PharmAust Receives R&D Tax Incentive Refund

12 December 2022 – Perth, Australia: PharmAust Limited (ASX: PAA & PAAO) ("PharmAust" or "the Company"), a clinical-stage biotechnology company, is pleased to announce that the Australian Taxation Office (ATO) has recognised the innovation of the research and development being developed by wholly owned subsidiaries, Epichem Pty Ltd ("Epichem") and Pitney Pharmaceuticals Pty Limited (Pitney").

Following approval from the ATO of the Company's application for a Research and Development Tax Incentive (RDTI), an amount of $654,109 was deemed refundable on PharmAust's 2022 Tax Return and paid to PharmAust.

The RDTI scheme is a program jointly administered by the ATO and AusIndustry, under which companies can receive up to a 43.5% refundable tax offset of eligible expenses on research and development activities.

Following the repayment to Radium Capital of $229,400 of early access funding, PharmAust has banked $424,709.

PharmAust Finance Director, Sam Wright said: "We appreciate the continued support and acknowledgement by the Australian Government for the critical work undertaken in our R&D programs. The receipt of the R&D refund strengthens PharmAust's financial position to execute on our upcoming clinical trials."

This ASX release has been approved for release by Sam Wright on behalf of the Board of Directors.

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About PharmAust Limited:

PharmAust Limited is listed on the Australian Securities Exchange (code: PAA) and the Frankfurt Stock Exchange (code: ECQ). PAA is a clinical-stage company developing therapeutics for both humans and animals. The company specialises in repurposing marketed drugs lowering the risks and costs of development. These efforts are supported by PAA's subsidiary, Epichem, a highly successful contract medicinal chemistry company which generated $3.4 million in sales of goods & services in FY 2022.

PAA's lead drug candidate is monepantel (MPL), a novel, potent and safe inhibitor of the mTOR pathway – a pathway having key influences in cancer growth and neurodegenerative diseases. MPL has been evaluated in Phase 1 clinical trials in humans and Phase 2 clinical trials in dogs. MPL treatment was well-tolerated in humans, demonstrating preliminary evidence of anticancer activity. MPL demonstrated objective anticancer activity in dogs. PAA is uniquely positioned to commercialise MPL for treatment of human and veterinary cancers as well as neurodegenerative disease as it advances a reformulated version of this drug through Phase 1 and 2 clinical trials.