



PALLA PHARMA

ASX ANNOUNCEMENT

Monday 21st October 2019

Palla Pharma completes Placement and Institutional Entitlement Offer

Palla Pharma Limited (ASX: PAL) (**PAL**) is pleased to announce the successful completion of an \$8.4 million placement to institutional investors (**Placement**) and the \$12.2 million institutional component of the 2 for 5 accelerated pro rata non-renounceable entitlement offer (**Institutional Entitlement Offer**, and together with the Placement, the **Institutional Offer**). The Institutional Offer forms part of the fully underwritten \$31.1 million Capital Raising announced on 17 October.

CEO Jarrod Ritchie stated: "We are pleased with the continued support of our institutional investor base, and in bringing new high-quality institutional names to the register. The company is now well positioned to execute its growth plans and deliver value for shareholders".

New shares subscribed for under the Institutional Offer (**New Shares**) are expected to be settled on Thursday 24 October and commence trading on the ASX on Friday 25 October.

PAL expects that its trading halt will be lifted, and its shares will recommence trading on an ex entitlement basis today.

Morgans Corporate Limited and Shaw and Partners Limited were Joint Lead Managers and Underwriters of the Offer.

Retail Entitlement Offer

The retail component of the Entitlement Offer (**Retail Entitlement Offer**), which is expected to raise approximately \$10.5 million, will open on Wednesday 23 October and close at 5pm (AEDT) on 5PM Monday 11 November.

Eligible retail shareholders will be able to subscribe for 2 new shares for every 5 existing PAL shares held at 7pm (AEDT) on Monday 21 October (**Record Date**) at the same Offer Price as the Institutional Offer, being \$0.70 per New Share.

In deciding whether to participate in the Retail Entitlement Offer, eligible retail shareholders should carefully read the retail offer booklet (**Information Booklet**), which is to be lodged with the ASX today and then dispatched to eligible retail shareholders on or around Wednesday 23 October. The Information Booklet and accompanying personalised Entitlement and Acceptance Form will contain instructions on how to apply.

Palla Pharma Limited

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Key dates for the Retail Entitlement Offer are as follows:

Event	Date
Record Date for the Entitlement Offer	7.00pm on Monday 21 October
Despatch of Information Booklet and Entitlement and Acceptance Form to Eligible Retail Shareholders	Wednesday 23 October
Retail Entitlement Offer opens	Wednesday 23 October
Retail Entitlement Offer closes	5.00pm Monday 11 November
Settlement of Retail Entitlement Offer	Friday 15 November
Allotment of New Shares under the Retail Entitlement Offer	Monday 18 November
Normal trading of New Shares issued under the Retail Entitlement Offer expected to commence on ASX	Tuesday 19 November
Despatch of holding statements	Wednesday 20 November

Shareholder enquiries

Retail shareholders who have questions in relation to the Retail Entitlement Offer should call 1300 794 935.

Further information in relation to the equity raising can be found in the market release and investor presentation lodged with the ASX on Monday 21 October.

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About Palla Pharma Limited:

Palla Pharma Limited (ASX:PAL) is a vertically integrated opiate manufacturer from poppy straw growing through to tableting production. Palla Pharma has developed an innovative, efficient and environmentally sustainable opiate manufacturing process based on a novel water-based extraction technology. The company is one of six licensed opiate producers globally, and one of three fully integrated suppliers from opiate extraction through to tableting production delivering on its strategy to secure access to regulated downstream narcotics markets by leveraging its production cost advantage.

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