



ASX Release

5 December 2024

Acrux raises \$2.65 million through Share Placement and announces Share Purchase Plan for a further \$2 million to fund its development programs

Melbourne, Australia; Acrux Limited (ASX:ACR)

Highlights:

- Binding commitments to raise \$2.65 million (before costs) under the Placement to institutional and professional investors and Acrux Board members at an issue price of 3.5 cents per share.
- NorthStar Impact Funds (NorthStar), the only Australian equities impact fund certified by the Responsible Investment Association Australasia has made a strategic investment in this Placement.
- All Acrux's Directors have committed to subscribe for an aggregate of \$0.15 million in Placement shares, subject to approval by shareholders at a general meeting.
- A further \$2 million (before costs) sought to be raised by SPP, providing eligible shareholders the opportunity to participate in the capital raising on the same financial terms as the Placement.
- Funds raised by the Placement and SPP will be used to fund the Company's ongoing development programs for its pipeline of topical pharmaceutical products. Specifically, to advance 4 key projects at the later stages of development at contract manufacturers prior to dossier submission to the FDA as detailed in the table above.
- Company proposes to offer Placement and SPP participants with one free attaching option for every share subscribed for under the Placement and SPP (Attaching Options). This offer will be made under a separate prospectus, subject to shareholder approval at a general meeting. The Attaching Options will have an exercise price of 5.25 cents and expire 2 years after issuance.

Overview

Acrux Limited (the **Company** or **Acrux**) is pleased to announce it has received binding commitments from new and existing institutional investors and Acrux Board members to subscribe for new fully paid ordinary shares to raise \$2.65 million (before costs) (**Placement**). Additionally, Acrux seeks to raise a further \$2 million (before costs) via a Share Purchase Plan (**SPP**) to be offered to eligible shareholders on the same financial terms as the Placement.

Proceeds from the Share Placement and SPP will be used to fund the Company's ongoing development programs for its pipeline of topical pharmaceutical products. Specifically, the funds are to be used to advance 4 key projects at the later stages of development at contract manufacturers prior to dossier submission to the FDA and as set out in the table below.

Use of Proceeds	Amount (\$m)
Analytical Method development, validation and verification	2.45
Demonstration of bioequivalence	0.80
Validation of manufacturing processes and process optimisation	0.50
Manufacture of engineering and registration batches	0.60
Capital raising expenses	0.30
Aggregate use of proceeds raised from the Placement and SPP	4.65

The allocation of proceeds to each activity outlined above is approximate only and may be scaled in accordance with the final outcome of the Placement and SPP.

Michael Kotsanis, Acrux CEO and Managing Director, said:

“We are very pleased with the support we have received from new and existing shareholders for the Placement. We will also offer eligible existing shareholders the opportunity to participate in the SPP on the same terms as the Placement, up to a maximum subscription of \$30,000 per shareholder.

Acrux is at an exciting stage of its evolution, yesterday announcing FDA approval for Nitroglycerin Ointment, 0.4%, a treatment for moderate to severe pain associated with chronic anal fissure, which along with Dapsone 5% Gel will be launched in the next 4 months. Acrux will then have 5 revenue generating products in the United States and a further another 8 products in its development pipeline.

We are grateful to our shareholders for their continued support.”

Capital Raising

The \$4.65m million aggregate capital raising (before costs) comprises a \$2.65 million Placement, including commitments from Acrux’s Board of \$0.15 million, and a further \$2 million by SPP.

The offer price for the capital raising is 3.5 cents per new share, representing a 19.35% discount to the 5-day VWAP of 4.34 cents per share to 3 December 2024.

Placement and SPP participants will be offered one free attaching option for every share subscribed for. The offer for Attaching Options will be made under a separate prospectus and will be subject to shareholder approval at a general meeting. The Attaching Options will have an exercise price of 5.25 cents and expire 2 years after issuance.

Placement

The Company will issue 71.43 million new ordinary shares under the Placement to institutional and professional investors using the Company’s existing capacity under ASX Listing Rule 7.1 and Listing Rule 7.1A.

New shares subscribed for under the Placement by institutional and professional investors are expected to settle and commence trading on the ASX in the week commencing 9 December 2024.

NorthStar Impact Funds (**NorthStar**) has made a strategic investment in this Placement and is the only Australian equities impact fund certified by the Responsible Investment Association Australasia. Based in Sydney and founded in 2017, NorthStar has ~\$100m assets under management and deploys capital to emerging companies across a range of sectors. NorthStar are a specialist external listed equities manager for \$120bn super fund UniSuper.

BioScience Managers Pty Ltd, the Company’s largest shareholder, supported the Placement through subscribing for new shares under the Placement. The Placement to Bioscience Managers is expected to complete a week after the Placement to other Placement participants.

