definition of 'relevant interest' in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).See the definition of 'relevant agreement' in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write 'unknown'.
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

Annexure A

Page 1 of 1 of Annexure "A" referred to in ASIC Form 604 – Notice of change of interests of substantial holder, signed by me and dated 21 October 2020



Alexandra A. Toohey, Chief Financial Officer

Baker Bros. Advisors LP
Felix Baker
Julian Baker
Baker Bros. Advisors (GP) LLC
Baker Biotech Capital (GP), LLC
Baker Biotech Capital, L.P.
Baker Brothers Life Sciences Capital (GP), LLC
Baker Brothers Life Sciences Capital, L.P.
Baker Brothers Life Sciences, L.P.
667, L.P.

Annexure B

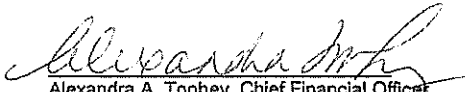
Page 1 of 1 of Annexure "B" referred to in ASIC Form 604 – Notice of change of interests of substantial holder, signed by me and dated 21 October 2020.


 Alexandra A. Toohy, Chief Financial Officer

Date of Change	Person whose relevant interest change	Nature of Change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
20-Oct-2020	667, L.P.	Acquisition of relevant interest in 551,720 ordinary shares by warrants to acquire American Depositary Shares (Form of Warrant in Annexure C)	\$ 1.6875	551,720	551,720
20-Oct-2020	Baker Brothers Life Sciences, L.P.	Acquisition of relevant interest in 6,941,880 ordinary shares by warrants to acquire American Depositary Shares (Form of Warrant in Annexure C)	\$ 1.6875	6,941,880	6,941,880

Annexure C

Page 1 of 12 Annexure "C" which is a true copy of a warrant referred to in ASIC Form 604 – Notice of change of interests of substantial holder, signed by me and dated 21 October 2020.


Alexandra A. Toohy, Chief Financial Officer

FORM OF PRE-FUNDED WARRANT TO PURCHASE AMERICAN DEPOSITARY SHARES

Number of American Depositary Shares: []
 (subject to adjustment)

Warrant No. ____

Original Issue Date: [], 2020

Optica Limited, a corporation incorporated under the laws of Australia (the "Company"), hereby certifies that, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, [] or its registered assigns (the "Holder"), is entitled, subject to the terms set forth below, to purchase from the Company up to a total of [] American Depositary Shares (the "ADSs"), each representing eight (8) ordinary shares, no par value, of the Company (the "Ordinary Shares") (each such ADS, a "Warrant ADS" and all such ADSs, the "Warrant ADSs," and the ordinary shares underlying the Warrant ADSs, the "Warrant Shares") at an exercise price per ADS equal to US\$0.00001 per ADS (as adjusted from time to time as provided in Section 9 herein, the "Exercise Price"), upon surrender of this Warrant to Purchase ADSs (including any Warrants to Purchase ADSs issued in exchange, transfer or replacement hereof, the "Warrant") at any time and from time to time on or after the date hereof (the "Original Issue Date"), subject to the following terms and conditions:

I. **Definitions.** For purposes of this Warrant, the following terms shall have the following meanings:

- (a) "Affiliate" means any Person directly or indirectly controlled by, controlling or under common control with, a Holder, but only for so long as such control shall continue. For purposes of this definition, "control" (including, with correlative meanings, "controlled by", "controlling" and "under common control with") means, with respect to a Person, possession, direct or indirect, of (a) the power to direct or cause direction of the management and policies of such Person (whether through ownership of securities or partnership or other ownership interests, by contract or otherwise), or (b) at least 50% of the voting securities (whether directly or pursuant to any option, warrant or other similar arrangement) or other comparable equity interests.
- (b) "ASX Listing Rules" means the listing rules of the Australian Securities Exchange Limited.
- (c) "Commission" means the United States Securities and Exchange Commission.
- (d) "Corporations Act" means Corporations Act (Cth) 2001.
- (e) "Closing Sale Price" means, for any security as of any date, the last trade price for such security on the Principal Trading Market for such security, as reported by Bloomberg Financial Markets, or, if such Principal Trading Market begins to operate on an extended hours basis and does not designate the last trade price, then the last trade price of such security prior to 4:00 P.M., New York City time, as reported by Bloomberg Financial Markets, or if the foregoing do not apply, the last trade price of such security in the over-the-counter market on the electronic bulletin board for such security as reported by Bloomberg Financial Markets. If the Closing Sale Price cannot be calculated for a security on a particular date on any of the foregoing bases, the Closing Sale Price of such security on such date shall be the fair market value as mutually determined by the Company and the Holder. If the Company and the Holder are unable to agree upon the fair market value of such security, then the Board of Directors of the Company shall use its good faith judgment to determine the fair market value. The Board of Directors' determination shall be binding upon all parties absent demonstrable error. All such determinations shall be appropriately adjusted for any share dividend, share split, share combination or other similar transaction during the applicable calculation period.
- (f) "Depositary" means The Bank of New York Mellon, the Company's transfer agent and registrar for the ADSs, and any successor appointed in such capacity.

