

31 October 2022

Botanix secures commitment for A\$5 million via an institutional placement and announces SPP

Key highlights

- Botanix has secured a commitment of A\$5.0 million via an institutional placement
- Botanix will also offer a limited Share Purchase Plan ("SPP") for eligible shareholders, to raise up to A\$3 million
- Funds raised will be used to progress development of Botanix's pipeline of assets in light of the recent successful BTX 1702 rosacea clinical study, for costs associated with preparing for the FDA approval and commercial launch of Sofpironium Bromide and for general working capital purposes
- The placement has been made to Antares Capital, an Australian institutional investor with extensive experience investing in life sciences

Philadelphia PA and Phoenix AZ, 31 October 2022: Clinical dermatology company, Botanix Pharmaceuticals Limited (ASX: BOT, "Botanix" or "the Company"), is pleased to announce that it has received a firm commitment from a new institutional investor for a placement of approximately 79.4 million new fully paid ordinary shares ("New Shares") at A\$0.063 per New Share ("Placement Price") to raise A\$5.0 million in gross proceeds ("Placement"). The issue price of A\$0.063 is the last close price on Wednesday, 26 October 2022 before the trading halt, with no discount and no options attached.

Botanix Executive Chairman, Vince Ippolito, commented: *"We are pleased to announce this placement to Antares Capital, who have actively researched and engaged with the Company and are pleased to invest at this pivotal point in the Company's development. Antares has extensive investment experience in life sciences and has researched the prospects for Sofpironium Bromide, as well as our broader pipeline following the success of our recent BTX 1702 rosacea clinical study."*

The support indicated by this institutional investment is very welcome and will position Botanix well to execute on its commercial and development plans."

Antares Capital is a dedicated asset management business managing more than \$33.4bn on behalf of Australian investors. Antares has significant experience in the healthcare sector and has been engaging with Botanix while researching the company.

In addition to the institutional placement, Botanix will undertake a limited SPP to provide an opportunity for its retail shareholders to invest directly for New Shares at the same issue price as the Placement (\$0.063), free of any brokerage, commission or transaction costs.

Placement

Details of the Placement are as follows:

- The Placement is comprised of two tranches;
 - Tranche 1 of the Placement of approximately 70.7 million New Shares for gross proceeds of approximately A\$4.5 million will be issued pursuant to Botanix's placement capacity under ASX Listing Rule 7.1 and is expected to settle on or about Friday, 4 November 2022; and
 - Tranche 2 of the Placement of approximately 8.6 million New Shares for gross proceeds of approximately A\$0.5 million will be issued subject to and conditional upon shareholder approval at the Annual General Meeting ("AGM") scheduled to take place on Wednesday, 23 November 2022 and settle shortly after approval at the AGM. To this end, Botanix will prepare an addendum to its Notice of Meeting to include resolutions seeking approval to ratify Tranche 1 and issue the Tranche 2 New Shares under the Placement.

New Shares issued under the Placement will rank *pari passu* with existing Botanix fully paid ordinary shares from their date of issue.

SPP

Botanix will also offer eligible Botanix shareholders, being shareholders who had a registered address in Australia or New Zealand (and who are not in the United States and are not acting for the account or benefit of a person in the United States) on Botanix's register at 8:00pm (Sydney time) on Friday, 28 October 2022, the opportunity to apply for up to A\$30,000 of New Shares free of any brokerage, commission and transaction costs in accordance with the share purchase plan ("SPP"). The SPP will be priced at the Placement Price. Full details of the SPP will be set out in the SPP Offer Booklet, which will be released to the ASX and made available to eligible shareholders in November. The SPP will not be underwritten and may raise up to A\$3 million.

In the event that the SPP is oversubscribed, Botanix may, in its absolute discretion, undertake a scale back of applications for New Shares to the extent and in the manner it sees fit (including, but without limiting Botanix's discretion, by taking into account, among other factors, the number of eligible shareholders participating, the size of an eligible shareholder's shareholding at the SPP record date or the number of New Shares applied for under the SPP).

