

Epichem new CEO and Board additions

- Experienced Colin La Galia joins Epichem as CEO
- Dr Martine Keenan resumes former role as Epichem Head of Drug Discovery and joins the Epichem board

14 October 2019 – Perth, Australia: PharmAust Ltd (ASX:PAA), a clinical-stage oncology company, is pleased to announce that experienced pharmaceutical and healthcare executive Colin La Galia has joined Epichem, a wholly owned subsidiary of PharmAust, as its new Chief Executive Officer starting on 14 October 2019.

Colin was previously the Regional Business Director and Commercial Head of Asia Pacific, China and Japan for Abbott Rapid Diagnostics and he has previously held senior roles over 20 years at Alere Inc, Origin Healthcare, Hollywood Fertility Centre, GlaxoSmithKline and Merck Sharpe & Dohme.

Colin is a highly experienced executive in pharmaceuticals, devices and diagnostics, both locally and internationally, and has demonstrated great success in international business development. He is based in Perth and has joined the Epichem Board.

PharmAust's Executive Chairman Dr Roger Aston said "We are all delighted that Colin has decided to join Epichem. He has an outstanding record in driving performance and adding value and we are confident that Colin will be able to grow and diversify the Epichem business and take the business to the next level of increased revenues and profitability".

At the same time Dr Martine Keenan resumes her former role as Epichem's Head of Drug Discovery and also joins the Epichem board.

Dr Aston said "Martine's tenure as Epichem CEO has seen the revenues grow to the highest point in Epichem's fifteen year history and we are delighted that she will be full time Head of Drug Discovery again and also be available to us on the Epichem Board. The changes are a win all around for both Epichem and PharmAust".

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About PharmAust (PAA):

PAA is a clinical-stage company developing targeted cancer therapeutics for humans and animals. The company specialises in repurposing marketed drugs lowering the risks and costs of development.

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; 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 in Phase 2 clinical trials.

PAA's subsidiary, Epichem, is a successful contract medicinal chemistry company that is forecasting \$4.2m revenues in FY2019/20.

About Epichem:

Epichem is a wholly owned subsidiary of the ASX listed company PharmAust Limited. Located in Technology Park, Western Australia, Epichem has been delivering products and services in synthetic and medicinal chemistry to the global drug discovery and pharmaceutical industries in over 40 countries worldwide for over 15 years. Epichem has newly constructed state-of-the-art laboratories and has world class equipment and expertise in synthetic and medicinal chemistry to support drug discovery projects, and for the cost-effective synthesis of drug analogue libraries and intermediates. It also has a rapidly growing catalogue of pharmaceutical reference standards. Epichem has forecast \$4.2m in revenues in the 2020 FY. Please find more information at www.epichem.com.au

Schedule

Material terms of employment agreement with Colin La Galia	
Appointment	As Chief Executive Officer of Epichem Pty Ltd
Commencement and Term	The appointment of the CEO commences with effect on 14 October 2019 and continues until terminated in accordance with the agreement.
Base Salary	\$212,500 p.a. (plus statutory superannuation)
Car Allowance	To the value of \$28,775 p.a.
Possible Bonus	<p>If in any one financial year ending on 30 June the Company makes an after tax profit (as reasonably determined and based on an audited profit and loss statement) then the Executive will be entitled to one of the bonuses set out below depending on the relevant band of:</p> <p>(a) \$100,000 to \$200,000 – the Executive will be paid a bonus of \$10,000 plus \$10,000 worth of PAA shares;</p> <p>(b) \$200,001 to \$320,000 – the Executive will be paid a bonus of \$17,500 plus \$17,500 worth of PAA shares;</p> <p>(c) \$320,001 to \$400,000 – the Executive will be paid a bonus of \$25,000 plus \$25,000 worth of PAA shares;</p> <p>(d) \$400,001 to \$525,000 – the Executive will be paid a bonus of \$30,000 plus \$30,000 worth of PAA shares;</p> <p>(e) \$525,001 to \$650,000 – the Executive will be paid a bonus of \$35,000 plus \$35,000 worth of PAA shares;</p> <p>(f) \$650,001 to \$750,000 – the Executive will be paid a bonus of \$40,000 plus \$40,000 worth of PAA shares;</p> <p>(g) \$750,001 to \$1,000,000 – the Executive will be paid a bonus of \$45,000 plus \$45,000 worth of PAA shares;</p> <p>(h) \$1,000,000 plus – the Executive will be paid a bonus of \$50,000 plus \$50,000 worth of PAA shares, and</p> <p>(i) for any after tax profit above \$1,250,000, the Executive will be paid an additional bonus of \$5,000 plus \$5,000 worth of PAA shares in addition to the amount in (h) above for each additional \$250,000 profit figure above \$1,250,000.</p> <p>The price of the PAA shares to be issued above shall be the price calculated by a 30 day volume-weighted average price (VWAP) calculation with the last day of the 30 days being 30 June in each year or the last business day before 30 June.</p>
Termination	Either party may terminate without cause on 3 months written notice. Epichem may elect to pay 3 months base salary and superannuation in lieu of notice.