

**ASX/Media Release**

**5 February 2018**

**Botanix raises A\$15m in significantly oversubscribed placement**

- Botanix has successfully completed a placement to raise A\$15m
- Placement was significantly oversubscribed with strong support from more than 15 new institutional investors
- Funds raised will be used to accelerate clinical development of its lead product, BTX 1503, and progress other key pipeline products
- Commercialisation prospects set to grow through the expansion of clinical development into the United States

**Philadelphia PA and Sydney Australia, 5 February 2018:** Medical dermatology company Botanix Pharmaceuticals Limited (ASX: BOT, “Botanix” or the “Company”) is pleased to announce that it has successfully completed a A\$15m (before costs) oversubscribed placement (“Placement”) to institutional and sophisticated investors across Australia and Asia, including existing shareholders.

**Matthew Callahan, Botanix’s Executive Director, said:**

*“The exceptional support is a clear endorsement by the investment community of Botanix’s business strategy, substantial clinical progress, development of innovative product opportunities and exciting growth prospects. Our recent results validate and support the broader utility of Botanix’s product portfolio, given the strong evidence of the role synthetic cannabidiol can play in inflammation. Botanix can now expedite Phase 2 clinical development of BTX 1503 in the United States and provide the necessary platform to attract commercial partners. The Company is also in a strong position to develop other key pipeline products, including BTX 1204 (for atopic dermatitis), while continuing to explore the commercial potential of the broader product portfolio and Permetrex<sup>TM</sup>.”*

**Placement**

The Placement resulted in the issue of 135,777,823 shares, at an offer price of A\$0.110 per share. The offer price represents a 16.2% discount to the 15-day VWAP of A\$0.131 and a 7.9% discount to the 30-day VWAP of A\$0.119.

The Placement will be undertaken within the Company’s existing ASX Listing Rule 7.1 (81,466,694) and 7.1A (54,311,129) capacities and all Placement shares issued will rank equally with existing ordinary shares. The offer price of A\$0.11 meets the requirements of LR 7.1A.3 being greater than

75% of the 15-day VWAP. Settlement is expected to occur on Friday 9 February 2018, with the new shares being allotted the same day.

Bell Potter Securities Limited and Argonaut Securities Pty Ltd acted as joint lead managers to the Placement. Vesparum Capital is acting in an independent capital markets advisory role for Botanix.

### Use of proceeds

The funds from the Placement will enable Botanix to execute its key clinical development programmes and broader commercialisation strategy. The primary use of funds is to advance BTX 1503 into a Phase 2 acne clinical study. Remaining funds will be utilised to develop BTX 1204 (atopic dermatitis), BTX 1308 (psoriasis) and explore further the commercial potential of the proprietary drug delivery system, Permetrex™.

Proposed use of funds is outlined below:

<b>BTX 1503: Phase 2 multi-centre study in US / Australia</b>	<b>A\$8.0m</b>
<b>BTX 1204: FDA Phase 2 IND submission and preparation for Phase 2 study</b>	<b>A\$1.0m</b>
<b>BTX 1308: clinical study</b>	<b>A\$1.5m</b>
<b>Pipeline development</b>	<b>A\$0.3m</b>
<b>Permetrex™: technology support and development</b>	<b>A\$0.3m</b>
<b>Operational and corporate expenses</b>	<b>A\$3.0m</b>
<b>Capital raising offer costs</b>	<b>A\$0.9m</b>
<b>Total use of funds</b>	<b>A\$14.9m<sup>1</sup></b>

1. Totals may not add up due to rounding

### About Botanix Pharmaceuticals

Botanix Pharmaceuticals is a clinical stage medical dermatology company, which is dedicated to developing next generation therapeutics for the treatment of serious skin diseases. Our mission is to improve the lives of patients battling acne, atopic dermatitis and other skin diseases, by providing new treatment options for conditions that currently are inadequately addressed, or are treated with therapeutics that are burdened with side effects profiles. Botanix is harnessing the potential of a synthetic form of a natural compound, which has a well-established safety profile and has been studied successfully in a range of other therapeutic areas. Botanix has successfully completed its first acne patient studies with BTX 1503 and is currently conducting another patient study in atopic dermatitis subjects for its second clinical program, BTX 1204. The Company has an exclusive license to use a proprietary drug delivery system (Permetrex™) for direct skin delivery of active

pharmaceuticals in all skin diseases and plans to progress the development of BTX 1503, BTX 1204 and its pipeline of other Permetrex™ enabled products alone, or in collaboration with partners.

For more information on Botanix, please visit [www.botanixpharma.com](http://www.botanixpharma.com) or follow us on Twitter @Botanixpharma.

**For more information, please contact:**

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