

17 May 2024

ASX Announcement

## Firebrick Raises \$800,000 via Placement

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- **Placement secured with current Firebrick substantial holder**
- **Funds will support Nasodine international launches and projected working capital for the next 12 months**

**Firebrick Pharma Limited** (ASX: FRE) (the **Company** or **Firebrick**) is pleased to announce that it has received binding commitments for a placement of \$800,000, comprising 16 million shares at \$0.05 per share (**Placement**). GZ Family Holdings Pty Ltd, an existing substantial holder in Firebrick, has committed to take up 14 million shares (\$700,000 of the Placement) and 2 million shares (\$100,000) to be placed with four parties associated with GZ Family Holdings Pty Ltd. There are no fees or advisor commissions payable or associated with the Placement.

GZ Family Holdings Pty Ltd has been an investor with Firebrick since October 2022 and became a substantial holder in March 2024. The Placement will increase their holding to approximately 12% of the Company.

“It is encouraging to see a professional biotech investor increasing their commitment to Firebrick,” said Executive Chairman, Dr Peter Molloy. “This funding will bridge us to the RDTI payment expected later this year and should give us a solid cash runway for the next year.”

### Use of Funds:

The funds will be used to support ongoing launch costs for Nasodine in the United States and other anticipated international launches of Nasodine over the next 12 months, as well as ongoing working capital. Given the expected R&D tax incentive payment due in September or October this year, the Company projects that it should have sufficient funds for at least 12 months.

### Details of the Placement:

A total of 16 million new shares will be issued at a price of \$0.05 per share with settlement expected to occur on 30 May 2024. This represents approximately 8.9% of current shares on issue. The issue price of \$0.05 represents a discount of circa 24% on the 15-day VWAP to 15 May 2024 and a circa 25% discount to the closing price of \$0.067 on 15 May 2024.

In addition, Placement participants will receive one free attaching option (**Options**) for every two new shares issued (i.e., 8 million Options), with an exercise price of \$0.075 (7.5 cents) and an expiry date of 2 years from the date of issue. Terms and Conditions of the Options are attached.

The Placement shares and free attaching options will be issued pursuant to the Company's existing placement capacity under ASX Listing Rules 7.1.

This announcement was authorised for release by Dr Peter Molloy, Executive Chairman Ltd.

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### **About Firebrick Pharma**

Firebrick Pharma is a pharmaceutical innovator focused on developing and commercialising novel formulations and uses of povidone-iodine. The Company has successfully developed a povidone-iodine nasal spray (Nasodine® Nasal Spray) and filed international trademarks and multiple patents on the product. The Company has also completed six clinical trials for the nasal spray, which have affirmed the product's safety and generally supported its efficacy as an antimicrobial nasal spray with utility in a range of clinical settings. Firebrick is now commercialising Nasodine in international markets.

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## TERMS AND CONDITIONS OF OPTIONS

The Options (**Options**) are to be issued subject to the following terms and conditions.

### (a) Entitlement

- (i) Each Option entitles the Option holder to subscribe for, and be allotted, one ordinary Share in the capital of the Company.
- (ii) Shares issued on the exercise of Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX.

### (b) Exercise of Option

- (i) The Options are exercisable at any time from the issue date.
- (ii) The Options expire on two years from the date of issue.
- (iii) The exercise price per Option is \$0.075 (7.5 cents).
- (iv) Each Option is exercisable by the Option holder signing and delivering a notice of exercise of Option together with the exercise price in full for each Share to be issued upon exercise of each Option to the Company's Share Registry. Unless a holder is exercising all of their Options, Options must be exercised in parcels of not less than 100,000.
- (v) The Options cannot be exercised if, as a result of the exercise, the Option holder or any of its associates would breach the provisions of Chapter 6 (and specifically section 606) of the Corporations Act.
- (vi) Remittances must be made payable to 'Firebrick Pharma Limited'.
- (vii) All Options will lapse on the earlier of the:
  - a. receipt by the Company of notice from the Option holder that the Option holder has elected to surrender the Option; and
  - b. expiry of the final date and time for exercise of the Option.
- (viii) In the event of liquidation of the Company, all unexercised Options will lapse.

### (c) Quotation

- (i) As at the date of this Notice of Meeting, the Company does not intend to apply for Official Quotation of the Options but may decide to do so at a later date.
- (ii) If the Shares of the Company are quoted on the ASX, the Company will apply to the ASX for, and will use its best endeavours to obtain, quotation of all Shares issued on the exercise of any Options within 10 Business Days (as defined in the Listing Rules) of issue. The Company gives no assurance that such quotation will be granted.
- (iii) The Options are not transferable until after 12 months from the issue date.

### (d) Participation in Securities Issues

Subject to paragraph (e) below, the holder is not entitled to participate in new issues of securities without exercising the Options.

### (e) Participation in a Reorganisation of Capital

- (i) In the event of any reconstruction or reorganisation (including consolidation, subdivision, reduction or return of the capital of the Company), the rights of an Option holder will be changed in accordance with the Listing Rules applying to a restructure or reorganisation of the capital at the time of that restructure or reorganisation, provided always that the changes to the terms of the Options do not result in any benefit being conferred on the Option holder which is not conferred on Shareholders of the Company.
- (ii) In any reorganisation as referred to in paragraph (e)(i), Options will be treated in the following manner:
  - a. in the event of a consolidation of the share capital of the Company, the number of Options will be consolidated in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;

- b. in the event of a subdivision of the share capital of the Company, the number of Options will be subdivided in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
- c. in the event of a return of the share capital of the Company, the number of Options will remain the same and the exercise price will be reduced by the same amount as the amount returned in relation to each ordinary share;
- d. in the event of a reduction of the share capital of the Company by a cancellation of paid up capital that is lost or not represented by available assets where no securities are cancelled the number of Options and the exercise price of each Option will remain unaltered;
- e. in the event of a pro-rata cancellation of shares in the Company, the number of Options will be reduced in the same ratio as the ordinary share capital of the Company and the exercise price of each Option will be amended in inverse proportion to that ratio; and
- f. in the event of any other reorganisation of the issued capital of the Company, the number of Options or the exercise price or both will be reorganised (as appropriate) in a manner which will not result in any benefits being conferred on the Option holder which are not conferred on Shareholders.