

**Minutes of the 18th Annual General Meeting of
Basilea Pharmaceutica Ltd. ("Basilea"), Basel, held on
April 10, 2019 at the Radisson Blu Hotel, Steinentorstrasse 25, Basel**

Agenda

1. Annual Report, Financial Statements and Consolidated Financial Statements for 2018
2. Appropriation of the results
3. Discharge of the members of the Board of Directors and of the Management Committee
4. Elections of the Chairman and the members of the Board of Directors
5. Election of the members of the Compensation Committee
6. Determination of compensation
7. Election of the Independent Proxy
8. Election of the Auditors
9. Amendment of Article 3b par. 1 of the Articles of Association

The Chairman of the Board of Directors, Mr. Domenico Scala, called the meeting to order at 2:05 pm and took the chair.

The Chairman noted that all members of the Board of Directors and all members of the Management Committee were present. The Chairman stated that Mr. Rodolfo Gerber was present as the representative of Basilea's statutory auditors, PricewaterhouseCoopers Ltd.

He appointed Mr. Damian Heller, Corporate Secretary, to write the minutes of the meeting. The Chairman stated that Ms. Andrea Schmutz would also write the minutes for agenda item 9 as notary. The Chairman appointed Mr. Timo Schori of Computershare Schweiz AG, to act as vote teller. The Chairman further stated that Dr. Caroline Cron was present as the Independent Proxy for shareholders.

The Chairman gave an overview of Basilea's positioning and strategy. Basilea's activities focus on innovation in research and development for the benefit of patients. Basilea focuses on two therapeutic areas: cancer and infectious diseases.

There is a high demand for new therapies in the treatment of cancer, there is increasing incidence of invasive fungal diseases due to increasing numbers of immunocompromised cancer and transplant patients and there is increasing antibiotic resistance. Currently, Basilea has three oncology drug candidates in development. In the field of infectious diseases, Basilea has been able to increase the revenues from product sales of the two anti-infectives Cresemba and Zevtera in the past years with substantial growth to 82 million Swiss francs as reported in the annual report 2018. However, these results have not been reflected in Basilea's share price during the past year. An important reason for this is that Basilea is still regarded by many analysts and investors as a company that focuses exclusively on antibiotics, although Basilea has during the last years expanded its portfolio in the areas of oncology and fungal infections. Low prices of newly introduced antibiotics and a slow increase in the market share of these new antibiotics lead to a situation where investors have a negative attitude against antibiotic companies. Under this negative market sentiment against pure antibiotics companies also the share price of Basilea decreased. Another reason for the share price development is that the value of Cresemba, despite increased sales and planned launches in other countries in the coming years, was not fully reflected in the share price. Further, Basilea's cancer drug candidates are still in early development and are therefore not substantively considered by the analysts in the company valuation. The Chairman added that the share price of Basilea has clearly recovered since the end of 2018. At the start of 2019 Basilea announced positive data from an interim analysis of a Phase 2 clinical trial with its development compound derazantinib, that had been in-licensed in April 2018; and shortly afterwards Basilea announced a collaboration with Roche to test derazantinib in combination with the Roche drug, Tecentriq, in a clinical trial in bladder cancer. In order to be successful in the long run, Basilea's strategy is to use the increased sales revenues of the marketed products as the basis for the necessary selective investments in Basilea's pipeline. Finally, the Chairman noted that Basilea has a well-seasoned, experienced management team implementing this strategy, and he thanked the resigning CFO Donato Spota for his commitment and important contributions to the success of Basilea.

After this overview, the Chairman gave the floor to the Chief Executive Officer, Mr. David Veitch, who pointed out how important it is to develop new drugs for patients in Basilea's focus therapy areas and explained how Basilea's products stand out from the current competition.

