

## ASX Announcement

# Entitlement Offer cleansing notice under section 708AA(2)(f) of the Corporations Act

**Sydney Australia, 10 April 2025:** Recce Pharmaceuticals Limited (**ASX:RCE, FSE:R9Q**), (**Recce or the Company**), gives this notice under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Corporations Act**).

The Company today announced:

- (a) a placement to an Australian-based private investor of 17.9 million fully paid ordinary shares to raise \$5 million (before costs) (**Placement**); and
- (b) the launch of a pro-rata non-renounceable entitlement offer to shareholders who have a registered address in Australia, New Zealand, Hong Kong, Singapore and who are Accredited Investors in the United States (**Eligible Shareholders**), of 1 new fully paid ordinary share in the Company (**New Share**) for every 6 fully paid ordinary shares held as at the record date, being 7.00pm Sydney time on Wednesday, 16 April 2025 (**Record Date**), to raise up to approximately \$10.8 million (before costs) (**Entitlement Offer**).

The Placement and Entitlement Offer will be conducted at an issue price of \$0.28 per New Share (**Offer Price**). The Entitlement Offer is not underwritten.

Further details regarding the Entitlement Offer are set out in the ASX announcement relating to the Entitlement Offer lodged with the ASX earlier today. An Offer Booklet for the Entitlement Offer is expected to be dispatched to Eligible Shareholders on Tuesday, 22 April 2025.

The Company confirms the following with respect to the Entitlement Offer:

- (a) the New Shares to be issued under the Entitlement Offer will be issued without disclosure to investors under Part 6D.2 of the Corporations Act;
- (b) this notice is given under section 708AA(2)(f) of the Corporations Act;
- (c) as at the date of this notice, the Company has complied with:
  - i. the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
  - ii. sections 674 and 674A of the Corporations Act;



- (d) as at the date of this notice, there is no information that is 'excluded information' (within the meaning of sections 708AA(8) and 708AA(9) of the Corporations Act); and
- (e) the potential effect the Entitlement Offer will have on the control of the Company and the consequences of that effect will depend on a number of factors, including the interest of Eligible Shareholders in taking up their entitlements or in taking up new Shares in addition to their entitlements, and investor demand in participating in any shortfall. The potential effect on control is summarised below:
- i. given the structure of the Entitlement Offer as a pro rata offer, if all Eligible Shareholders take up their entitlement, each Eligible Shareholder's ownership interest (and voting power) in Recce will remain largely unchanged insofar as the Entitlement Offer is concerned. However as set out above, in addition to the Entitlement Offer, the Company will undertake the Placement. The Placement will involve the issue of an additional 17,857,143 fully paid ordinary shares (**Placement Shares**). The Placement Shares will represent approximately 7.2% of the fully paid ordinary shares on issue in the Company following completion of the Placement. Accordingly, existing Recce shareholders will be diluted as a result of the Placement;
  - ii. if some Eligible Shareholders do not take up all of their entitlements under the Entitlement Offer then the interests of those Eligible Shareholders in the Company will be further diluted by those other Eligible Shareholders who take up some or all of their entitlement, and as a result of the Placement. The voting power of ineligible foreign shareholders will be diluted;
  - iii. Eligible Shareholders that apply for additional fully paid ordinary shares under the shortfall facility (under which any shortfall between applications received and the number of Shares proposed to be issued under the Entitlement Offer may be applied for by those Eligible Shareholders who have accepted their entitlements in full) (**Shortfall Offer**) may increase their interests beyond their entitlement for shares in excess of an Eligible Shareholder's entitlement. Any offer of Shares not subscribed for under the Entitlement Offer and the Shortfall Offer may be placed to new investors by the Board of the Company in accordance with the ASX Listing Rules, leading to new shareholders in the Company which would result in the further dilution;
  - iv. it is not expected that the issue of New Shares under the Entitlement Offer will have a material effect or consequence on the control of the Company; and
  - v. it is not currently anticipated that any shareholder of the Company or investor will increase their relevant interest above 20% as a result of participating in the capital raising.

#### Media and Investor Relations

**For more information, please contact:**

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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 (R327) 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 (R435) as an orally administered therapy for bacterial infections; and RECCE® 529 (R529) for viral infections. Through their multi-layered mechanisms of action, Recce's anti-infectives have the potential to overcome the processes utilised by bacteria and viruses to overcome resistance – a current challenge facing existing antibiotics.

The World Health Organization (WHO) added R327, R435, and R529 to its list of antibacterial products in clinical development for priority pathogens, recognising Recce's efforts to combat antimicrobial resistance. The FDA granted R327 Qualified Infectious Disease Product designation under the Generating Antibiotic Initiatives Now (GAIN) Act, providing Fast Track Designation and 10 years of market exclusivity post approval. R327 is also included on The Pew Charitable Trusts' Global New Antibiotics in Development Pipeline as the sole synthetic polymer and sepsis drug candidate in development.

Recce wholly owns its automated manufacturing, supporting current clinical trials. Recce's anti-infective pipeline aims to address synergistic, unmet medical needs by leveraging its unique technologies.

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