(g) "Principal Trading Market" means the national securities exchange or other trading market on which the ADSs is primarily listed on and quoted for trading, which, as of the Original Issue Date, shall be the Nasdaq Global Select Market.

(h) "Registration Statement" means the Company's Registration Statement on Form F-1, as amended (File No. 333-249020), declared effective on October 2020.

(i) "Securities Act" means the Securities Act of 1933, as amended.

(j) "Trading Day" means any weekday on which the Principal Trading Market is normally open for trading.

2. Issuance of Securities; Registration of Warrants. The Warrant, as initially issued by the Company, is offered and sold pursuant to the Registration Statement. As of the Original Issue Date, the Warrant ADSs are issuable under the Registration Statement. Accordingly, the Warrant and, assuming issuance pursuant to the Registration Statement or an exchange meeting the requirements of Section 3(a)(9) of the Exchange Act as in effect on the Original Issue Date, the Warrant ADSs, are not "restricted securities" under Rule 144 promulgated under the Securities Act. The Company shall register ownership of this Warrant, upon records to be maintained by the Company for that purpose (the "Warrant Register"), in the name of the record Holder (which shall include the initial Holder or, as the case may be, any assignee to which this Warrant is assigned hereunder) from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

3. Registration of Transfers. Subject to compliance with all applicable securities laws, the Company shall, or will cause its Depository to, register the transfer of all or any portion of this Warrant in the Warrant Register, upon surrender of this Warrant, and payment for all applicable transfer taxes (if any). Upon any such registration or transfer, a new warrant to purchase ADSs in substantially the form of this Warrant (any such new warrant, a "New Warrant") evidencing the portion of this Warrant so transferred shall be issued to the transferee, and a New Warrant evidencing the remaining portion of this Warrant not so transferred, if any, shall be issued to the transferring Holder. The acceptance of the New Warrant by the transferee thereof shall be deemed the acceptance by such transferee of all of the rights and obligations in respect of the New Warrant that the Holder has in respect of this Warrant. The Company shall, or will cause its Depository to, prepare, issue and deliver at the Company's own expense any New Warrant under this Section 3. Until due presentment for registration of transfer, the Company may treat the registered Holder hereof as the owner and holder for all purposes, and the Company shall not be affected by any notice to the contrary.

4. Exercise and Duration of Warrants.

(a) All or any part of this Warrant shall be exercisable by the registered Holder in any manner permitted by this Warrant at any time and from time to time on or after the Original Issue Date.

(b) The Holder may exercise this Warrant by delivering to the Company and the Depository, as applicable, (i) an exercise notice, in the form attached as Schedule 1 hereto (the "Exercise Notice"), completed and duly signed, and (ii) payment of the Exercise Price for the number of Warrant ADSs as to which this Warrant is being exercised (which may take the form of a "cashless exercise" if so indicated in the Exercise Notice pursuant to Section 10 below), and the date on which the last of such items is delivered to the Company (as determined in accordance with the notice provisions hereof) is an "Exercise Date." The Holder shall not be required to deliver the original Warrant in order to effect an exercise hereunder. Execution and delivery of the Exercise Notice shall have the same effect as cancellation of the original Warrant and issuance of a New Warrant evidencing the right to purchase the remaining number of Warrant ADSs, if any. The aggregate exercise price of this Warrant, except for the Exercise Price, was pre-funded to the Company on or before the Original Issue Date, and consequently no additional consideration (other than the Exercise Price) shall be required by to be paid by the Holder to effect any exercise of this Warrant. The Holder shall not be entitled to the return or refund of all, or any portion, of such pre-funded exercise price under any circumstance or for any reason whatsoever.