He then outlined the progress made in 2018, including the improved sales performance of Cresemba and Zevtera and the successful start of the two phase 3 clinical trials required for a potential future regulatory filing of Zevtera in the U.S. He reported on progress in the clinical development program with the FGFR inhibitor derazantinib, which was in-licensed in 2018. He highlighted the positive interim data in bile duct cancer presented in early 2019 and the clinical collaboration agreement with Roche. He also mentioned the progress made in the other two oncology programs and highlighted the financial support by partners such as the Biomedical Advanced Research and Development Authority (BARDA), which is part of the U.S. Department of Health and Human Services. BARDA may provide funding of up to USD 128 million for the ceftobiprole phase 3 program, which is about 70% of the planned program cost. This was followed by an outlook for the remainder of 2019. David Veitch explained that Basilea's partners intend to launch Cresemba in many additional countries, which will double by the end of 2019 and even triple by the end of 2021. Basilea also expects revenue from its marketed products to increase by around 30% in 2019 compared to 2018. He pointed out the special situation that the total revenue will nevertheless remain at the level of 2018, as the realization of the payment received in 2012 for the transfer of the dermatology product Toctino to the GSK subsidiary Stiefel ended in 2018. However, non-cash generating revenue will be replaced by cash-generating revenue, which will significantly reduce Basilea's cash consumption compared to the previous year. In the clinical field, the results of the first phase 3 study with ceftobiprole (in skin infections) are expected in the second half of this year. The second study in bloodstream infections will certainly continue for another two years. For derazantinib, the registrational phase 2 study in bile duct cancer will continue and extended to more patient groups. In addition, a phase 1/2 study in bladder cancer is planned to start, exploring derazantinib as monotherapy and in combination with Roche's immune-oncology drug Tecentriq in the middle of this year. For the tumor checkpoint controller BAL101553, study results are expected on its potential utility for the treatment of brain cancer and ovarian cancer at the end of this year. Lastly, preclinical work on an improved formulation is planned for panRAF/SRC kinase inhibitor BAL3833. Closing, Mr. Veitch emphasized Basilea's mission, according to which people are at the heart of everything the company does and that it strives to make a difference to patients.

As there were no questions from shareholders, the Chairman moved on to the formal part of the meeting according to the agenda.

The Chairman stated that the annual general meeting was properly constituted. Timely notice had been provided to the shareholders by letter and by publication in the Swiss Official Gazette of Commerce of March 20, 2019. The Chairman stated that the minutes of the last annual general meeting were available for review on Basilea's homepage. He stated that the minutes of this meeting will also be available on the company's homepage.

Concerning voting rights, he stated that those shareholders who were registered as shareholders with voting rights in the share register of Basilea by the record date set by the Board of Directors were authorized to attend the meeting and exercise their voting rights. The record date set by the Board of Directors was April 2, 2019.

The Chairman informed the meeting that no quorum of attendance was required and that the meeting could take decisions on all matters. The Chairman further stated that each share carried one vote, and that generally for valid decisions to be reached, an absolute majority of the votes represented would be required, except for agenda item 9, where a qualified two-third majority would be required.

The Chairman further stated that the final decision on the procedure for voting and holding elections rested with him and that voting and elections would be accomplished through the electronic voting system.

The Chairman presented the composition of the meeting as follows:

- Present shareholders or their authorized representatives, including the Independent Proxy: 124
- Shares and corresponding votes represented: 3'046'145
- Votes or shares represented in % of the entire share capital: 25.64%
- The shares were represented as follows:
 - Independent Proxy: 2'807'944 votes
 - Present shareholders/representatives: 238'201 votes
- The absolute majority of votes represented stood at: 1'523'073 votes
- Two-third majority of votes represented stood at: 2'030'764 votes

The Chairman further noted that no shares held by the company itself or by its affiliated companies were represented at the meeting.

He also explained that the shareholders had received together with the invitation a form to instruct the Independent Proxy and that the shareholders had also been informed of the option to give online instructions. He further explained that if shareholders had authorized the Independent Proxy to exercise their voting rights but had not given detailed instructions on how to vote on the individual agenda items, the Independent Proxy would exercise the voting rights pursuant to the respective motions or recommendations of the Board of Directors. The Chairman noted that this procedure would also apply if the general meeting voted on any other motions or agenda items which were not announced in the invitation, and that the shareholders also had the possibility to give deviating written instructions to the Independent Proxy for such cases.

The Chairman stated that the meeting was quorate for all agenda items.

The Chairman provided explanations about the electronic voting device and the electronic voting procedure. The Chairman asked whether there were any questions or other comments to his explanations. As there were no questions, he turned to agenda item 1a.

Agenda Item 1a

Annual Report, Financial Statements and Consolidated Financial Statements for 2018

The Chairman noted that the annual report 2018, the financial statements, and the consolidated financial statements with the reports of the auditors were available on the company's website, and from March 20, 2019 available for inspection at the premises of Basilea. Further, together with the invitation, the shareholders had been provided a form to order the reports. The Chairman indicated that Mr. Rodolfo Gerber of PricewaterhouseCoopers Ltd. had informed him before the meeting that he had no further comments to the written reports. The Board of Directors proposed to approve the annual report, the financial statements and the consolidated financial statements for 2018.

There were no questions raised by shareholders and the annual report, the financial statements and the consolidated financial statements for 2018 were approved with 96.63% of the votes.

