

21 September 2022

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This announcement is an advertisement for the purposes of the Prospectus Regulation Rules of the UK Financial Conduct Authority ("FCA") and is not a prospectus. This announcement does not constitute or form part of, and should not be construed as, an offer for sale or subscription of, or solicitation of any offer to subscribe for or to acquire, any ordinary shares in Cizzle Biotechnology Holdings PLC in any jurisdiction, including in or into the United States, Canada, Australia, the Republic of South Africa or Japan. Investors should not subscribe for or purchase any ordinary shares referred to in this announcement except on the basis of information in the prospectus (the "Prospectus") in its final form, published by Cizzle Biotechnology Holdings PLC in connection with the proposed admission of the Subscription Shares to the Standard Listing segment of London Stock Exchange plc's Main Market for listed securities.

This announcement contains Inside Information for the purposes of article 7 of EU Regulation 596/2014 (which forms part of domestic UK law pursuant to the European Union (Withdrawal) Act 2018 ("UK MAR")). In addition, market soundings (as defined in UK MAR) were taken in respect of certain of the matters contained within this announcement, with the result that certain persons became aware of Inside Information (as defined under UK MAR). Upon the publication of this announcement via a Regulatory Information Service, those persons that received Inside Information in a market sounding are no longer in possession of such Inside Information, which is now considered to be in the public domain.

Cizzle Biotechnology Holdings Plc

("Cizzle Biotechnology", "Cizzle", the "Company", or the "Group")

£500,000 Subscription at 1.5p per share

Agreement for a £500,000 Facility

Publication of a Prospectus

Cizzle Biotechnology, the UK-based diagnostics developer, is pleased to announce that it has conditionally raised gross proceeds of £500,000 by way of the Subscription and secured a further £500,000 pursuant to the Facility in order to provide funds to progress the Group's strategy.

Highlights

- Subscription to raise £500,000 through the issue of new Ordinary Shares at 1.5p per share (“Issue Price”)
- A further Facility of £500,000 is available to the Company, subject to Admission, to provide further funds, if required, repayable in shares at a fixed price of 1.8p per share
- The funds raised will be used, *inter alia*, to provide working capital for the Company’s strategy and to continue development of a laboratory-developed test (“LDT”) accredited service for the early detection of lung cancer and taking the Company’s proprietary CIZ1B biomarker blood test through to UKCA, CE marking and/or FDA 510(k) clearance
- The Company has today published a Prospectus

Commenting, Allan Syms, Executive Chairman of Cizzle Biotechnology, said:

“I am delighted with the progress Cizzle is making and that we have secured this additional funding to continue implementing our strategy. We have previously reported on the success of developing key antibodies and reagents for our early-stage cancer test and that we will be expanding our projects to detect other cancers. This funding brings in new important shareholders to support our ambitions of using proprietary novel technologies to enable lung and other cancers to be detected at an early stage and thereby potentially preventing suffering and saving many lives. We sincerely thank our new funders and existing shareholders for their support and look forward to reporting further progress in due course.”

Background

The Group is developing a blood test for the early detection of lung cancer. Its proof-of-concept prototype test is based on the ability to measure a stable blood plasma biomarker, a variant of CIZ1. CIZ1 is a naturally occurring cell nuclear protein involved in DNA replication, and the targeted CIZ1B variant is highly correlated with early-stage lung cancer.

Published research led by Professor Coverley has demonstrated that CIZ1B can be measured with high sensitivity via an ELISA process, which should allow for testing in a high-throughput, hospital-friendly format. The Directors believe that this development overcomes an important barrier to further clinical development and the application of this blood test for the early detection of lung cancer, which is essential to improve a patient’s chance of survival.

In addition to implementing a strategy to develop a regulatory approved commercial, diagnostic laboratory immunoassay for early-stage lung cancer, the Group has broadened its interests to include the detection of a range of other early-stage cancers. It has also expanded its potential customer base to include the pharmaceutical industry through a contract to develop a diagnostic test that can help in the development of personalised medicines, so called “companion diagnostics”, and has secured royalty bearing rights to the sale of such medicines in the longer term.

The Board intends for the Group’s initial product to be a diagnostic immunoassay that can be readily performed by hospitals and reference laboratories, but a potential follow-on product could be a point of care test provided by a primary health care provider. The Board continues to apply the majority of its funds towards the development of a certified CIZ1B biomarker diagnostic test.

Details of the Subscription and Commission Shares

The Company has conditionally raised £500,000, before expenses, through the issue of the Subscription Shares with investors at the Issue Price conditional, inter alia, upon Admission of the Subscription Shares becoming effective no later than 30 September 2022. Accordingly, if the conditions are not satisfied, or, if applicable, waived, the Subscription will not proceed. The Subscription is not underwritten.

The Subscription will result in the issue of 33,333,333 subscription shares ("Subscription Shares"). The issue and allotment of the Subscription Shares will result in the Existing Share Capital being diluted by approximately 10.69%. The Subscription Shares will represent, in aggregate, approximately 10.61% of the Enlarged Share Capital. The Subscription Shares, when issued and fully paid, will rank pari passu in all respects with the existing Ordinary Shares and therefore rank equally for all dividends or other distributions declared, made or paid after the date of issue of the Subscription Shares.