5. Delivery of Warrant ADSs.

(a) Subject to Section 5(d), upon exercise of this Warrant, the Company shall promptly (but in no event later than three (3) Trading Days after the Exercise Date), upon the request of the Holder, (i) cause its registrar to deposit the Warrant Shares subject to such exercise with the Depository, and (ii) cause the Depository to credit such aggregate number of ADSs to which the Holder is entitled pursuant to such exercise to the Holder's or its designee's balance account with The Depository Trust Company ("DTC") through its Deposit Withdrawal Agent Commission system, or if the Depository is not participating in the Fast Automated Securities Transfer Program (the "*FAST Program*") or if the certificates are required to bear a legend regarding restriction on transferability, credit the Warrant ADSs to the Holder's or its designee's balance account on the ADS register, which may be the ADS register maintained by the Depository on behalf of the Company. The Holder, or any natural person or legal entity (each, a "Person") so designated by the Holder to receive Warrant ADSs, shall be deemed to have become the holder of record of such Warrant ADSs as of the Exercise Date, irrespective of the date such Warrant ADSs are credited to the Holder's DTC account or the date of delivery of the certificates evidencing such Warrant ADSs, as the case may be.

(b) Other than where as a result of the operation of Section 5(d), if by the close of the third (3rd) Trading Day after the Exercise Date, the Company fails to deliver, or fails to cause the Depository to deliver, as applicable, to the Holder the required number of Warrant ADSs in the manner required pursuant to Section 5(a) or fails to credit, or fails to cause the Depository to credit, as applicable, the Holder's balance account with DTC for such number of Warrant ADSs to which the Holder is entitled, and if after such third (3rd) Trading Day and prior to the receipt of such Warrant ADSs, the Holder purchases (in an open market transaction or otherwise) ADSs to deliver in satisfaction of a sale by the Holder of the Warrant ADSs which the Holder anticipated receiving upon such exercise (a "*Buy-In*"), then the Company shall, within three (3) Trading Days after the Holder's request and in the Holder's sole discretion, either (1) pay in cash to the Holder an amount equal to the Holder's total purchase price (including brokerage commissions, if any) for the ADSs so purchased, at which point the Company's obligation to deliver such certificate (and to issue such Warrant ADSs) shall terminate or (2) promptly honor its obligation to deliver to the Holder a certificate or certificates representing such Warrant ADSs and pay cash to the Holder in an amount equal to the excess (if any) of Holder's total purchase price (including brokerage commissions, if any) for the ADSs so purchased in the Buy-In over the product of (A) the number of ADSs purchased in the Buy-In, times (B) the Closing Sale Price of an ADS on the Exercise Date.

(c) To the extent permitted by law and subject to Section 5(b) and Section 5(d), the Company's obligations to issue and deliver Warrant ADSs in accordance with and subject to the terms hereof (including the limitations set forth in Section 11 below) are absolute and unconditional, irrespective of any action or inaction by the Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by the Holder or any other Person of any obligation to the Company or any violation or alleged violation of law by the Holder or any other Person, and irrespective of any other circumstance that might otherwise limit such obligation of the Company to the Holder in connection with the issuance of Warrant ADSs. Subject to Section 5(b), nothing herein shall limit the Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver certificates representing ADSs upon exercise of the Warrant as required pursuant to the terms hereof.

(d) Notwithstanding any other term of this Warrant, the Company is not obliged to issue and deliver any Warrant Shares (or to cause the Depository to credit such aggregate number of ADSs) if the Company (acting reasonably) considers it is possessed of excluded information (as that term is defined in section 708A(7) of the Corporations Act) and that it would need to disclose that excluded information in order to issue a notice that complies with sections 708A(5) and 708A(6) of the Corporations Act, and in such circumstances, the Company will only be obliged to issue and deliver the Warrant Shares at such later date as determined by the Company (acting reasonably) where it is not in possession of any such excluded information.

6. Charges, Taxes and Expenses. Issuance and delivery of ADSs upon exercise of this Warrant shall be made without charge to the Holder for any issue or transfer tax, transfer agent fee or other incidental tax or expense (excluding any applicable stamp duties) in respect of the issuance of such certificates, all of which taxes and expenses shall be paid by the Company; *provided, however*, that the Company shall not be required to pay any tax that may be payable in respect of any transfer involved in the registration of Warrant ADSs or the Warrants in a name other than that of the Holder or an Affiliate thereof. The Holder shall be responsible for all other tax liability that may arise as a result of holding or transferring this Warrant or receiving Warrant Shares upon exercise hereof.

