

ASX Release

8th December 2016

COMPLETION OF RIGHTS ISSUE AND NOTICE OF SHORTFALL

PharmAust Limited ("PharmAust") (ASX: PAA) confirms that the Company's Rights Issue closed at 5:00pm WST on Monday, 5 December 2016.

The Company advises that it has received subscriptions from shareholders as follows:

Details	New Shares	New Options	Gross Proceeds
Entitlement Securities	20,211,971	6,737,382	\$1,010,598.55
Additional Securities	2,717,899	905,971	\$135,894.95
Total	22,929,870	7,643,353	\$1,146,493.50

Each of the Directors took up their full Entitlement (together totalling \$440,326).

Based upon Share Registry calculations, the total New Securities available under the Rights Issue is 92,503,645 New Shares and 30,834,549 New Options leaving a shortfall of 69,573,775 New Shares and 23,191,196 New Options.

The Offer to issue Shortfall Securities is a separate offer under the Prospectus. In accordance with the Prospectus, the Company reserves the right to place any Shortfall Securities within three months of the Closing Date of Monday, 5 December 2016. The Company has received strong broker interest in placing the Shortfall Securities and any shareholder wishing to participate in the offer can contact the Company Secretary at sam@pharmaust.com

The Issued Capital following the current issue of New Shares and New Options under the Rights Issue is:

- 115,433,515 Fully Paid Ordinary Shares
- 7,643,353 Unlisted Options (exercise price of 12 cents and an expiry date of 30 November 2019)
- 675,000 Unlisted Options (exercise price of 16 cents and an expiry date of 3 September 2018)

As per the timetable for the Offer, the issue date of New Shares and New Options is Monday, 12 December 2016 and normal trading of the New Securities will commence on Tuesday, 13 December 2016.

For further details about PharmAust please contact:

Dr Roger Aston
Executive Chairman
Tel: 0402 762 204
rogeraston@pharmaust.com

Mr Sam Wright
Director & Company Secretary
Tel: 0408 900 277
sam@pharmaust.com