

PARADIGM BIOPHARMACEUTICALS LIMITED

ASX RELEASE

8 April 2020



PARADIGM COMPLETES A\$35m CAPITAL RAISING

KEY HIGHLIGHTS

- Bids received significantly exceeded the size of the placement
 - PAR fully funded to Phase 3 OA trial completion and readout
 - Support from large Australian and International institutional investors
 - Significant endorsement of PAR and its treatment of OA
 - Capital raising enables PAR to be focused on the clear path to regulatory approval and commercialisation
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Paradigm Biopharmaceuticals Limited (ASX:PAR) is pleased to announce that it has placed A\$35m in shares to leading Australian and international institutional and sophisticated investors (**Placement**).

The Placement was priced at \$1.30 per share which represents a 23.1% discount to Paradigm's last trading price of \$1.69 per share and was undertaken within Paradigm's existing placement capacity under ASX Listing Rule 7.1.

The proceeds from the Placement will be applied to costs of the second Phase 3 osteoarthritis (**OA**) clinical trial and leaves Paradigm fully funded through to completion of the Phase 3 trial. Trial readout is expected to take place in late 2022.

On 6 April 2020, Paradigm announced that that the Company has received clear guidance from the Food & Drug Administration (**FDA**) around the primary and secondary endpoints for its Phase 3 OA trial. This guidance includes the number of Phase 3 studies required for registration and overall clarity and guidance for the requirements of the Phase 3 clinical trial design and NDA submission. For further detail regarding the guidance received from the FDA please refer to Paradigm's ASX announcement and investor presentation announced to ASX on 6 April 2020.

Paradigm's CEO Mr Paul Rennie said the receipt of firm commitments for the Placement indicated the growing confidence in Zilosul in the treatment of OA Paradigm's pathway to regulatory approval and commercialisation.

"The strong support shown by leading institutional investors both domestic and international, is a huge endorsement of the Company and its aim of developing and commercialising safe and effective treatment for sufferers of Osteoarthritis."

"The proceeds from the Placement will ensure the company is fully funded through the completion of the Phase 3 trial and ensure we can be singularly focused on executing the trial"

and delivering outcomes for patients in this very large and growing market.”

Completion of the Placement is expected to occur on or around Wednesday 15 April 2020. New shares issued under the placement will rank equally with Paradigm’s existing fully paid ordinary shares.

An Appendix 3B for the proposed issue of the shares under the Placement will follow this announcement.

Bell Potter Securities Limited acted as sole lead manager and bookrunner to the Placement.

To learn more please visit: www.paradigmbiopharma.com

For more information, please contact

CORPORATE ENQUIRES

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