7. **Replacement of Warrant.** If this Warrant is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation hereof, or in lieu of and substitution for this Warrant, a New Warrant, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction (in such case) and, in each case, a customary and reasonable indemnity and surety bond, if requested by the Company. Applicants for a New Warrant under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Company may prescribe. If a New Warrant is requested as a result of a mutilation of this Warrant, then the Holder shall deliver such mutilated Warrant to the Company as a condition precedent to the Company's obligation to issue the New Warrant.

8. **Reservation of Warrant Shares.** The Company covenants that all Warrant ADSs and the underlying Warrant Shares so issuable and deliverable shall, upon issuance and the payment of the applicable Exercise Price in accordance with the terms hereof, be duly and validly authorized, issued and fully paid and non-assessable. The Company will take all such action as may be reasonably necessary to assure that such ADSs may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of any securities exchange or automated quotation system upon which the ADSs may be listed.

9. **Certain Adjustments.** Subject to the ASX Listing Rules, the Exercise Price and number of Warrant ADSs issuable upon exercise of this Warrant are subject to adjustment from time to time as set forth in this Section 9. To the extent of inconsistency with the ASX Listing Rules, the operation of this clause 9 shall be adjusted to conform with the adjustment required by the ASX Listing Rules. The terms of this Warrant, and the rights of the holder of this Warrant, may be changed by the Company to comply with the ASX Listing Rules applying to a reorganization of capital of the Company at the time of the reorganization.

(a) **Share Dividends and Splits.** If the Company, at any time while this Warrant is outstanding, (i) pays a dividend on its Ordinary Shares or otherwise makes a distribution on any class of share capital issued and outstanding on the Original Issue Date and in accordance with the terms of such shares on the Original Issue Date or as amended, as described in the Registration Statement, that is payable in Ordinary Shares, (ii) subdivides its outstanding Ordinary Shares into a larger number of Ordinary Shares, (iii) combines its outstanding Ordinary Shares into a smaller number of Ordinary Shares or (iv) issues by reclassification of share capital any additional Ordinary Shares of the Company, then in each such case the Exercise Price shall be multiplied by a fraction, the numerator of which shall be the number of Ordinary Shares outstanding immediately before such event and the denominator of which shall be the number of Ordinary Shares outstanding immediately after such event. Any adjustment made pursuant to clause (i) of this paragraph shall become effective immediately after the record date for the determination of shareholders entitled to receive such dividend or distribution, provided, however, that if such record date shall have been fixed and such dividend is not fully paid on the date fixed therefor, the Exercise Price shall be recomputed accordingly as of the close of business on such record date and thereafter the Exercise Price shall be adjusted pursuant to this paragraph as of the time of actual payment of such dividends. Any adjustment pursuant to clause (ii) or (iii) of this paragraph shall become effective immediately after the effective date of such subdivision or combination.

(b) **Pre-Ruin Distributions.** If the Company, at any time while this Warrant is outstanding, distributes to all holders of Ordinary Shares for no consideration (i) evidences of its indebtedness, (ii) any security (other than a distribution of Ordinary Shares covered by the preceding paragraph) or (iii) rights or warrants to subscribe for or purchase any security, or (iv) cash or any other asset (in each case, "Distributed Property"), then, upon any exercise of this Warrant that occurs after the record date fixed for determination of shareholders entitled to receive such distribution, the Holder shall be entitled to receive, in addition to the Warrant ADSs otherwise issuable upon such exercise (if applicable), the Distributed Property that such Holder would have been entitled to receive in respect of such number of Warrant ADSs had the Holder been the record holder of such Warrant ADSs immediately prior to such record date without regard to any limitation on exercise contained therein, in all cases subject to the terms of, and any limitations contained in, the deposit agreement among the Company, the Depository, and the holders of the ADSs governing the terms of the ADSs.