New Shares issued under the SPP will rank *pari passu* with existing Botanix fully paid ordinary shares from their date of issue.

Use of Proceeds

Botanix will use the proceeds received from the Placement and SPP to:

- progress the Company's pipeline of dermatology assets in light of the recent successful BTX 1702 rosacea Phase 1b/2 clinical study;
- prepare for the FDA approval and commercial launch of the Company's lead product, Sofpironium Bromide for the treatment of primary axillary hyperhidrosis Sofpironium Bromide; and
- for general working capital purposes.

Jefferies (Australia) Pty Ltd acted as Lead Manager of the Placement and is entitled to fees as set out in the Appendix 3B lodged today.

Indicative timetable*

Event	Date
Record date for eligibility to participate in SPP	8:00pm Friday, 28 October 2022
Announcement of SPP and Placement	Monday, 31 October 2022
Settlement of Tranche 1 under Placement	Friday, 4 November 2022
Issue of Tranche 1 New Shares under Placement	Monday, 7 November 2022
Dispatch SPP Offer Booklet and SPP open date	Wednesday, 9 November 2022
Annual General Meeting	12:00pm Wednesday, 23 November 2022
SPP closing date	8:00pm Wednesday, 23 November 2022
Settlement of Tranche 2 under Placement [^]	Monday, 28 November 2022
Issue of Tranche 2 New Shares under Placement	Tuesday, 29 November 2022
Announcement of SPP results	Wednesday, 30 November 2022
Allotment and issue of New Shares under SPP	Wednesday, 30 November 2022

* All times referenced are to Sydney time, Australia unless denoted otherwise. This timetable is indicative only and Botanix may, at its discretion, vary any of the above dates, subject to the ASX Listing Rules and the *Corporations Act 2001* (Cth) and other applicable laws. Botanix reserves the right to close the SPP early or to withdraw the SPP, in its sole and absolute discretion, by lodging an announcement with the ASX. The commencement of trading and quotation of New Shares is subject to ASX confirmation.

[^] Assumes shareholder approval for the issue of the Tranche 2 New Shares is obtained at Botanix's annual general meeting.

This ASX announcement is authorized for release by the Board.

About Botanix Pharmaceuticals

Botanix Pharmaceuticals Limited (ASX:BOT) is a dermatology company based in Philadelphia and Phoenix (US) which is committed to the development of novel treatments for a range of common skin diseases. The Company has a mature dermatology pipeline with its first product, Sofpironium Bromide, for the treatment of primary axillary hyperhidrosis, filed for FDA approval in Q3 CY2022 with approval expected in Q3 2023. The Company also has a pipeline of other products in late-stage clinical studies for the treatment of moderate to severe rosacea (successful Phase 1b/2 study in 4Q 2022), dermatitis and acne respectively. Botanix is also developing a topical antimicrobial product for the eradication of bacteria on the skin surface, initially in patients who are undergoing hemodialysis.

Botanix leverages its proprietary drug delivery system (Permetrex™) for direct skin delivery of active pharmaceuticals in all skin diseases, which is utilised in its existing development programs and is being explored with a view to being utilized in a number of other product opportunities. To learn more please visit: <http://www.botanixpharma.com/>

For more information, please contact:

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Cautionary Note on Forward-Looking Statements

Any statements in this press release about future expectations, plans and prospects for the Company, the Company's strategy, future operations, and other statements containing the words "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "predict," "project," "target," "potential," "will," "would," "could," "should," "continue," and similar expressions, constitute forward-looking statements. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including: the Company's ability to successfully develop its product candidates or research collaborations with its partners, the outcome and effects of Sofpironium Bromide, the market for Sofpironium Bromide and timely complete its planned clinical programs and the Company's ability to obtain marketing approvals for its product candidates. In addition, the forward-looking statements included in this press release represent the Company's views as of the date hereof. The Company anticipates that subsequent events and developments will cause the Company's views to change. However, while the Company may elect to update these forward-looking statements at some point in the future, the Company specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date hereof.