Optiva Securities Limited ("Optiva") will be entitled to a commission of £10,000 in connection with the Subscription to be settled in the issue of 666,666 Ordinary Shares at a price of 1.5p per share ("Commission Shares"). The issue and allotment of the Commission Shares to Optiva will result in the Existing Share Capital being diluted by approximately 0.24%. The Commission Shares will represent approximately 0.21% of the Enlarged Share Capital.

Use of proceeds

The proceeds of the Subscription, which are expected to total approximately £500,000 (before expenses of £40,000 excluding VAT), will be used to provide working capital for the Company and to fund the following:

- Continued development of the test reagents, manufacture of test reagents, and validation of test configuration on patient samples
- Development of a LDT certified test in accredited partner laboratories such as CorePath Laboratories, USA
- Production of a UKCA, CE marked and/or FDA 510(k) cleared product, following successful validation on retrospective clinical sample sets and control cohorts
- Market launch and preparation for a clinical trial to support NHS and other global healthcare providers

The Facility

In addition to the Subscription, the Company entered into a facility agreement with E3 Fund SP (the "Investor") on 20 September 2022 ("Facility Agreement") pursuant to which the Investor will make available to the Company a facility of £500,000, conditional on Admission, for the purpose of working capital, for a term of 18 months ("Facility").

Under the terms of the Facility, a commitment fee of £25,000 will become payable by the Company to the Investor on execution of the Facility Agreement to be settled by way of the issue and allotment of 1,666,666 new Ordinary Shares at a price of 1.5p per share (“Facility Shares”).

An initial drawdown of £50,000 will be available to the Company 180 days following the payment of the commitment fee (by way of issue of the Facility Shares) and further drawdowns up to the amount of the Facility may be requested by the Company or the Investor by either party giving notice written notice of such request.

Repayment of the Facility will be by way of issue and allotment of new Ordinary Shares in the capital of the Company at a fixed price of 1.8p per share (“Investor Shares”). No interest is payable on the Facility. The Investor Shares are required to be issued to the Investor at the time of the relevant drawdown, will be credited as fully paid and will rank pari passu in all respects with all other Ordinary Shares in issue. Upon allotment and issue of the relevant Investor Shares, the Company will immediately make an application for all such shares to be admitted to the Official List of the FCA by means of a Standard Listing and to trading on the Main Market of the London Stock Exchange.

The percentage dilution of the Existing Ordinary Shares as a result of the issue and allotment of the Facility Shares will be approximately 0.59%. Upon Admission, the Facility Shares will represent approximately 0.53% of the Enlarged Share Capital of the Company.

Drawdown of the Facility in full would result in the Enlarged Share Capital being diluted by approximately 8.12% as a result of the issue and allotment of Investor Shares. The Investor Shares represent approximately 7.35% of the Fully Diluted Enlarged Share Capital of the Company.

Admission of the New Ordinary Shares

Application will be made for the Subscription Shares, the Commission Shares and the Facility Shares (together the “New Ordinary Shares”) to be admitted to the Official List of the FCA by means of a standard listing under Chapter 14 of the Listing Rules (“Standard Listing”) and to trading on the Main Market of the London Stock Exchange. It is expected that Admission will become effective and that unconditional dealings will commence on the London Stock Exchange at 8.00 a.m. on 26 September 2022. The New Ordinary Shares will be eligible for CREST settlement and settlement of transactions in the Subscription Shares may take place within the CREST system if a Shareholder so wishes.

The New Ordinary Shares will not be dealt on any other recognised investment exchange and no application has been or is being made for the Subscription Shares to be admitted to any other such exchange.

Expected timetable of principal events

Publication of the Prospectus	21 September 2022
Admission of New Ordinary Shares effective and commencement of dealing	8.00 a.m. on 26 September 2022
Expected date for CREST accounts to be credited	26 September 2022

Despatch of definitive certificates (where applicable) expected by no later than	27 September 2022
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Notes:

1. All of the above timings refer to London time.
2. The events, times and dates above assume the completion of the Subscription and Admission.
3. Some of the times and dates above are an indication only and if any of the details contained in the timetable above should change, the revised times and dates will be notified to Shareholders by means of an announcement through a Regulatory Information Service.

Total Voting Rights

Following Admission of the New Ordinary Shares, the total number of Ordinary Shares in issue will be 314,114,453, each with equal voting rights. The Company does not hold any rights in treasury. The total voting rights figure can be used by Shareholders as the denominator for the calculations by which they will determine whether they are required to notify their interest in, or a change of their interest in, the Company under the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority.

Prospectus

The Company has published a Prospectus today and it is available to view on the Company's website at <https://cizzlebiotechnology.com/publications/> and through the national storage mechanism: <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

Capitalised terms not otherwise defined in this announcement have the same meaning ascribed to them in the Prospectus.

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Notes to Editors:

About Cizzle Biotechnology

Cizzle Biotechnology is also developing a blood test for the early detection of lung cancer. Cizzle Biotechnology is a spin-out from the University of York, founded in 2006 around the work of Professor Coverley and colleagues. Its proof-of-concept prototype test is based on the ability to detect a stable plasma biomarker, a variant of CIZ1 known as CIZ1B. CIZ1 is a naturally occurring cell nuclear protein involved in DNA replication, and the targeted CIZ1B variant is highly correlated with early-stage lung cancer.

For more information, please see <https://cizzlebiotechnology.com>

You can also follow the Company through its twitter account @CizzlePlc and on LinkedIn.