

ASX Announcement

R&D Incentive Rebate Received

Sydney, Australia, 18 September 2019: Recce Pharmaceuticals Ltd (ASX: RCE) (**Recce** or the **Company**), developing a new class of synthetic antibiotics, is pleased to announce the cash receipt of **A\$163,672.43** Research and Development Tax Incentive rebate from the Australian Tax Office for the year ending 30 June 2019.

The rebate supports Recce's urgent work to help address the global health threat of antibiotic resistance. During the financial year the Company generated AU\$1,071,726.90 of R&D rebatable expenditure (43.5 per cent of total R&D) and utilised AU\$846,794.40 in R&D advances as part of its agreement with Radium Capital. The R&D advances plus interest have now been repaid in full, with net Australian Government proceeds of **A\$163,672.43** received by the Company.

The R&D Tax incentive program is an Australian Government initiative providing a 43.5 per cent cash rebate to Recce's Australian based antibiotic development programme.

As part of an Advanced Finding awarded by the Australian government, the otherwise domestic only rebate is further extended to include its significant overseas antibiotic development expenditure¹.

Recce Chairman Dr John Prendergast said, "It is very pleasing indeed to receive this acknowledgement and support of our important work by the Australian Government as we advance towards bringing a new class of antibiotics into the clinic."

¹ <https://www.asx.com.au/asxpdf/20180115/pdf/43qtd8hxnyvm7.pdf>



ASX: RCE

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About Recce Pharmaceuticals Ltd

Recce Pharmaceuticals Ltd (ASX: RCE) is pioneering the development and commercialisation of a New Class of Synthetic Antibiotics with Broad Spectrum activity designed to address the urgent global health problem of antibiotic resistant superbugs. Recce antibiotics are unique – their potency does not diminish even with repeated use, which is a common failure associated with existing antibiotic use and the resulting emergence of resistant superbugs. Patented lead candidate RECCE® 327, wholly owned and manufactured in Australia, has been developed for the treatment of blood infections and sepsis derived from *E. coli* and *S. aureus* bacteria – including their superbug forms. The FDA has awarded RECCE® 327 Qualified Infectious Disease Product designation under the Generating Antibiotic Initiatives Now (GAIN) Act – labelling it for Fast Track Designation, plus 10 years of market exclusivity post approval. Recce wholly owns its automated manufacturing, ready to support first-in-human clinical trials. Recce's anti-infective pipeline seeks to exploit the unique capabilities of RECCE® technologies targeting synergistic, unmet medical needs.

For further information please visit www.recce.com.au or contact:

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