

## ASX Announcement

### April Funding Update

**SYDNEY, Australia, 28 March 2018:** Recce Pharmaceuticals Ltd (ASX: RCE) (**Recce** or the **Company**), developing a new class of synthetic antibiotics, today advises that in view of the Company's current liquidity and the imminent receipt of a further AU\$853,000 from the Federal Government under its R&D rebate scheme, the Board believes the Company has sufficient funds to meet its near-term objectives as it continues to maintain a prudent and cautious approach to managing its finances. Thus, it has decided to exercise its right to defer the next AU\$50,000 equity investment from the Australian Special Opportunity Fund managed by The Lind Partners under its AU\$6.05 million funding agreement executed in 2017.

#### Background to the Federal Government rebate

As announced to the market in January 2018, the Federal Government confirmed the allocation of AU\$2.43 million to the Company, in the form of 43.5 per cent rebates on AU\$5,605,709 of the Company's international research and development expenditure (FY17/18/19), on top of an existing 43.5 per cent rebate Recce receives for local research and development.

#### Background to The Lind Partners funding agreement

In June 2017 Recce entered into a funding agreement of up to AU\$6.05 million with The Australian Special Opportunity Fund LP, a New York institutional investor managed by The Lind Partners. The agreement allows the Company to pause investment or terminate the agreement without penalty at any time and is structured to provide capital in advance on a monthly basis, minimising shareholder dilution.



ASX: RCE

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## About Recce Pharmaceuticals Ltd

Recce Pharmaceuticals Ltd (ASX: RCE) is pioneering the development and commercialisation of a [new class of synthetic antibiotics with broad spectrum activity](#) designed to address the urgent global health problem of antibiotic resistant superbugs. Its patented lead candidate known as RECCE® 327 has been developed for the treatment of blood infections and sepsis derived from *E. coli* and *S. aureus* bacteria – including their superbug forms. Pre-clinical testing in laboratories and animal models, in Australia and overseas has demonstrated positive results. Recce has a manufacturing facility in Australia and is developing clinical research partners in the USA. The Company has developed an automated process to manufacture its lead compound ahead of first-in-man clinical trials.

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For further information please visit [www.recce.com.au](http://www.recce.com.au) or contact:

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