Furthermore, 4.29 million new ordinary shares in relation to the Placement commitments have been made by all Directors of Acrux, Ross Dobinson, Geoff Brooke, Don Brumley, Tim Oldham and Michael Kotsanis. The issue of shares to Directors is subject to shareholder approval at an Extraordinary General Meeting expected to be held in February 2025. These shares will settle and commence trading on the ASX after this approval has been received.

Share Purchase Plan (SPP)

In addition to the Placement, the Company offers a SPP to eligible existing shareholders with a target to raise up to a further \$2 million (before costs). Shareholders as of 5:00pm (AEDT) on Wednesday 4 December 2024 with a registered address in Australia and New Zealand will be eligible to participate in the SPP.

Eligible shareholders will be invited to subscribe (without incurring any brokerage, commission or transaction costs) for up to \$30,000 of new ordinary shares at an issue price of 3.5 cents per share, being the same issue price as the Placement.

Further information regarding the SPP (including terms and conditions of the SPP) will be provided to eligible shareholders in SPP Offer Booklet when the SPP opens on 6 December 2024. The SPP Booklet will also contain a link to a personalised application form. Shareholders should carefully read the SPP Offer Booklet in full before submitting an application under the SPP.

The SPP opens on Friday 6 December 2024 and closes at 5:00pm (AEDT) on Wednesday 18 December 2024. The Company reserves the right to accept additional applications in excess of \$2 million subject to shareholder demand and applicable law. If the SPP is oversubscribed, the Company may in its absolute discretion scale back applications. The SPP offer is not underwritten.

Based on the Company's capital structure as of the record date, the targeted \$2 million (before offer related costs) to be raised under the SPP will result in the Company issuing approximately 57.14 million new ordinary shares.

Key dates for the SPP offer

Record date	5pm (AEDT), Wednesday 4 December 2024
Announcement date	Thursday 5 December 2024
SPP Opening date	Friday 6 December 2024
Expected issue date of Placement shares (excluding those subject to shareholder approval)	Thursday 12 December 2024
SPP Closing date	5pm (AEDT), Wednesday 18 December 2024
Announcement of SPP results	Monday 23 December 2024
Dispatch SPP holding statements	Tuesday 24 December 2024
Extraordinary General Meeting to approve Acrux Board Placement shares and Attaching Options	February 2024

This timetable is indicative only and is subject to change. Acrux reserves the right to amend dates at its discretion and without notice, subject to ASX Listing Rules and the Corporations Act 2001 (Cth). Acrux reserves the right to cancel or withdraw the SPP at any time before relevant shares are issued, subject to regulatory requirements.

Attaching Options

Company proposes to offer Placement and SPP participants with one free Attaching Option for every share subscribed for under the Placement and SPP under a standalone prospectus, subject to shareholder approval.

The Attaching Options will have an exercise price of 5.25 cents and expire 2 years after issuance.

The Attaching Options will be offered under a prospectus expected to be lodged by the Company with the Australian Securities and Investments Commission and ASX in January 2025, following completion of the SPP.

Subject to satisfaction of the conditions to quotation under the ASX Listing Rules, the Attaching Options are intended to be quoted on the ASX.

The offer of Attaching Options will be subject to shareholder approval at an Extraordinary General Meeting expected to be held in February 2025. If shareholder approval is not obtained, Placement and SPP participants will be compensated by way of a cash payment equal to the value of their Attaching Option entitlements based on the Black Scholes Model.

Full details of the offer of the Attaching Options will be set out in the Notice of Extraordinary General Meeting and the Attaching Options prospectus.

Fees payable to Evolution Capital Pty Ltd and Peak Asset Management as Joint Lead Managers include 20 Options for every \$1 issued under the Placement, excluding Directors' participation, on the same terms and at the same time as the Attaching Options. The Joint Lead Managers will be compensated in the same manner as Placement and SPP participants if the issue of options is not approved by shareholders at the Extraordinary General Meeting.

This announcement has been authorised for release to the ASX by the Board of Directors.

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About Acrux

Acrux is a specialty pharma company with a successful track record of developing and commercialising a pipeline of topically applied pharmaceutical products. Drawing on 25 years of experience, Acrux has successfully marketed through licensees a number of products worldwide with emphasis on the United States. Acrux is formulating and developing a range of topical generic products by leveraging its highly skilled workforce, on-site laboratories, GMP manufacturing suite, technical, clinical and commercial experience to bring affordable products to market. Acrux encourages collaboration and is well positioned to discuss commercial partnering and product development opportunities. For further information on Acrux, visit: www.acrux.com.au