



PALLA PHARMA

ASX ANNOUNCEMENT

Friday 15th November 2019

Palla Pharma successfully completes Retail Entitlement Offer

- The Retail Entitlement Offer has now been successfully completed, raising approximately \$10.1 million.
- New shares issued under the Retail Entitlement Offer to commence trading on Tuesday 19 November 2019.

Further to the announcement made by Palla Pharma Limited (ASX: PAL) (**PAL**) on Monday 21 October 2019 regarding the successful completion of its placement to institutional investors (**Placement**) and the institutional component of the 2 for 5 pro rata non-renounceable entitlement offer (**Institutional Entitlement Offer**) (together forming the fully underwritten **Institutional Offer**), PAL is pleased to announce the successful completion of the retail component of the Entitlement Offer (**Retail Entitlement Offer**).

Summary of the Retail Entitlement Offer

Under the Retail Entitlement Offer, eligible retail shareholders were able to take up their 2 for 5 accelerated pro rata non-renounceable entitlement and apply for additional new shares (**Top-Up Facility**). The Retail Entitlement Offer opened on Wednesday 23 October and closed on Monday 11 November, raising approximately \$10.1 million at \$0.70 per new share.

The Retail Entitlement Offer was supported by eligible retail shareholders, with a take-up rate (including applications for additional new shares in excess of entitlements) of approximately 82%. Applications by eligible shareholders for additional new shares under the Top-Up Facility will be scaled back by approximately 31%. The resulting shortfall after the allocation of new shares under the Retail Entitlement Offer will be allocated to the underwriters of the Retail Entitlement Offer.

Morgans Corporate Limited and Shaw and Partners Limited have joint lead managed and underwritten the Capital Raising.

Allotment of shares

New shares subscribed for under the Retail Entitlement Offer (**New Shares**) are expected to be allotted on Monday 18 November and commence trading on the ASX on Tuesday 19 November, with holding statements despatched on Wednesday 20 November. The new shares to be issued to the underwriters of the Retail Entitlement Offer are expected to be allotted on Thursday 28 November and commence trading on the ASX on Friday 29 November.

Palla Pharma Limited

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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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