

ASX Announcement

A\$6.21m Received from R&D Rebate Payments

SYDNEY Australia, 25 January 2023: Recce Pharmaceuticals Ltd (**ASX:RCE, FSE:R9Q**) (the **Company**), the Company developing a new class of Synthetic Anti-infectives, is pleased to announce a total Research and Development (R&D) **cash receipt** of **A\$6,219,241**.

This comprises **A\$4,311,202** from the Australian Tax Office for the year ending 30 June 2022, and an advance payment of **A\$1,908,039** from Radium Capital (Radium), as a proportion of the Company's FY23 (1 July 2022 - 30 November 2023) R&D applicable expenditure.

The **A\$4,311,202** reflects the Company's expanded pre-clinical and clinical R&D activities undertaken locally and overseas during FY22, with the funds provided to the Company in cash, caveat free.

The Australian Government's 43.5% Research & Development Tax Incentive rebate is typically reserved for Australian-based R&D only. Recce was uniquely granted ability to capture 43.5% of the Company's R&D applicable activities overseas as well, as announced (26 November & 8 December 2020) as reflected in this rebate.

The advance payment of **A\$1,908,039** received from Radium Capital, reflects quarterly R&D expenditure during the 1st July – 30th November FY23 period. The Company may utilise Radium's services to access up to 80 per cent of the anticipated R&D rebate accruing interest at the compounded rate of 1.25% per month.

Recce Pharmaceuticals Chief Executive Officer, James Graham said, "The total cash amount of **A\$6,219,241** received from the R&D Tax Incentive Rebate and Radium's advanced payment is most welcomed and provides the Company with an important cash injection to continue our R&D activities whilst supporting the expansion and acceleration of our ongoing and upcoming clinical programs."

This announcement has been approved for release by Recce Pharmaceuticals Board.



ASX: RCE, **FSE:** R9Q

Head Office: Level 32, 200 George Street, EY Centre, SYDNEY NSW 2000 **T** +61 (02) 9256 2571

R&D Centre - Perth: Suite 10, 3 Brodie Hall Drive, Technology Park, BENTLEY WA 6102 **T** +61 (8) 9362 9860

Washington Office: 1717 Pennsylvania Avenue NW, Suite 1025, WASHINGTON DC 20006 USA

About Recce Pharmaceuticals Ltd

Recce Pharmaceuticals Ltd (ASX: **RCE**, FSE: **R9Q**) is developing a new class of Synthetic Anti-Infectives designed to address the urgent global health problems of antibiotic-resistant superbugs and emerging viral pathogens.

Recce's anti-infective pipeline includes three patented, broad-spectrum, synthetic polymer anti-infectives: RECCE® 327 as an intravenous and topical therapy that is being developed for the treatment of serious and potentially life-threatening infections due to Gram-positive and Gram-negative bacteria including their superbug forms; RECCE® 435 as an orally administered therapy for bacterial infections; and RECCE® 529 for viral infections. Through their multi-layered mechanisms of action, Recce's anti-infectives have the potential to overcome the hypercellular mutation of bacteria and viruses – the challenge of all existing antibiotics to date.

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. Further to this designation, RECCE® 327 has been included on The Pew Charitable Trusts Global New Antibiotics in Development Pipeline as the world's only synthetic polymer and sepsis drug candidate in development. RECCE® 327 is not yet market approved for use in humans with further clinical testing required to fully evaluate safety and efficacy.

Recce wholly owns its automated manufacturing, which is supporting present clinical trials. Recce's anti-infective pipeline seeks to exploit the unique capabilities of its technologies targeting synergistic, unmet medical needs.



Chief Executive Officer

James Graham
Recce Pharmaceuticals Ltd
+61 2 9256 2571
james.graham@recce.com.au

Media and Investor Relations (AU)

Andrew Geddes
CityPR
+61 (0) 408 677 734
ageddes@citypublicrelations.com.au

Media and Investor Relations (USA)

Jordyn Temperato
LifeSci Communications
jtemperato@lifescicomms.com

recce.com.au
ACN 124 849 065