Agenda Item 1b

Endorsement in a non-binding advisory vote of the aggregate amount of the Management Committee's variable compensation for 2018

The Board of Directors proposed to endorse in a non-binding advisory vote the aggregate amount of the Management Committee's variable compensation for the business year 2018 in the amount of CHF 4'158'9484.

The Chairman provided an overview on the compensation structure of Basilea and the elements of the variable compensation of the Management Committee.

Mr. Marc Dürr asked how many members the Management Committee had. The Chairman answered that the Management Committee consisted of six members. There were no further questions asked. The annual general meeting endorsed the aggregate amount of the Management Committee's variable compensation for the business year 2018 in a non-binding advisory vote with 83.97% of the votes.

Agenda Item 2

Appropriation of the results

The Board of Directors proposed that the accumulated deficit of CHF 146'326'537 be carried forward to new accounts.

The Chairman provided explanations about Basilea's market capitalization as of December 31, 2018 and how the market capitalization affected the accumulated deficit for 2018.

There were no questions asked about this agenda item. The general meeting decided to carry forward the accumulated deficit of CHF 146'326'537 to new accounts with 97.58% of the votes.

Agenda Item 3

Discharge of the members of the Board of Directors and of the Management Committee

The Chairman stated that the members of the Board of Directors and all other persons who had been involved in the management of the company were not entitled to vote on this agenda item. There were no requests to speak on this matter. The general meeting duly granted a general release to the members of the Board of Directors and of the Management Committee for their management of the company in the business year 2018 with 96.69% of the votes.

Agenda Item 4

Elections of the Chairman and the members of the Board of Directors

The Board of Directors proposed the re-election of Mr. Domenico Scala as Chairman of the Board of Directors and the re-election of Dr. Martin Nicklasson, Dr. Nicole Onetto, Mr. Ronald Scott, Mr. Steven D. Skolsky and Dr. Thomas Werner as members of the Board of Directors. The term of office for each of the Board members is one year until the closure of the next annual general meeting.

There were no requests to take the floor. As proposed by the Board of Directors, the annual general meeting elected in separate elections Mr. Domenico Scala as Chairman and Dr. Martin Nicklasson, Dr. Nicole Onetto, Mr. Ronald Scott, Mr. Steven D. Skolsky, and Dr. Thomas Werner as members of the Board of Directors, each by the required absolute majority and for a term of office of one year.

Results:

Name	Yes-votes
Mr. Domenico Scala	96.44%
Dr. Martin Nicklasson	94.61%
Dr. Nicole Onetto	97.31%
Mr. Ronald Scott	97.28%
Mr. Steven D. Skolsky	96.77%
Dr. Thomas Werner	97.13%

Agenda Item 5

Election of the members of the Compensation Committee

Dr. Martin Nicklasson, Mr. Steven D. Skolsky and Dr. Thomas Werner were proposed by the Board of Directors to be elected as members of the Compensation Committee.

There were no requests to take the floor and the annual general meeting elected Dr. Martin Nicklasson, Mr. Steven D. Skolsky, and Dr. Thomas Werner in separate elections each by the required absolute majority and for a term of office of one year.

Results:

Name	Yes-votes
Dr. Martin Nicklasson	91.56%
Mr. Steven D. Skolsky	93.99%
Dr. Thomas Werner	94.11%

Agenda Item 6

Determination of compensation

Agenda Item 6a

Maximum aggregate amount of compensation for the Board of Directors

The Board of Directors proposed an amount of CHF 1'395'000 as the maximum aggregate amount of compensation for the Board of Directors for the period from this annual general meeting to the annual general meeting 2020.

The Chairman provided explanations about the maximum aggregate amount of compensation for the Board of Directors. There were no questions asked.

The annual general meeting approved the amount of CHF 1'395'000 as the maximum aggregate amount of compensation for the Board of Directors for the period from this annual general meeting to the annual general meeting 2020 with 80.78% of the votes.

Agenda Item 6b

Maximum aggregate amount of fixed compensation for the Management Committee

The Board of Directors proposed an amount of CHF 2'690'000 as the maximum aggregate amount of fixed compensation for the Management Committee for the period from July 1, 2019 to June 30, 2020.

The Chairman provided explanations about the maximum aggregate amount of fixed compensation for the Management Committee. There were no questions asked.

The annual general meeting approved the amount of CHF 2'690'000 as the maximum aggregate amount of fixed compensation for the Management Committee for the period from July 1, 2019 to June 30, 2020 with 86.13% of the votes.

