

Paradigm Biopharmaceuticals Ltd

22:27 14 Apr 2019

Paradigm Biopharmaceuticals raising \$77.9 million to fund its pivotal phase 3 OA trial

Paradigm Biopharmaceuticals Ltd (ASX:PAR) has launched a \$77.9 million capital raise to fund its pivotal phase 3 OA clinical trial in the US, EU and Australia.

The funds will also be used to complete the phase 2/3 pivotal clinical trial in MPS.

The offer comprises a \$51.6 million placement to professional, institutional and sophisticated investors across Australia, Asia and the US including some existing shareholders.

Paradigm is also raising \$26.3 million via an underwritten 1 for 8 accelerated non-renounceable entitlement offer to eligible shareholders.

Complete Phase 2/3 MPS (Rare Disease) Pivotal Clinical Trial	A\$7.0m
Complete Phase 3 Osteoarthritis Pivotal Clinical Trial	A\$30.0m
Employ US Based staff x 2	A\$3.0m
Working capital, offer costs, further preclinical studies and IP acquisitions	A\$37.9m
Total use of funds	A\$77.9m

Proposed use of funds

In conjunction with the capital raise, Paradigm has revealed that it has successfully met the primary and secondary endpoints of its phase 2b trial in OA of the knee.

Paradigm will have a cash position of \$82 million post the capital raising which will put the company in a strong negotiating position for commercial transactions.

Placement and entitlement offer

The placement will result in the issue of 34,370,099 shares and the entitlement offer will result in the issue of 17,537,431 shares, at an offer price of \$1.50 per share.

The offer price represents a 21.1% discount to last close on April 10, 2019.

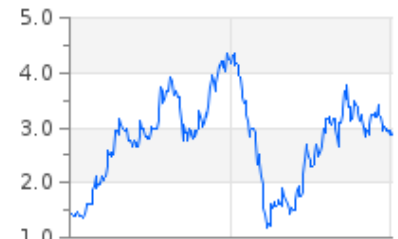
Settlement of the placement and institutional entitlement offer is expected to occur on April 24, 2019 with new shares allotted the trading next day.

The retail entitlement offer is expected to close on May 6, 2019.

Price: 2.87

Market Cap: \$651.38 m

1 Year Share Price Graph



August 2019 February 2020 August 2020

Share Information

Code: PAR

Listing: ASX

52 week High Low
4.5 1.08

Sector: Pharma & Biotech

Website: www.paradigmbiopharma.com

Company Synopsis:

Paradigm Biopharmaceuticals Ltd (ASX:PAR) is listed on the Australian Securities Exchange.

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Release of OA Phase 2B Secondary Endpoints	Pre-market Monday 15 April 2019
Trading Halt extended through	Monday 15 April – Tuesday 16 April 2019
Company resumes trading and completion of Institutional Entitlement Offer announced Record date (as at 7.00pm) for eligibility under the Entitlement Offer	Wednesday, 17 April 2019
Settlement of New Shares issued under the Placement and the Institutional Entitlement Offer Retail Entitlement Offer Opens	Wednesday 24 April 2019
Allotment of New Shares issued under the Placement	Friday, 26 April 2019

Indicative timetable

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