

Successful completion of Entitlement Offer

Paradigm Biopharmaceuticals Ltd (ASX: PAR) ("Paradigm" or "the Company"), a late-stage drug development company is pleased to advise the successful completion of the fully underwritten 1 for 15 pro-rata non renounceable entitlement offer (**Entitlement Offer**) announced on the 15th August 2022. The Entitlement Offer closed at 5:00pm (Sydney time) on Wednesday, 7th September 2022.

Capital Raising Overview

Bell Potter Securities Limited acted as sole lead manager and underwriter to the fully underwritten capital raising, comprising:

- Institutional placement (**Placement**) of new fully paid ordinary shares in PAR to raise approximately \$45.7 million under Paradigm's existing LR7.1 capacity; and
- 1 for 15 pro-rata non renounceable **Entitlement Offer** of new fully paid ordinary shares in PAR to eligible shareholders to raise approximately \$20.3 million.

Entitlement Offer

The Entitlement Offer of \$20.3 million comprised the issue of approximately 15.6 million shares (**New Shares**) at a price of \$1.30 per share. Eligible shareholders took up approximately 3.58 million New Shares, representing a total take-up rate of approximately 23%.

New Shares issued under the Entitlement Offer shortfall will be subscribed for by the underwriter to the Entitlement Offer, Bell Potter Securities Limited (**Underwriter**) or sub-underwriters, in accordance with the underwriting agreement between the Company and the Underwriter. The Entitlement Offer was fully sub-underwritten by Domestic and International institutional investors.

All New Shares to be issued under the Entitlement Offer will rank equally with existing PAR fully paid ordinary shares in all respects. New Shares under the Entitlement Offer are expected to be issued on Wednesday, 14th September 2022 and commence normal trading on Thursday, 15th September 2022.

Key Dates

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| Settlement of New Shares under the Entitlement Offer | Tuesday, 13 th September 2022 |
| Allotment of New Shares under the Entitlement Offer | Wednesday, 14 th September 2022 |
| Normal trading of Entitlement Offer shares | Thursday, 15 th September 2022 |

Upcoming near-term Milestones

Paradigm expects to report top-line data during September from the phase 2 study exploring change in synovial fluid biomarkers associated with joint destruction in knee OA patients. Data reported will include the change in baseline of synovial fluid biomarkers following treatment once and twice weekly with Zilosul® versus placebo. Clinical endpoints of improvements in WOMAC® pain and function following Zilosul® treatment versus placebo at day 56 will also be reported. The data collected from this phase 2 study will be the first OA clinical trial data reported by Paradigm since the release of the Phase 2B (PARA_OA_005) clinical trial data in 2018. The collective analyses of pain, function, joint structure, and biomarker levels following PPS therapy will provide informative data to assess the potential of PPS as a disease-modifying osteoarthritis drug (**DMOAD**).

To generate further data establishing the *in vivo* mechanism of action of PPS in disease modification and provide complementary data in parallel with the PARA_OA_008 human clinical trial, Paradigm is concurrently conducting a trial in dogs with naturally occurring OA at the U-Vet Werribee Animal Hospital.

Paradigm intends to have data from the canine OA model available for release to the market along with the interim analysis data from PARA_OA_008 in September.

About Paradigm Biopharmaceuticals

Paradigm Biopharmaceuticals LTD (ASX: PAR) is a late-stage drug development company with the mission to develop and commercialise Pentosan Polysulfate Sodium for the treatment of pain associated with musculoskeletal disorders driven by injury, inflammation, aging, degenerative disease, infection or genetic predisposition. Paradigm is also exploring proof-of-concept studies for the use of PPS in respiratory and heart failure indications.

Authorised for release by the Paradigm Board of Directors.

To learn more please visit: www.paradigmbiopharma.com

FOR FURTHER INFORMATION PLEASE CONTACT:

Simon White

Director of Investor Relations

Tel: +61 404 216 467

Paradigm Biopharmaceuticals Ltd

ABN: 94 169 346 963

Level 15, 500 Collins St, Melbourne, VIC, 3000, AUSTRALIA

Email: investorrelations@paradigmbiopharma.com