Agenda Item 6c

Maximum aggregate amount of variable compensation for the Management Committee

The Board of Directors proposed an amount of CHF 3'460'000 as the maximum aggregate amount of variable compensation for the Management Committee for the period from January 1, 2019 to December 31, 2019.

The Chairman provided explanations about the maximum aggregate amount of variable compensation for the Management Committee.

Mr. Jakob Stössel asked whether the achievement of financial goals are considered in the determination of the bonuses. The Chairman answered that in the determination of the variable compensation the achievement of both qualitative and financial objectives were considered, such as financial key figures and the share price development. There were no further questions asked.

The annual general meeting approved the amount of CHF 3'460'000 as the maximum aggregate amount of variable compensation for the Management Committee for the period from January 1, 2019 to December 31, 2019 with 75.93% of the votes.

Agenda Item 7

Election of the Independent Proxy

There were no requests to take the floor. As proposed by the Board of Directors, the annual general meeting elected Dr. Caroline Cron as Independent Proxy for a term of office of one year until the closure of the next annual general meeting with 99.05% of the votes.

Agenda Item 8

Election of the Auditors

The Board of Directors proposed to re-elect PricewaterhouseCoopers Ltd., Basel as auditors for the audit of the consolidated and the stand-alone financial statements for the business year 2019. PricewaterhouseCoopers Ltd. was willing to accept its re-appointment. Nobody asked to take the floor. The annual general meeting elected PricewaterhouseCoopers Ltd. to act as auditors for the audit of the consolidated and the stand-alone financial statements for the business year 2019 with 98.60% of the votes.

Agenda Item 9

Amendment of Article 3b par. 1 of the Articles of Association

The Board of Directors proposed to amend Article 3b par. 1 of the Articles of Association to extend the authorization of the Board of Directors to increase the share capital by one year until April 2021; the amount of the authorized capital remained unchanged at a maximum of CHF 2 million. The Chairman explained that other than this amendment, Article 3b remained unchanged.

Mr. Jakob Stössel noted that since a capital increase from authorized capital leads to a dilution of the existing shareholders he expected more leadership and concrete objectives in that respect from the Board of Directors and that he would reject this proposal. Rudolf Wahl asked whether Basilea had purchased companies by using authorized capital, and whether the accumulated deficit in 2018 had occurred because of a devaluation of such acquisitions. He further asked whether the Board of Directors planned to buy companies and to expand Basilea's scope of business. The Chairman replied that the Board would use the authorized capital with care and that there were currently no plans to buy companies or to expand into new fields of business. Donato Spota, CFO, added that the authorized capital had no connection with the accumulated deficit nor the impairment to the investments in subsidiaries made in 2018. The impairment a technical accounting procedure necessary due to Basilea Pharmaceutica Ltd.'s market capitalization at the end of 2018. The impairment charge related exclusively to a non-acquisition subsidiary.

There were no further questions related to this agenda item. The annual general meeting approved the amendment of Article 3b par. 1 of the Articles of Association with 81.50% of the votes.

Following this, the Chairman confirmed that the general meeting had covered all agenda items.

The Chairman thanked the shareholders for attending. He declared the meeting closed at 3:10 pm.

Chairman

Secretary

.....
Domenico Scala

.....
Damian Heller

Exhibit:

Notarial deed

ÖFFENTLICHE URKUNDE

Notarielles Protokoll der ordentlichen Generalversammlung der Aktionäre der Basilea Pharmaceutica AG, abgehalten in Basel, am 10. April 2019.

Die unterzeichnete öffentliche Notarin, Andrea Schmutz, in Basel, hat am heutigen Tag der ordentlichen Generalversammlung der

Basilea Pharmaceutica AG, in Basel,

abgehalten in den Räumlichkeiten des Hotels Radisson Blu, Steinentorstrasse 25, Basel, beigewohnt, um über deren Beschlüsse zum Traktandum 9 folgendes Protokoll in öffentlicher Urkunde aufzunehmen:

Herr Domenico Scala, von Oberwil/BL, in Oberwil/BL, der Notarin persönlich bekannt, übernimmt als Präsident des Verwaltungsrates den Vorsitz und ernennt für das Traktandum 9 die unterzeichnete Notarin zur Protokollführerin des notariellen Protokolls.

