

ASX RELEASE

6 November 2023

RETAIL ENTITLEMENT OFFER OPENS AND DISPATCH OF REPLACEMENT PROSPECTUS TO ELIGIBLE RETAIL SHAREHOLDERS

KEY HIGHLIGHTS

- Retail component of Paradigm's fully underwritten accelerated non-renounceable entitlement offer (**ANREO** or **Entitlement Offer**) open for applications from eligible retail shareholders (**Retail Offer**).
 - Retail Offer scheduled to close at 5:00pm (AEDT) Monday, 20 November 2023.
 - Funds raised under the Entitlement Offer, and the proceeds from the exercise of options, will be used to fund Paradigm through to mid CY25 (without relying on additional licensing revenue, should that be generated), including the expected top-line readout from the Phase 3 OA clinical trial.
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Paradigm Biopharmaceuticals Ltd (ASX:PAR) ("Paradigm" or "the Company"), a late-stage drug development company focused on delivering new therapies to address unmet medical needs, is pleased to advise that it has completed the despatch of the replacement prospectus dated 31 October 2023 (**Replacement Prospectus**), together with personalised entitlement and acceptance forms, to retail shareholders of Paradigm with registered addresses in either Australia or New Zealand (**Eligible Retail Shareholders**) to participate in the Retail Offer.

The Retail Offer is open for acceptance today and is scheduled to close at 5.00pm (AEDT) on Monday, 20 November 2023 (unless extended).

Eligible Retail Shareholders are entitled to subscribe for 1 fully paid ordinary share in Paradigm (**Share**) for every 10 Shares held at 7:00pm (AEDT) on Wednesday, 1 November 2023 (**Record Date**), at an issue price of \$0.43 per Share, together with 3 options exercisable at \$0.65 and expiring on 30 November 2024 (**Options**) for every 4 Shares subscribed for and issued under the Retail Offer.

The Replacement Prospectus contains important information that Eligible Retail Shareholders should consider in relation to the Retail Offer, including information about the risk factors relevant to the Company and the foreign selling restrictions with respect to the Retail Offer.

An indicative timetable for the Retail Offer is provided below. To participate, you must ensure that you have paid your application monies by BPAY® in accordance with the instructions detailed on your personalised application form before 5:00pm (AEDT) on Monday, 20 November 2023.

You should seek appropriate professional advice before making any investment decision. If you have any questions about the Retail Offer, please contact the Company via email

on investorrelations@paradigmbiopharma.com or phone on +61 404 216 467 between 9.00am and 5.00pm (AEDT), Monday to Friday during the Retail Offer period.

All new shares to be issued under the Entitlement Offer will rank equally with existing fully paid ordinary shares in Paradigm in all respects. Shares and Options under the Retail Offer are expected to be issued on Monday 27 November, and commence normal trading on Tuesday, 28 November 2023.

Key Dates

Key dates for the Retail Offer are as follows:

Event	Date
Trading halt lifted	Wednesday, 1 November 2023
Record Date for the Retail Offer	7.00pm (AEDT) Wednesday, 1 November 2023
Opening date of the Retail Offer	9:00am (AEDT) Monday, 6 November 2023
Last day to extend the closing date of the Retail Offer	Wednesday, 15 November 2023 (before noon AEDT)
Closing date of the Retail Offer	5:00pm (AEDT) Monday, 20 November 2023
Announcement of results of Retail Offer	Thursday, 23 November 2023 (before noon AEDT)
Allotment of Shares under the Retail Offer	Monday, 27 November 2023 (before noon AEDT)
Quotation of Shares issued under the Retail Offer	Tuesday, 28 November 2023

** The above timetable is indicative only and is subject to change.*

** The full timetable for the Entitlement Offer is set out at section 3 of Replacement Prospectus and in the Company's ASX Announcement dated 31 October 2023.*

Capital Raise Summary

As announced on 30 October 2023, the Company is undertaking a capital raise of \$30.1 million (before costs) comprised of:

- a placement to institutional investors to subscribe for approximately 42 million Shares at an issue price of \$0.43 per Share to raise approximately \$18 million (**Placement**);
- an accelerated non-renounceable Entitlement Offer of 1 Share for every 10 Shares held by eligible shareholders at an issue price of \$0.43 per Share to raise approximately \$12.1 million; and
- every 4 Shares subscribed for and issued under the Entitlement Offer and Placement will be accompanied by 3 free-attaching Options.

As announced on 31 October 2023, the ANREO and the Placement are fully underwritten by Bell Potter Securities Limited.

The proceeds from the capital raise will be used to fund the Company's phase 3 OA clinical program and to pay for the costs of the Placement and Entitlement Offer. The proceeds are expected to fund the Company's OA phase 3 clinical program to the end of CY2024 with the exercise of options expected to provide further runway to mid CY 2025 and past Paradigm's expected top-line read out from the phase 3 clinical trial.

Refer to the Replacement Prospectus and the Company's announcements on 30 October 2023 and 31 October 2023 for further details.

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About Paradigm Biopharmaceuticals Ltd.

Paradigm Biopharmaceuticals Ltd. (ASX:PAR) is a late-stage drug development company driven by a purpose to improve patients' health and quality of life by discovering, developing, and delivering pharmaceutical therapies. Paradigm's current focus is developing injectable (subcutaneous) pentosan polysulfate sodium (**iPPS**) for the treatment of diseases where inflammation plays a major pathogenic role, indicating a need for the anti-inflammatory and tissue regenerative properties of iPPS, such as in osteoarthritis (phase 3) and mucopolysaccharidosis (phase 2).

Forward Looking Statements

This Company announcement contains forward-looking statements, including statements regarding anticipated commencement dates or completions dates of preclinical or clinical trials, regulatory developments and regulatory approval. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this presentation. Readers are cautioned not to put undue reliance on forward-looking statements.

To learn more please visit: <https://paradigmbiopharma.com>

Approved for release by the Paradigm Board of Directors.

FOR FURTHER INFORMATION PLEASE CONTACT:

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