

ASX Announcement

Recce Awarded AusIndustry Advanced Overseas (R&D) Finding for Synthetic Anti-Infective Development Program

Sydney Australia, 14 December 2023: Recce Pharmaceuticals Ltd (**ASX: RCE**), the Company developing a New Class of Synthetic Anti-Infectives, is pleased to announce the Australian Government has **Awarded an Advanced Overseas Finding for AU\$43,774,907** of Synthetic Antibiotic Research & Development (R&D) applicable expenditure by AusIndustry (a division of the Australian Government's Department of Industry, Innovation and Science).

The Advanced Overseas Finding is one of the largest awarded in Australian history as a pillar of the R&D Tax Incentive Program administered by the Australian Government. This Finding does not constitute a grant, or an upfront payment of the amount awarded. It is a binding, underwritten guarantee provided by the Australian Government, which affirms the Company's R&D activities are of national interest and extends the 43.5% R&D rebate from locally, to cover those undertaken by the Company anywhere in the world.



Australian Government
Department of Industry,
Science and Resources

AusIndustry
R&D Tax Incentive

R&D Tax Incentive: Advance and Overseas Finding Assessment Report

Case Details

Company Name	RECCE PHARMACEUTICALS LTD
ABN	73124849065
System Record Number	2223-OF00-000-424
Project Title	Development and testing of a new synthetic antibiotic against superbugs
Project Value	\$43,774,907
Finding Type	Finding for Overseas R&D Activities (s28A & s28C of the IR&D Act)
Income years of application for finding	2022-2023, 2023-2024, and 2024-2025

Recommendation

It is recommended that pursuant to s28A and s28C of the *Industry Research and Development Act 1986* (IR&D Act) the application is found to be eligible.



ASX: RCE, **FSE:** R9Q

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The Australian Government hereby extends the R&D cash rebate to the Company capturing its local and overseas R&D activities, for a period of three years (1 July 2022 to 30 June 2025). With Recce's anti-infective program predominantly focused on Synthetic Antibiotic Development, the Advanced Overseas Finding award will support the Company's cash position, in addition to the recent AUD \$11,000,000 capital raise and is received by the Company as caveat-free, non-dilutive cash when claimed or drawn proportionately against through R&D funding facilities.

Recce Pharmaceuticals CEO James Graham said: "We would like to express our gratitude to AusIndustry and the Department of Industry, Innovation, and Science for their ongoing crucial support in advancing science and its practical applications, particularly in the development of innovative therapies with a global impact. This development is a further endorsement of the Company's growth potential and secures our caveat-free R&D funding long-term."

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



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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.



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