(c) **Fundamental Transactions.** If, at any time while this Warrant is outstanding (i) the Company effects any merger or consolidation of the Company with or into another Person, in which the Company is not the surviving entity and in which the shareholders of the Company immediately prior to such merger or consolidation do not own, directly or indirectly, at least 50% of the voting power of the surviving entity immediately after such merger or consolidation, (ii) the Company effects any sale to another Person of all or substantially all of its assets in one transaction or a series of related transactions, (iii) pursuant to any tender offer or exchange offer (whether by the Company or another Person), holders of share capital tender shares representing more than 50% of the voting power of the share capital of the Company and the Company or such other Person, as applicable, accepts such tender for payment, (iv) the Company consummates a share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another Person whereby such other Person acquires more than the 50% of the voting power of the share capital of the Company (except for any such transaction in which the shareholders of the Company immediately prior to such transaction maintain, in substantially the same proportions, the voting power of such Person immediately after the transaction) or (v) the Company effects any reclassification of the Ordinary Shares or any compulsory share exchange pursuant to which the Ordinary Shares are effectively converted into or exchanged for other securities, cash or property (other than as a result of a subdivision or combination of shares of Ordinary Shares covered by Section 9(a) above) (in any such case, a "Fundamental Transaction"), then, at least five (5) Trading Days prior to the consummation of such Fundamental Transaction, the Company shall provide written notice to the Holder, and if this Warrant is not fully exercised prior to the consummation of such Fundamental Transaction, then this Warrant shall be automatically cashless exercised pursuant to the provisions of Section 4(b) hereof immediately prior to the consummation of such Fundamental Transaction, without giving effect to any beneficial ownership limitation set forth in Section 11 hereof, and this Warrant shall immediately terminate and be of no further force and effect upon the consummation of such Fundamental Transaction.

(d) **Change in ADS Ratio.** If after the Original Issue Date the ADS-to-Ordinary Share ratio is increased or reduced, then the number of Warrant ADSs to be provided on exercise of a Warrant will be reduced or increased (respectively) in inverse proportion to the change in the ADS-to-Ordinary ratio.

(e) **Number of Warrant ADSs.** Simultaneously with any adjustment to the Exercise Price pursuant to Section 9, the number of Warrant ADSs that may be purchased upon exercise of this Warrant shall be increased or decreased proportionately, so that after such adjustment the aggregate Exercise Price payable hereunder for the increased or decreased number of Warrant ADSs shall be the same as the aggregate Exercise Price in effect immediately prior to such adjustment.

(f) **Calculations.** All calculations under this Section 9 shall be made to the nearest one-tenth of one cent or the nearest share, as applicable.

(g) **Notice of Adjustments.** Upon the occurrence of each adjustment pursuant to this Section 9, the Company at its expense will, at the written request of the Holder, promptly compute such adjustment, in good faith, in accordance with the terms of this Warrant and prepare a certificate setting forth such adjustment, including a statement of the adjusted Exercise Price and adjusted number or type of Warrant ADSs or other securities issuable upon exercise of this Warrant (as applicable), describing the transactions giving rise to such adjustments and showing in detail the facts upon which such adjustment is based. Upon written request, the Company will promptly deliver a copy of each such certificate to the Holder and to the Depository.

(h) **Notice of Corporate Events.** If, while this Warrant is outstanding, the Company (i) declares a dividend or any other distribution of cash, securities or other property in respect of its Ordinary Shares, including, without limitation, any granting of rights or warrants to subscribe for or purchase any share capital of the Company or any subsidiary, (ii) authorizes or approves, enters into any agreement contemplating or solicits shareholder approval for any Fundamental Transaction or (iii) authorizes the voluntary dissolution, liquidation or winding up of the affairs of the Company, then, except if such notice and the contents thereof shall be deemed to constitute material non-public information, the Company shall deliver to the Holder a notice of such transaction at least ten (10) days prior to the applicable record or effective date on which a Person would need to hold Ordinary Shares in order to participate in or vote with respect to such transaction; *provided, however,* that the failure to deliver such notice or any defect therein shall not affect the validity of the corporate action required to be described in such notice. In addition, if while this Warrant is outstanding, the Company authorizes or approves, enters into any agreement contemplating or

solicits shareholder approval for any Fundamental Transaction contemplated by Section 9(e), other than a Fundamental Transaction under clause (iii) of Section 9(c), the Company shall deliver to the Holder a notice of such Fundamental Transaction at least thirty (30) days prior to the date such Fundamental Transaction is consummated. Holder agrees to maintain any information disclosed pursuant to this Section 9(g) in confidence until such information is publicly available, and shall comply with applicable law with respect to trading in the Company's securities following receipt any such information.

