

PharmAust raises \$10 million via institutional Placement and announces SPP

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Highlights:

- PharmAust has received firm commitments to raise \$10 million via an institutional Placement at \$0.19 per share
- Directors and Management participating for approximately \$1 million, with participation subject to shareholder approval (where applicable)
- The Placement was strongly supported by both new and existing institutional investors
- Placement proceeds will be used to finalise preparations for the pivotal adaptive Phase 2/3 STRIKE study in patients with Motor Neurone Disease (MND), monepantel manufacturing, preclinical models, regulatory filings, working capital and offer costs
- Share Purchase Plan (SPP) to be offered to eligible shareholders at the same offer price as the Placement

21 June 2024 – Melbourne Australia: PharmAust Limited (ASX:PAA) (**PharmAust** or the **Company**), a clinical-stage biotechnology company, is pleased to announce it has received binding commitments to raise \$10 million (before costs) in a placement of new fully paid ordinary shares in the Company to institutional and sophisticated investors (**Placement**). Funds raised from the Placement will be used to finalise preparations for the pivotal adaptive Phase 2/3 STRIKE study in patients with Motor Neurone Disease (MND) / amyotrophic lateral sclerosis (ALS), GMP manufacturing, preclinical models for other neurodegenerative diseases, regulatory filings, working capital and offer costs.

PharmAust Managing Director Dr Michael Thurn commented:

"We are delighted with the support of our capital raising from our existing shareholders and welcome new shareholders to our register. It serves as a vote of confidence in the exciting opportunity ahead for us with monepantel, along with the quality of our people and our strategy. PharmAust can now finalise preparations towards commencing a pivotal registration study for monepantel for the treatment of MND/ALS. The funds will be strategically allocated to key areas, including the final study design and various start-up activities for our adaptive Phase 2/3 STRIKE study, including the manufacture of monepantel under Good Manufacturing Practice (GMP), and exploring preclinical models for other neurodegenerative diseases. With many important milestones on the horizon, including the commencement of the STRIKE study in H2 CY2024, we look forward to keeping shareholders up to date on our progress.

We acknowledge and appreciate the support of our retail shareholders. As a Board we are pleased to be able to offer the ability for shareholders to participate in the Company's capital raising activities on the same terms as the Placement through the Share Purchase Plan."

Placement

The Placement comprises a total of approximately 52.6 million new fully paid ordinary shares in the Company to be issued at \$0.19 per share raising \$10 million before costs. Placement shares will be issued within the Company's available capacity under ASX Listing Rules 7.1 and 7.1A.

The issue price of \$0.19 represents a 15.6% discount to the last closing price (\$0.225) on Tuesday 18 June 2024, a 19.8% discount to the 5 trading day VWAP (\$0.237) and a 18.4% discount to the 10 trading day VWAP (\$0.2328).

PharmAust Directors and Management have committed to approximately \$1 million in the Placement with such participation subject to shareholder approval (where applicable) which will be sought at the Company’s annual general meeting to be held later in the year.

The new shares issued under the Placement will rank equally with existing PharmAust fully paid ordinary shares quoted on the ASX from their date of issue. Other than in respect of the Placement shares subject to shareholder approval, settlement of the Placement is expected to occur on Thursday, 27 June 2024 with allotment and trading of Placement shares to occur on Friday 28 June 2024.

Morgans Corporate Limited acted as Sole Lead Manager to the Placement.

Share Purchase Plan

In addition to the Placement the Company provides eligible shareholders with a registered address in Australia and New Zealand who hold PharmAust shares as at 7.00pm (Melbourne time) on Thursday, 20 June 2024 (**Eligible Shareholders**) an opportunity to subscribe for up to \$30,000 worth of new fully paid ordinary shares (**SPP Shares**) in the Company by way of a \$2 million share purchase plan (**SPP**).

The SPP Shares will be offered at an issue price of \$0.19, being the same issue price as the Placement, and will rank equally with existing PharmAust fully paid ordinary shares quoted on the ASX from their date of issue. The SPP is being offered to existing shareholders to extend their opportunity on the same terms as the institutional and sophisticated investors. The SPP will enable Eligible Shareholders, irrespective of the size of their holding, to apply to participate in the capital raising at the same issue price as the Placement, and not incur any brokerage or transaction costs.

The Company reserves the right to determine the aggregate amount it raises through the SPP. PharmAust may (in its absolute discretion) in a situation where total demand exceeds \$2 million, decide to increase the amount to be raised under the SPP to reduce or eliminate the need for scale back; and/or undertake a scale back of applications to the extent and in the manner it sees fit. Funds raised from the SPP are intended to be used for the same purposes as those funds raised under the Placement.

The terms and conditions of the SPP will be contained in an offer booklet and application form which will be made available to Eligible Shareholders and lodged on the ASX on Friday, 28 June 2024.

The indicative timetable for the Placement and SPP is as follows:

Event	Date
SPP record date	7.00pm (Melbourne time), Thursday, 20 June 2024
Announcement of Placement and SPP and trading halt lifted	Friday, 21 June 2024
Placement settlement	Thursday, 27 June 2024
Allotment and commencement of trading of Placement shares	Friday, 28 June 2024
Despatch of SPP offer booklet	Friday, 28 June 2024
SPP opening date	Friday, 28 June 2024
SPP closing date	5.00pm (Melbourne time), Friday, 19 July 2024

SPP results announcement	Friday, 26 July 2024
Allotment of SPP shares	Friday, 26 July 2024
Commencement of trading SPP shares	Monday, 29 July 2024
Dispatch of holding statements SPP shares	Tuesday, 30 July 2024

This timetable is indicative only and is subject to change. PharmAust may alter the dates above, withdraw or vary the SPP, or accept applications received after the Closing Date (either generally or in particular cases), in each case in PharmAust's absolute discretion, subject to the ASX Listing Rules and the Corporations Act. Any extension of the closing date of the SPP will have a consequential effect on the allotment date of the SPP Shares.

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

This announcement is authorised for release by the Board of Directors of PharmAust Limited.

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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 neurodegenerative diseases. The company is focused on repurposing monepantel (MPL) for amyotrophic lateral sclerosis (ALS). ALS is the most common form of motor neurone disease (MND) and affects both upper and lower motor neurons.

MPL is a potent and safe inhibitor of the mTOR pathway. This pathway plays a central role in the growth and proliferation of cancer cells and degenerating neurons. The mTOR pathway regulates the cellular "cleaning process", where toxic proteins are broken down into macromolecules to be reused. This autophagic process is disrupted in most neurodegenerative diseases, including ALS.

The company recently announced positive top-line results for its Phase 1 MEND study in participants with ALS. PAA is in the planning stages for a registration adaptive Phase 2/3 STRIKE clinical study and anticipates commencing enrolment in H2 CY 2024. This single pivotal study could potentially lead to accelerated approval with the US Food and Drug Administration for monepantel for the treatment of ALS in 2026.

In 2024, the Neurodegenerative Disease Market size is estimated to be worth USD 55.12 billion, with a forecast growth (CAGR) of 7.14% the market size is expected to reach USD 77.82 billion by 2029.¹

¹ <https://www.mordorintelligence.com/industry-reports/neurodegenerative-disease-market>

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