

# PHYLOGICA

BREAKTHROUGH PEPTIDE THERAPEUTICS

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Australian Securities Exchange

## Phylogica Fully Underwritten Entitlement Issue to Raise \$10m

- ***Enables Phylogica to advance novel drug development with license partners***
- ***Sub-Underwriting by existing major shareholders***

Phylogica Limited (ASX:PYC, XETRA:PH7) is raising \$10 million via a fully underwritten entitlement offer comprising a 1 for 1 non-renounceable pro-rata Entitlement Issue at an offer price of 1 cent per share.

The Entitlement Issue is being managed and fully underwritten by Patersons Securities Limited. The \$10 million raising is before costs.

Sub-underwriting is mostly from existing major shareholders who closely follow the company and continue to see its progress and potential.

Phylogica will use the proceeds from the Entitlement Issue to advance the company's cancer programmes towards the clinical development stage. This marks a major transformation for Phylogica and follows the successful validation of its unique cell penetrating peptide (CPP) technology, which has been shown to boost the efficacy of new and existing drugs across a range of diseases. Beyond advancing its own drug candidates Phylogica will continue screening its library of novel compounds to endeavour to develop other drugs. The funds will also be used for working capital.

"This fund raising gives us the scope to advance our drug candidates towards more license deals and commercialisation. Our technology can be complex and it is heartening that those who know us best are committing the bulk of the new funds," said Richard Hopkins, Phylogica CEO.

The issue price of 1 cent per share represents a discount of 56.5% to the price of Phylogica shares as at the close of trading on 1<sup>st</sup> of July 2015, being the last day of trading of Phylogica shares before the Entitlement Issue was announced.

Shareholders will be invited to apply for additional shares in excess of their entitlement. Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable.

Further details about the Entitlement Issue will be contained in the Entitlement Issue Prospectus and the Appendix 3B, to be released to the Australian Securities Exchange today.

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