



ASX Release

1 October 2021

## PRO-RATA NON-RENOUNCEABLE ENTITLEMENT OPTIONS OFFER

In recognition of the support of shareholders, the directors of PharmAust Limited ("Company") (ASX: PAA) are pleased to announce that it will conduct a pro-rata non-renounceable rights offer ("Offer") of up to approximately 79,228,096 entitlement options ("Entitlement Options") on the basis of 1 Entitlement Option for every 4 shares held at an issue price of 1 cent per Entitlement Option to raise up to approximately \$792,281. The Entitlement Options have an exercise price of 20 cents and an expiry date of 31 October 2023. Application will be made for quotation of the Entitlement Options.

The primary purpose of the Offer is to reward eligible Shareholders with an attractively priced options offer. The Directors are entitled to participate in the Offer and have each advised that they intend to subscribe for their full entitlement.

The Company, as at today's date, has approximately \$2.54 million cash on hand enabling pursuit of its various preclinical and clinical commitments in the next 12 months. Further, the Company has not received any funding from the \$881,085 committed from FightMND as yet. Therefore, the funds raised (of up to approximately \$792,282) will be used as additional working capital and to meet Offer expenses.

PharmAust Executive Chairman, Dr Roger Aston, commented "We are pleased to provide this offer to our shareholders as recognition of their invaluable support to the Company. We are making good progress in our projects and look forward to achieving further milestones as we commence a number of clinical trials in 2022."

The Offer will be made by a Prospectus and is not underwritten. There is no minimum subscription under the Offer. JP Equity Partners has been engaged to place any shortfall of entitlement options on a best efforts basis.

The timetable for the Offer in accordance with Appendix 7A paragraph 2 of the Listing Rules is as follows:

Pro-rata Offer announced	1 October 2021
Shares quoted on an "ex" basis (date from which the shares commence trading without the entitlement to participate in the Offer).	6 October 2021
Record Date (date for identifying Shareholders entitled to participate in the Offer).	7 October 2021
Prospectus with Entitlement Form sent to Eligible Shareholders	12 October 2021
Offer opens	12 October 2021
Closing Date (last date for lodgement of Entitlement Forms and Application Moneys)	2 November 2021

Trading of shares on a deferred settlement basis	3 November 2021
Company to notify ASX of the results of the Offer	5 November 2021
Issue of Entitlement Options and end of deferred settlement trading	9 November 2021

Subject to the Listing Rules, the above dates may be changed without notice.

The Offer will be made to the Company's shareholders with a registered address in Australia or New Zealand on the Record Date ("Eligible Shareholders").

Assuming that no Options are exercised before the Record Date, the effect of the Offer on the Company's issued capital at full subscription is shown in the following table:

<b>Shares</b>	<b>Full Subscription</b>
Existing Shares	316,912,383
Shares issued under the Offer	0
<b>Total Shares on issue after completion of the Offer*</b>	<b>316,912,383</b>

<b>Options</b>	<b>Full Subscription</b>
Unlisted Options (exercise price 12 cents expiring 31 January 2022)	50,000
Unlisted Options (exercise price 15 cents expiring 30 June 2022)	250,000
Entitlement Options issued under the Offer	79,228,096
<b>Total Options on issue after completion of the Offer</b>	<b>79,528,096</b>

\* The Company also has 5,000,000 Performance Rights on issue with various vesting hurdles and expiry dates.

Shareholders may view all the Company's ASX announcements, including those relating to the Offer, on the ASX's website at [www.asx.com.au](http://www.asx.com.au) or alternatively on the Company's website at [www.pharmaust.com](http://www.pharmaust.com).

It is anticipated that the Prospectus offering entitlement options for subscription will be mailed to Eligible Shareholders on 12 October 2021 and will be available on the ASX and Company's website on this day.

Application will be made to ASX for official quotation of the Entitlement Options. No shareholder approval is required to the Offer.

### **Overseas Shareholders**

The Offer is only made to Eligible Shareholders (shareholders with a registered address in Australia or New Zealand at the Record Date). Therefore, if you are a shareholder with a registered address other than Australia or New Zealand, no offer will be made to you. In making this decision, the directors have taken into account the small number of overseas shareholders and the costs and administrative complexity of complying with applicable regulations in jurisdictions outside Australia and New Zealand.

If you have any questions please do not hesitate to contact the Company.

**This announcement is authorised by the Board.**

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**About PharmAust (PAA):**

PharmAust Limited is listed on the Australian Securities Exchange (code: PAA) and the Frankfurt Stock Exchange (code: ECQ). PAA is a clinical-stage company developing therapeutics for both humans and animals. The company specialises in repurposing marketed drugs lowering the risks and costs of development. These efforts are supported by PAA's subsidiary, Epichem, a highly successful contract medicinal chemistry company which generated \$2.2 million in revenue in FY 2021.

PAA's lead drug candidate is monepantel (MPL), a novel, potent and safe inhibitor of the mTOR pathway – a pathway having key influences in cancer growth and neurodegenerative diseases. MPL has been evaluated in Phase 1 clinical trials in humans and Phase 2 clinical trials in dogs. MPL treatment was well-tolerated in humans, demonstrating preliminary evidence of anticancer activity. MPL demonstrated objective anticancer activity in dogs. PAA is uniquely positioned to commercialise MPL for treatment of human and veterinary cancers as well as neurodegenerative disease as it advances a reformulated version of this drug through Phase 1 and 2 clinical trials.