

ASX/Media Release

12 February 2018

Completion of Placement

- Botanix has issued 135.8m shares at an issue price of A\$0.11 per share raising ~A\$15m
- Funds raised will be used to accelerate clinical development of its lead acne product, BTX 1503, progress other key pipeline products and enable its broader commercialisation strategy

Philadelphia PA and Sydney Australia, 12 February 2018: Further to the ASX announcement on 5 February 2018, Botanix Pharmaceuticals Limited (ASX:BOT, “Botanix” or the “Company”) is pleased to announce that it has today issued a total of 135,777,823 shares at an issue price of A\$0.11 raising approximately A\$15m (before costs) via a oversubscribed placement (“Placement”).

The funds raised under the Placement will be used to advance BTX 1503 into a Phase 2 acne clinical study, advance BTX 1204 (atopic dermatitis) and BTX 1308 (psoriasis), and explore the broader commercial potential of the proprietary drug delivery system, Permetrex™.

Botanix provides the following information pursuant to Listing Rule 3.10.5A:

1. The total dilution of the Placement can be demonstrated as follows:

	Shares	%
Number of shares on issue prior to Placement	546,147,289	80.1
Dilution as a result of issue under ASX LR7.1A	54,311,129	8.0
Dilution as a result of issue under ASX LR7.1	81,466,694	11.9
Number of shares on issue following Placement	681,925,112	100.0

54,311,129 shares have been issued pursuant to Botanix’s Listing Rule 7.1A capacity (“**7.1A Placement**”). The shares issued pursuant to the 7.1A Placement represent 8.0% of the post Placement capital in the Company. Pre-Placement shareholders overall interests will therefore be diluted by 8.0% following the 7.1A Placement (however some existing shareholders have participated in the Placement so their particular interests may have increased or been diluted to a lesser extent).

The remainder of 81,466,694 shares in the Placement have been issued pursuant to Botanix’s Listing Rule 7.1 capacity (“**7.1 Placement**”). These shares represent 11.9% of the post Placement capital in the Company. Pre-Placement shareholders overall

interests will therefore be diluted by 11.9% following the 7.1 Placement (however some existing shareholders have participated in the Placement so their particular interests may have increased or been diluted to a lesser extent).

The following table provides details of participation by existing shareholders and new investors who participated in the component of the Placement issued under the Company's ASX Listing Rule 7.1A capacity:

	%
Shares held by Pre-Placement shareholders who did not participate in the ASX Listing Rule 7.1A component of the Placement	87.3
Shares held by pre-Placement shareholders who did participate in the ASX Listing Rule 7.1A component of the Placement	0
Shares held by new shareholders who participated in the ASX Listing Rule 7.1A component of the Placement	8.0
Shares held by new shareholders who participated in the ASX Listing Rule 7.1 component of the Placement but did not participate in the ASX Listing Rule 7.1A component of the Placement	4.7

2. Botanix issued the Shares by way of the 7.1A Placement and not by way of a pro-rata offer as it considered that this was the most appropriate way of raising funds in the circumstances, providing certainty for the Company going forward. The Placement does not expose the Company to additional costs, a protracted process and market volatility that may have been experienced with a pro-rata issue or other type of issue in which existing ordinary shareholders would have been eligible to participate.
3. The Placement was not underwritten. The Company will pay a 6% capital raising fee on the funds raised under the Placement to the joint lead managers to the Placement. Botanix has also incurred expenses including legal, listing and other advisory fees in connection with the Placement.

An Appendix 3B applying for quotation of the Placement shares follows, together with a cleansing notice in respect of the Placement shares pursuant to section 708A(5)(e) of the Corporations Act 2001 (Cth) (Corporations Act) has been lodged with ASX.



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 or follow us on Twitter @Botanixpharma.

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