Der Vorsitzende stellt insbesondere fest, dass

- die Einladung zur ordentlichen Generalversammlung am 20. März 2019 im Schweizerischen Handelsamtsblatt publiziert worden ist; zudem sämtliche Aktionäre ordnungsgemäss zur Teilnahme an der Versammlung eingeladen worden sind; und damit diese Versammlung gemäss dem Gesetz und den Statuten einberufen worden ist;
- über sämtliche Traktanden elektronische Abstimmungen geführt werden;
- die Versammlung unabhängig der Anzahl der anwesenden oder vertretenen Aktien gültig abgehalten werden kann;

NOTARIAL DEED

(unofficial translation for information purposes only)

Notarial minutes of the ordinary shareholders' meeting of Basilea Pharmaceutica AG, held in Basel, on April 10, 2019.

The undersigned Notary, Andrea Schmutz, at Basel, today attended the ordinary shareholders' meeting of

Basilea Pharmaceutica AG, in Basel,

held in the Hotel Radisson Blu, Steinentorstrasse 25, Basel, to take the following minutes containing the resolutions regarding agenda item 9 of the meeting in notarial form:

Mr. Domenico Scala, Swiss citizen, domiciled in Oberwil/BL, personally known to the Notary, takes the chair as chairman of the board and appoints the undersigned Notary as the keeper of the notarial minutes of the meeting regarding agenda item 9.

The chairman states that

- the invitation to the ordinary general meeting was published on March 20, 2019 in the Swiss Official Gazette of Commerce; in addition, all shareholders were duly invited to attend this meeting; and therefore, today's general meeting has been convened in accordance with Swiss law and the articles of association;
- the assembly will have electronic votes on all agenda items;
- the meeting is validly held without regard to the number of shares actually present or represented;

- 3'046'145 (drei Millionen nullhundert-sechszehntausendeinhundertfünf- undvierzig) Aktien beziehungsweise Stimmen an der Versammlung vertreten sind, und in Bezug auf die vertretenen Aktien mit je einem Nennwert von CHF 1.00 folgende Vertretungsverhältnisse vorliegen:
 - 124 (einhundertvierundzwanzig) Aktionäre sind anwesend, welche insgesamt 238'201 (zweihundertachtunddreissigtausendzweihunderteins) Aktien vertreten;
 - die unabhängige Stimmrechtsvertreterin vertritt 2'807'944 (zwei Millionen achthundertsiebentausendneueenhundertvierundvierzig) Aktien;
- diese Versammlung über sämtliche Traktanden beschliessen kann.

9. Anpassung von Artikel 3b Abs. 1 der Statuten

Der Verwaltungsrat beantragt, Artikel 3b Abs. 1 der Statuten wie folgt anzupassen:

Artikel 3b Genehmigtes Aktienkapital

¹ Der Verwaltungsrat ist ermächtigt, in einem Zeitraum bis zum 10. April 2021, das Aktienkapital in einem oder mehreren Schritten um höchstens CHF 2'000'000.-- zu erhöhen durch Ausgabe von höchstens 2'000'000 Namenaktien zum Nennwert von je CHF 1.--. Die neuen Aktien sind je vollständig zu liberieren.

Der Vorsitzende stellt fest, dass die Generalversammlung den vorgenannten Änderungen zugestimmt hat.

URKUNDLICH DESSEN wurde dieses Protokoll vom Vorsitzenden gelesen, genehmigt und unterzeichnet, worauf ich, die Notarin, dieses ebenfalls unter Beisetzung meines Amtssiegels unterzeichnet habe.

- 3'046'145 shares equivalent to votes are represented at the meeting, and the following proxy ratio concerning the shares represented with a nominal value of CHF 1.00 is given:
 - 124 shareholders are in attendance representing 238'201 shares;
 - the independent proxy holder represents 2'807'944 shares;
- today's general meeting can validly decide on all items of the agenda.

9. Amendment of Article 3b par. 1 of the Articles of Association

The board of directors proposes to adapt the wording of article 3b par. 1 of the articles of association as follows:

Article 3b Authorized Share Capital

¹ The board of directors is authorized, for a period until April 10, 2021, to increase the share capital, all at once or in portion, by a maximum of CHF 2,000,000 by issuing a maximum of 2,000,000 registered shares having a nominal value of CHF 1 each. The new shares have to be fully paid up.

The chairman states that the general meeting of shareholders has approved the above-mentioned adaption of the articles of association.

IN WITNESS THEREOF these minutes have been read, approved and signed by the chairman. Thereafter, I, the notary, have signed and affixed my official seal.

GESCHEHEN ZU BASEL, den 10. (zehnten) April 2019 (zweitausendneunzehn)



Domenico Scala



Andrea Schmutz, Notarin

Allg. Reg. 2019/Nr. 52