10. **Payment of Exercise Price.** Notwithstanding anything contained herein to the contrary, the Holder may, in its sole discretion, satisfy its obligation to pay the Exercise Price through a "cashless exercise", in which event the Company shall issue to the Holder the number of Warrant ADSs in an exchange of securities effected pursuant to Section 3(a)(9) of the Securities Act, as determined as follows:

$$X = Y [(A-B)/A]$$

where:

"X" equals the number of Warrant ADSs to be issued to the Holder;

"Y" equals the total number of Warrant ADSs with respect to which this Warrant is then being exercised;

"A" equals the Closing Sale Prices of the ADSs (as reported by Bloomberg Financial Markets) as of the Trading Day on the date immediately preceding the Exercise Date; and

"B" equals the Exercise Price then in effect for the applicable Warrant ADSs at the time of such exercise.

For purposes of Rule 144 promulgated under the Securities Act, it is intended, understood and acknowledged that the Warrant ADSs issued in a "cashless exercise" transaction shall be deemed to have been acquired by the Holder, and the holding period for the Warrant ADSs shall be deemed to have commenced, on the date this Warrant was originally issued (provided that the Commission continues to take the position that such treatment is proper at the time of such exercise). In the event that the Registration Statement or another registration statement registering the issuance of Warrant ADSs is, for any reason, not effective at the time of exercise of this Warrant, then the Warrant may only be exercised through a cashless exercise, as set forth in this Section 10. Except as set forth in Section 5(b) (Buy-In remedy) and Section 12 (payment of cash in lieu of fractional shares), in no event will the exercise of this Warrant be settled in cash.

11. Limitations on Exercise.

(a) Notwithstanding anything to the contrary herein, the Company shall not effect any exercise of this Warrant, and the holder shall not be entitled to exercise this Warrant for a number of Warrant Shares in excess of that number of Warrant ADSs which, upon giving effect or immediately prior to such exercise, would cause (i) the aggregate number of Ordinary Shares beneficially owned by the Holder, its Affiliates and any Persons who are members of a Section 13(d) group with such Holder or its Affiliates to exceed 9.99% (the "Maximum Percentage") of the total number of issued and outstanding Ordinary Shares of the Company following such exercise, or (ii) the combined voting power of the securities of the Company beneficially owned by the Holder and its Affiliates and any other Persons who are members of a Section 13(d) group with such Holder or its Affiliates to exceed the Maximum Percentage of the combined voting power of all of the securities of the Company then outstanding following such exercise. For purposes of this paragraph, beneficial ownership and whether a holder is a member of a Section 13(d) group shall be calculated and determined in accordance with Section 13(d) of the Exchange Act and the rules promulgated thereunder. For purposes of this Warrant, in determining the number of outstanding Ordinary Shares (including Ordinary Shares underlying outstanding ADSs), the Holder may rely on the number of outstanding Ordinary Shares as reflected in (x) the Company's most recent Current Report on Form 6-K reporting quarterly financial results of the Company or Annual Report on Form 20-F, as the case may be, filed with the Commission prior to the date hereof, (y) a more recent public announcement by the Company or (z) any other notice by the Company, the transfer agent for the Ordinary Shares or the Depository setting forth the number of Ordinary Shares outstanding (including Ordinary Shares underlying outstanding ADSs). Upon the written request of the Holder, the Company shall within three (3) Trading Days confirm in writing or by electronic mail to the Holder the number of Ordinary Shares then outstanding (including

Ordinary Shares underlying outstanding ADSs). In any case, the number of outstanding Ordinary Shares (including Ordinary Shares underlying outstanding ADSs) shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder since the date as of which such number of outstanding Ordinary Shares was reported. By written notice to the Company, the Holder may from time to time increase or decrease the Maximum Percentage to any other percentage specified not in excess of 19.99% specified in such notice; provided that any such increase will not be effective until the sixty-first (61st) day after such notice is delivered to the Company. For purposes of this Section 11(a), the aggregate number of Ordinary Shares or voting securities beneficially owned by the Holder and its Affiliates and any other Persons who are members of a Section 13(d) group with such Holder or its Affiliates shall include the ADSs (and underlying Warrant Shares) issuable upon (x) the exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of Warrant ADSs which would be issuable upon exercise of the remaining unexercised and non-cancelled portion of this Warrant by the Holder and (y) the exercise or conversion of the unexercised, non-converted or non-cancelled portion of any other securities of the Company that do not have voting power (including without limitation any securities of the Company which would entitle the holder thereof to acquire at any time ADSs or Ordinary Shares, including without limitation any debt, preferred shares, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, ADSs or Ordinary Shares), is subject to a limitation on conversion or exercise analogous to the limitation contained herein and is beneficially owned by the Holder or any of its Affiliates and other Persons who are members of a Section 13(d) group with such Holder or its Affiliates.

