



PharmAust Raises \$3.5 Million at a Premium

Highlights:

- PharmAust raises \$3.5 million through an oversubscribed placement to institutional and sophisticated investors
- Offer price of 10 cents per new share represents an 11% premium to the 30-Day VWAP
- Merchant Biotech Fund and associated parties subscribed for \$2.1 million of the offer
- A further \$1.4 million was placed to other institutional and sophisticated investors and a director of the Company
- Placement funds will be used for the preparation of upcoming human studies, further manufacture of additional MPL tablets for human and canine studies, and to strengthen working capital

13 December 2023: PharmAust Limited (ASX: PAA), a clinical-stage biotechnology company, is pleased to announce it has received binding commitments to raise approximately \$3.46 million through an oversubscribed Placement.

The raising was priced at a 4.8% premium to the 15-day VWAP and a 10.8% premium to the 30-day VWAP, reflecting new institutional shareholders' growing confidence in the Company's achievements over recent quarters and the positive outlook ahead.

The Placement will see the Company issue approximately 34.6 million new shares at an issue price of \$0.10 per share ("Placement Shares"), each with a 2:3 free attaching option exercisable at \$0.15 with an expiry of 31 December 2025 ("Options").

The strategic Placement was granted primarily to a prominent fund management institution, Merchant Funds Management, within its Merchant Biotech Fund. The remaining shares from the placement went to sophisticated Australian, Hong Kong, and Singaporean investors, including existing eligible shareholders.

The Company's decision to undertake this funding at this time directly resulted from the approach of this institution, which showed material interest in becoming a strategic investor in PharmAust. The Company welcomes Merchant and other new sophisticated shareholders as important long-term investor partners. Without this direct solicitation, additional funding for the Company would not have been undertaken.

In addition, Finance Director, Sam Wright has subscribed for an additional 450,000 shares to increase his holding to 5 million shares, subject to Shareholder approval at a general meeting to be held at a date to be announced shortly.

PharmAust Chief Executive Officer, Dr Michael Thurn commented:

"We are incredibly pleased with this strategic placement at a premium and welcome aboard institutional fund, Merchant Funds Management.

These funds raised will enable the Company to start the New Year with circa \$6 million in cash and accelerate preparations for its Phase 2 Clinical Study in MND."

PLACEMENT DETAILS

The issue price of \$0.10 represents a 4.8% discount to PAA's closing share price on Friday, 8 December 2023, of \$0.105 and a 10.8% premium to the 30-day volume-weighted average price (VWAP) of \$0.0903. The Placement Shares will rank equally with the Company's existing shares. Settlement of the Placement is expected to be completed on 20 December 2023.

The Placement has been conducted under the Company's existing Placement capacity under ASX Listing Rules 7.1 and 71A. Up to 24,581,124 new shares and 23,060,000 new Options will be issued under Listing Rule 7.1. Up to 9,558,876 shares will be issued under Listing Rule 7.1A.

Blue Ocean Equities Pty Limited acted as lead manager for the Placement.

The Board authorises this announcement.

Enquiries:

Dr Michael Thurn
Chief Executive Officer
investorenquiries@pharmaust.com

P +61 (8) 9202 6814
F +61 (8) 9467 6111
W www.pharmaust.com



About PharmAust Limited:

PharmAust Limited is listed on the Australian Securities Exchange (ASX Code: PAA). PAA is a clinical-stage biotechnology company developing therapeutics for human and animal health applications. The company is focused on repurposing monepantel (MPL) for human neurodegenerative diseases and treating cancer in dogs.

MPL is a potent and safe inhibitor of the mTOR pathway. This pathway plays a central role in cell growth and proliferation of cancer cells and degenerating neurons. The mTOR pathway regulates the cellular “cleaning process”, where toxic protein is broken down into macromolecules to be reused. This autophagic process is disrupted in most neurodegenerative diseases, including motor neurone disease (MND/ALS).

PAA’s lead MPL program is for the treatment of MND/ALS, a rare, incurable disease. The company is currently completing a Phase 1 study in patients with MND/ALS. Top-line results are expected to be announced in Q1 CY2024. PAA anticipates starting a Phase 2 study in H1 2024 that could lead to accelerated approval with the US Food and Drug Administration in 2026. PAA is preparing to start a pivotal field trial in dogs with B-Cell Lymphoma to enable product registration in the US in 2025. PAA has previously successfully completed a Phase 1 oncology clinical study of monepantel in humans and pilot studies in canine cancer.