



PharmAust Raises \$1.873m via an Oversubscribed Placement

- PharmAust raises \$1.873 million through an oversubscribed placement to sophisticated investors
- A total of \$1.755 million was placed to sophisticated investors while officers of the Company have subscribed for an additional 2.611m shares to raise up to \$0.118 million, subject to shareholder approval.
- Offer price of \$0.045 per new share represents a 10.9% discount to the 5-Day VWAP of \$0.0505
- Placement funds will accelerate clinical development of PharmAust's lead candidate monepantel, to treat cancers in human patients and companion animals

6 December 2017: PharmAust Limited, (ASX: PAA), a clinical stage oncology company, is pleased to announce it has received commitments to raise \$ 1.873 million through an oversubscribed Placement to sophisticated investors.

Funds were raised via an oversubscribed placement of 39,000,000 fully paid ordinary shares (23,605,433 shares under ASX Listing Rule 7.1 and 15,394,567 shares under ASX Listing Rule 7.1A) at \$0.045 per share to sophisticated investors. This represents a discount of 10.9% discount to the 5-Day VWAP of \$0.0505 and a 8.2% discount to the last close (1 December 2017) of \$0.049.

In addition, officers of PAA have subscribed for an additional 2.611m shares to raise up to \$118,000, subject to Shareholder approval at a general meeting to be held at a date to be announced shortly.

PharmAust CEO Dr Richard Hopkins said "We are delighted with the outcome to the Placement, which has secured interest from new sophisticated investors who recognise the value in the company. Proceeds will be used to accelerate clinical development of monepantel, the company's lead drug candidate, and to support further strategic investment in Epichem, PharmAust's wholly owned subsidiary that last financial year reported a record \$3.05m in revenues.

On behalf of PharmAust, I thank all investors who participated in the Placement. We look forward to providing updates on the progress of monepantel and Epichem in the months ahead."

Argonaut Securities acted as lead manager to the Placement.

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About PharmAust (PAA):

PAA is a clinical-stage company developing targeted cancer 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 is forecast to generate ~Aus\$4m in revenues in the 2018 FY

PAA's lead drug candidate is monepantel (MPL), a novel, potent and safe inhibitor of the mTOR pathway - a key driver of cancer. MPL has been evaluated in Phase 1 clinical trials in humans and dogs. MPL treatment was well-tolerated and produced a significant reduction in key prognostic biomarkers. PAA is uniquely positioned to commercialise MPL for treatment of human and veterinary cancers as it advances the drug into Phase 2 clinical trial.