(b) This Section 11 shall not restrict the number of ADSs which a Holder may receive or beneficially own in order to determine the amount of securities or other consideration that such Holder may receive in the event of a Fundamental Transaction as contemplated in Section 9(c) of this Warrant.

12. **No Fractional Shares.** No fractional Warrant ADSs will be issued in connection with any exercise of this Warrant. In lieu of any fractional shares that would otherwise be issuable, the number of Warrant ADSs to be issued shall be rounded down to the next whole number and the Company shall pay the Holder in cash the fair market value (based on the Closing Sale Price) for any such fractional ADSs.

13. **Notices.** Any and all notices or other communications or deliveries hereunder (including, without limitation, any Exercise Notice) shall be in writing and shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via facsimile or confirmed e-mail at the facsimile number or e-mail address specified in the books and records of the Depository and the Company prior to 5:30 P.M., New York City time, on a Trading Day, (ii) the next Trading Day after the date of transmission, if such notice or communication is delivered via facsimile or confirmed e-mail at the facsimile number or e-mail address specified in the books and records of the Depository and the Company on a day that is not a Trading Day or later than 5:30 P.M., New York City time, on any Trading Day, (iii) the Trading Day following the date of mailing, if sent by nationally recognized overnight courier service specifying next business day delivery, or (iv) upon actual receipt by the Person to whom such notice is required to be given, if by hand delivery.

14. **Warrant Agent.** The Company shall initially serve as warrant agent under this Warrant. Upon thirty (30) days' notice to the Holder, the Company may appoint a new warrant agent. Any corporation into which the Company or any new warrant agent may be merged or any corporation resulting from any consolidation to which the Company or any new warrant agent shall be a party or any corporation to which the Company or any new warrant agent transfers substantially all of its corporate trust or shareholders services business shall be a successor warrant agent under this Warrant without any further act. Any such successor warrant agent shall promptly cause notice of its succession as warrant agent to be mailed (by first class mail, postage prepaid) to the Holder at the Holder's last address as shown on the Warrant Register.

15. **Miscellaneous.**

(a) **No Rights as a Shareholder.** The Holder, solely in such Person's capacity as a holder of this Warrant, shall not be entitled to vote or receive dividends or be deemed the holder of share capital of the Company for any purpose, nor shall anything contained in this Warrant be construed to confer upon the Holder, solely in such Person's capacity as the Holder of this Warrant, any of the rights of a holder of ADSs or Ordinary Shares of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of shares, reclassification

of shares, consolidation, merger, amalgamation, conveyance or otherwise), receive notice of meetings, receive dividends or subscription rights, or otherwise, prior to the issuance to the Holder of the Warrant ADSs which such Person is then entitled to receive upon the due exercise of this Warrant. In addition, nothing contained in this Warrant shall be construed as imposing any liabilities on the Holder to purchase any securities (upon exercise of this Warrant or otherwise) or as a shareholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company. The Holder has no right to participate in new issues of securities by the Company.

(b) **Authorized Shares.** (i) Except and to the extent as waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its certificate or articles of incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (a) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and non-assessable Warrant ADSs (including Warrant Shares underlying such Warrant ADSs) upon the exercise of this Warrant, and (b) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof as may be necessary to enable the Company to perform its obligations under this Warrant.

(ii) Before taking any action which would result in an adjustment in the number of Warrant ADSs for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be necessary from any public regulatory body or bodies having jurisdiction thereof.

(c) **Successors and Assigns.** Subject to compliance with applicable securities laws, this Warrant may be assigned by the Holder. This Warrant may not be assigned by the Company without the written consent of the Holder, except to a successor in the event of a Fundamental Transaction. This Warrant shall be binding on and inure to the benefit of the Company and the Holder and their respective successors and assigns. Subject to the preceding sentence, nothing in this Warrant shall be construed to give to any Person other than the Company and the Holder any legal or equitable right, remedy or cause of action under this Warrant. This Warrant may be amended only in writing signed by the Company and the Holder, or their successors and assigns.

