# Epichem Completes Final EFA Loan Repayment

*Epichem has paid off its debt liability on time for a major laboratory expansion*

**31 August 2021 – Perth, Australia:** PharmAust Limited (ASX: PAA), a clinical-stage biotechnology company, is pleased to announce that it's Perth-based synthetic and medicinal chemistry subsidiary Epichem has paid off its debt liability on time for a major laboratory expansion in Technology Park, Western Australia.

Epichem's growth trajectory in 2015 was constrained by a laboratory running at full capacity. Supported by a $750,000 Export Contract Loan from Export Finance Australia ("EFA") and with assistance from parent company PharmAust, new premises were found, and a state-of-the-art laboratory constructed. Repayment of the first EFA loan was completed in July 2019.

Epichem subsequently constructed a second laboratory at the Technology Park site to keep up with customer demand, once again with the support of Export Finance Australia, which provided a further $466,000 loan, and with assistance from PharmAust.

This is the final milestone in repaying two EFA loans for construction of the two purpose-built, state of the art laboratories at Technology Park in 2015 and 2018. With the EFA loan facility repaid the money saved on interest and principal will go straight to improving the bottom line. The new laboratories have provided jobs for an additional 20 employees making Epichem one of Australia's top employers of PhD educated individuals in the medical science and technology SME sector.

Epichem's CEO, Colin La Galia stated; "Epichem's ability to repay the loan without deferral over six years demonstrates the strength of this specialist business. We thank EFA for its support which has enabled us to grow and export services to over 40 countries."

Managing Director and CEO of Export Finance Australia, Ms Swati Dave congratulated Epichem on paying back their two loans in full.

"Six years ago, Epichem contacted us for finance to build a new laboratory to help them broaden their export opportunities. I'm pleased that we were able to meet this financing need and fill a market gap.

"This is exactly why Export Finance Australia exists – to recognise and support Australian businesses by helping them to grow and succeed."

PharmAust Chairman, Dr Roger Aston commented, "It is a major accomplishment for the company. Epichem's global competitiveness has been boosted with the investment in cutting-edge laboratories, growth in workforce and the recently acquired OHD technology. With the EFA loan repaid and positive revenue trajectory, we look forward to further growth at Epichem."

**This announcement is authorised by the Board**

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**About PharmAust (PAA):**

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 $2.2 million in revenue in FY 2021.

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.

**About Epichem:**

Epichem is a wholly owned subsidiary of the ASX listed company PharmAust Limited. Located in Technology Park, Western Australia, Epichem has been delivering products and services in synthetic and medicinal chemistry to the global drug discovery and pharmaceutical industries in over 40 countries worldwide for over 17 years. Epichem has newly constructed purpose-built, state-of-the-art laboratories and has world class equipment and expertise in synthetic and medicinal chemistry to support drug discovery projects, and for the cost-effective synthesis of drug analogue libraries and intermediates. It also has a rapidly growing catalogue of pharmaceutical reference standards. Epichem has expanded it's chemistry capability and expertise to include material science applications to the Energy, Resources, Waste, Recycling and AgTech sectors. Epichem is the winner of the WA Industry Export Award 2019 for International Health, the 2020 Inspiring Story of Celebrating Remarkable Resilience Nomination for WA for the Australian Export and Investment Awards and the 2020 GHP Biotechnology Award winner for Most Innovative Chemistry Service Provider – Australia and Best in Organic Chemistry Solutions 2020.

For more information, visit www.epichem.com.au

**About Export Finance Australia:**

Export Finance Australia is Australia's export credit agency. We provide commercial finance for Australian exporters and overseas infrastructure development that delivers benefits to Australia. We help Australian SMEs and larger companies to realise export opportunities, contribute to an export supply chain or grow their international revenue.