



# Proteomics International

LABORATORIES LTD

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## Proteomics completes \$1.44 million Placement and offers Share Purchase Plan

Medtech company Proteomics International Laboratories Ltd (PILL, ASX: PIQ) is pleased to announce it has completed the first phase of a targeted capital raising by placement of 6m shares at \$0.24 to raise \$1.44m (the "Placement").

- **Oversubscribed Placement raised \$1.44 million with support from existing and new sophisticated investors**
- **Share Purchase Plan to raise a further \$480,000**
- **Funds to be used to accelerate commercialisation of breakthrough test, PromarkerD, and the roll-out of new analytical testing services for the fast-growing clinical trials market**
- **Directors to participate in the SPP**

The Placement received strong support from existing and new sophisticated investors and was significantly over-subscribed. The Placement was priced at \$0.24 per share, a discount of 12.7% to the last sale price and the 20 day VWAP, and includes one for four attaching options. PILL also announces a Share Purchase Plan (SPP) to existing shareholders to raise \$480,000 at \$0.24 per share. K S Capital Pty Ltd acted as Lead Manager to the Placement.

PILL recently announced significant developments in both its principal areas of operation, Diagnostics and Analytical Services. The Board considered that these activities could be accelerated by an injection of capital.

The funds will therefore be used to support:

1. the commercialisation and product development of PILL's flagship diagnostic product, PromarkerD, a breakthrough predictive test for diabetic kidney disease; and
2. the roll-out of PILL's new analytical testing services, in conjunction with Linear Clinical Research, for the fast-growing clinical trials market.

From the Placement \$0.5 million has been allocated to each area, with the balance to working capital. Funds raised under the SPP will be distributed equally between the areas of diagnostics, analytical services and working capital.

PILL's Managing Director Dr Richard Lipscombe said the limited quantum sought for the raise highlights the strength of our leveraged business model. "We are able to target blue sky potential and medium term deal flow from our diagnostics platform and emerging diagnostic tests, whilst decreasing our burn rate through existing cash-flow from analytical services", he said.

By accelerating its programmes PILL seeks to bring forward its potential commercialisation deals for PromarkerD, and to expand sales from analytical services. Both elements continue to push the company towards cash-flow positive operations.

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Under the Placement the company will issue 6 million fully paid ordinary shares together with 1.5 million attaching listed PIQO options exercisable at \$0.20 per option and expiring 31 March 2018 on a 1-for-4 basis. The Company will utilise its 15% placement capacity to issue these shares and options.

PILL will now undertake the SPP, offering eligible existing shareholders the opportunity to subscribe for up to \$15,000 worth of shares in the company at \$0.24 per share.

The Company proposes to offer 2 million new shares under the SPP to raise an additional \$480,000. The Directors were not permitted to participate in the Placement, however, intend to take their full entitlement under the SPP.

#### **Information for Eligible Shareholders**

The SPP will be available to each person registered as a holder of ordinary shares in the company at 5:00 pm (AWST) on Thursday, 1 December 2016, who has an address in Australia or New Zealand ("Eligible Shareholders").

The intended closing date for the SPP is 21 December 2016. Applications under the SPP will be processed on a first-come, first-served basis.

#### **Share Purchase Plan – Key Dates\***

Date	Details
1 December 2016	Record Date
7 December 2016	SPP Offer Documents despatched to Eligible Shareholders
21 December 2016	SPP Closing Date
28 December 2016	Issue and allotment of shares
29 December 2016	Share Trading Date

\*PILL has the discretion to alter Key Dates other than the Record Date.

ENDS

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#### **About Proteomics International Laboratories (PILL)**

PILL (ASX: PIQ) is a medical technology company focused on the area of proteomics – the industrial scale study of the structure and function of proteins. In the last few years, proteins have become the drug class of choice for the pharmaceutical industry because of their intimate role in biological systems. Thus

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proteomics technology is now playing a key role in understanding disease, from finding new diagnostic biomarkers to determining drug targets, and discovering new biopharmaceutical drugs.

PILL is recognised as a global leader in the field of proteomics. It received the world's first ISO 17025 laboratory accreditation for proteomics services, and operates from state-of-the-art facilities at the Harry Perkins Institute of Medical Research in Perth, Western Australia. The Company's business model uses its proprietary technology platform across three integrated areas, each massive growth markets:

**1. Diagnostics:** Biomarkers of disease and personalised medicine - focus on diabetic kidney disease.

By 2020 the biomarkers market is estimated to double in size to \$45.6 billion, and the personalised medicine market is forecast to be worth over \$149 billion.

**2. Analytical services:** Specialist contract research fee-for-service model – focus on biosimilars QC.

The global biosimilars market is expected to reach \$6.2 billion by 2020, almost trebling from its 2015 level, as it seeks to replicate the multiple billion dollar blockbuster drugs that are coming off patent.

**3. Drug discovery:** Therapeutic peptide drug discovery - focus on painkillers and antibiotics.

The global peptide therapeutics market is currently estimated to be worth \$18 billion and is expected to increase at over 10% per year during 2016-2025.

In combination these areas offer, respectively, medium term products, near term cash flow, and blue sky potential by harnessing one complementary workflow centred on proteins.