(d) **Amendment and Waiver.** Except as otherwise provided herein, the provisions of the Warrants may be amended and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company has obtained the written consent of the Holder.

(e) **Acceptance.** Receipt of this Warrant by the Holder shall constitute acceptance of and agreement to all of the terms and conditions contained herein.

(f) **Governing Law; Jurisdiction.** ALL QUESTIONS CONCERNING THE CONSTRUCTION, VALIDITY, ENFORCEMENT AND INTERPRETATION OF THIS WARRANT SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE PRINCIPLES OF CONFLICTS OF LAW THEREOF. EACH OF THE COMPANY AND THE HOLDER HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS SITTING IN THE CITY OF NEW YORK, BOROUGH OF MANHATTAN, FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION HERewith OR WITH ANY TRANSACTION CONTEMPLATED HEREBY OR DISCUSSED HEREIN (INCLUDING WITH RESPECT TO THE ENFORCEMENT OF ANY OF THE TRANSACTION DOCUMENTS), AND HEREBY IRREVOCABLY WAIVES, AND AGREES NOT TO ASSERT IN ANY SUIT, ACTION OR PROCEEDING, ANY CLAIM THAT IT IS NOT PERSONALLY SUBJECT TO THE JURISDICTION OF ANY SUCH COURT. EACH OF THE COMPANY AND THE HOLDER HEREBY IRREVOCABLY WAIVES PERSONAL SERVICE OF PROCESS AND CONSENTS TO PROCESS BEING SERVED IN ANY SUCH SUIT, ACTION OR PROCEEDING BY MAILING A COPY THEREOF VIA REGISTERED OR CERTIFIED MAIL OR OVERNIGHT DELIVERY (WITH EVIDENCE OF DELIVERY) TO SUCH PERSON AT THE ADDRESS IN EFFECT FOR NOTICES TO IT AND AGREES THAT SUCH SERVICE SHALL CONSTITUTE GOOD AND SUFFICIENT SERVICE OF PROCESS AND NOTICE THEREOF. NOTHING CONTAINED HEREIN SHALL BE DEEMED TO LIMIT IN ANY WAY ANY RIGHT TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW. EACH OF THE COMPANY AND THE HOLDER HEREBY WAIVES ALL RIGHTS TO A TRIAL BY JURY.

(g) Headings. The headings herein are for convenience only, do not constitute a part of this Warrant and shall not be deemed to limit or effect any of the provisions hereof.

(h) Severability. In case any one or more of the provisions of this Warrant shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Warrant shall not in any way be affected or impaired thereby, and the Company and the Holder will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Warrant.

(i) ASX Listing Rules. The terms of this Warrant, and the rights of the Holder hereunder, are at all times subject to the terms of the ASX Listing Rules.

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IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed by its authorized officer as of the date first indicated above.

OPTHEA LIMITED

By: _____
Name:
Title:

SCHEDULE 1

FORM OF EXERCISE NOTICE

[To be executed by the Holder to purchase ADSs under the Warrant]

Ladies and Gentlemen:

(1) The undersigned is the Holder of Warrant No. ___ (the "Warrant") issued by Opthea Limited, a corporation incorporated under the laws of Australia (the "Company"). Capitalized terms used herein and not otherwise defined herein have the respective meanings set forth in the Warrant.

(2) The undersigned hereby exercises its right to purchase Warrant ADSs pursuant to the Warrant.

(3) The Holder intends that payment of the Exercise Price shall be made as (check one):

Cash Exercise

"Cashless Exercise" under Section 10 of the Warrant

(4) If the Holder has elected a Cash Exercise, the Holder shall pay the sum of US\$ _____ in immediately available funds to the Company in accordance with the terms of the Warrant.

(5) Pursuant to this Exercise Notice, the Company shall deliver to the Holder Warrant ADSs determined in accordance with the terms of the Warrant.

(6) By its delivery of this Exercise Notice, the undersigned represents and warrants to the Company that in giving effect to the exercise evidenced hereby the Holder will not beneficially own in excess of the number of Ordinary Shares (as determined in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended) permitted to be owned under Section 11(n) of the Warrant to which this notice relates.

Dated: _____

Name of Holder: _____

By: _____

Name: _____

Title: _____

(Signature must conform in all respects to name of Holder as specified on the face of the Warrant)