Commercialising a New Class of Synthetic Anti-Infectives

RECCE PHARMACEUTICALS LIMITED | (ASX:RCE)(FSE:R9Q)

EQUITY RAISING PRESENTATION | APRIL 2025

Important Notice and Disclaimer

Disclaimer

This presentation is dated 10 April 2025 and has been prepared by Recce Pharmaceuticals Limited (ACN 124 849 065) (**Recce** or the **Company**) in connection with a placement and entitlement offer of new fully paid ordinary shares (New Shares) in the Company (the **Offer**). By receiving this presentation, you are agreeing to the following restrictions and limitations.

Summary Information

This presentation contains summary information about Recce and its subsidiaries, and their activities current as at the date of the presentation. The information in this presentation is general in nature and does not purport to be complete, nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Recce. The historical information in this presentation is, or is based upon, information that has been released to the ASX. This presentation should be read in conjunction with Recce's other periodic and continuous disclosure announcements lodged with ASX, which are available at www.asx.com.au. The information contained in this presentation is provided as at the date of this presentation (unless otherwise stated) and is subject to change without notice. Recce is not obligated to update it or correct it.

Not An Offer

This presentation is for information purposes only and is not a prospectus, product disclosure statement or other disclosure or offer document under Australian law or under any other law. It will not be lodged with the Australian Securities and Investments Commission ("ASIC") or any other local or foreign regulator or law. This presentation is not an offer or an invitation to acquire the New Shares or any other financial products in any jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer or invitation. The New Shares will only be offered or issued in Australia to investors to whom offers and issues of New Shares may lawfully be made in Australia without the need for disclosure to investors under Chapter 6D of the Corporations Act 2001 (Cth). The distribution of this presentation and the offer of New Shares is restricted in jurisdictions outside Australia. You should read the restrictions set out in the section of this presentation headed "International Selling Restrictions" for more information. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. By accepting this presentation, you represent and warrant that you are entitled to receive this presentation in accordance with those restrictions and agree to be bound by them and any other limitations contained in this presentation.

In particular, this presentation may not be released to US wire services or distributed in the United States. This presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or any other jurisdiction in which such an offer would be illegal. The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

Important Notice and Disclaimer

Not Financial Product Advice

This presentation does not, and does not purport to, contain all the information necessary to make an investment decision, is not intended as investment or financial advice (nor tax, accounting or legal advice) or any recommendation to acquire New Shares, and must not be relied upon as such and does not and will not form any part of any contract or commitment for the acquisition of New Shares. Any decision to buy or sell securities or other products should be made only after seeking appropriate financial advice. This presentation is of a general nature and does not take into consideration the individual investment objectives, financial situation or particular needs of any particular investor. Before making any investment decision, you should consider the appropriateness of the information having regard to your own objectives, financial situation and particular needs, and seek appropriate professional advice from your stockbroker, solicitor, accountant or other independent and qualified professional adviser. Each recipient of this presentation should make their own enquiries and investigations regarding all information included in it, including the assumptions, uncertainties and contingencies which may affect Recce's future operations, and the impact that future outcomes may have on Recce and its controlled entities (the "Group"). For more information about Recce, visit the website at www.recce.com.au.

Investment Risk

An investment in Recce is subject to both known and unknown risks, some of which are beyond the control of Recce and its directors. Recce does not guarantee any particular rate of return or the performance of Recce nor does it guarantee any particular tax treatment. You should have regard to the risk factors outlined in the section of this presentation headed "Key Risks" when making your investment decision. Cooling off rights do not apply to the acquisition of New Shares.

Financial Data

Unless otherwise stated, or as the context requires, all figures in this presentation are in Australian dollars. Certain financial information and measures included in this presentation are (i) "non-IFRS financial information" under ASIC Regulatory Guide 230: "Disclosing non-IFRS financial information" and (ii) "non-GAAP financial measures" under Regulation G issued by the U.S. Securities and Exchange Commission ("SEC") and are not recognised under Australian Accounting Standards ("AAS") and International Financial Reporting Standards ("IFRS"). Therefore, the non-IFRS/non-GAAP financial information may not be comparable to similarly titled measures presented by other entities and should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS. Recce believes these non-IFRS/non-GAAP financial measures provide useful information to investors in measuring the financial performance and condition of its business. However, investors should note that the non-IFRS/non-GAAP financial measures do not have standardised meanings prescribed by AAS or IFRS. Investors are therefore cautioned to not place undue reliance on any non-IFRS/non- GAAP financial information included in this presentation.

This presentation includes certain pro forma financial information (to reflect the impact of the equity raising). The pro forma historical financial information provided in this presentation is for illustrative purposes only and is not represented as being indicative of Recce's views on its future financial position and/or performance. The pro forma historical financial information has been prepared by Recce in accordance with the measurement and recognition principles, but not the disclosure requirements, prescribed by the AAS. In addition, the pro forma financial information in this presentation does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of SEC. A number of figures, amounts, percentages, estimates, calculations of value and fractions in this presentation are subject to the effect of rounding. Accordingly, the precise calculation of these figures may differ from the figures set out in this presentation.

Important Notice and Disclaimer

Past Performance

No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of Recce or its directors, or any of their employees or agents, nor any other person accepts any liability, including, without limitation, any liability arising out of fault or negligence, for any loss arising from the use of the information contained in this presentation. In particular, no representation or warranty, express or implied is given as to the accuracy, completeness or correctness, likelihood of achievement or reasonableness of any forecasts, projections, prospects or returns contained in this presentation, nor is any obligation assumed to update such information. Such forecasts, prospects or returns are by their nature subject to significant uncertainties and contingencies.

Past performance and pro forma historical financial information is given for illustrative purposes only. It should not be relied on and is not an indication of future performance, including future share prices. For further details on historical information relating to the Group, you should see past announcements that Recce has released to ASX.

Market Data

Certain market and industry data used in this presentation may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. Neither Recce nor its representatives or its advisers have independently verified any such market or industry data provided by third parties or industry or general publications.

Future Performance and Forward-Looking Statements

This presentation contains certain “forward-looking statements”. Forward-looking statements can generally be identified by the use of forward-looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “continue”, “should”, “could”, “predict”, “objectives”, “outlook”, “guidance” or other similar words, statements regarding certain plans, strategies and objectives of management, indications of and guidance or outlook on production estimates and targets, statements about current and future plans regarding exploration, statements about the outcome and effect of the proposed Placement, statements about other opportunities, and expected future earnings and financial earnings and performance.

Forward looking statements, opinions and estimates provided in this presentation are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks, uncertainties and other factors, which are outside the control of Recce and any of its officers, employees, agents or associates. This also includes statements about market and industry trends, which are based on interpretations of current market conditions. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Forward-looking statements may be affected by a range of variables, including but not limited to the risks described in this presentation under the section headed "Key Risks". Investors are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility and uncertainty. Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

These statements may assume the success of Recce’s business strategies, the success of which may not be realised within the period for which the forward-looking statement may have been prepared, or at all. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this presentation. Except as required by law or regulation (including the ASX Listing Rules), none of Recce, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

Executive Summary

Commercialising a new class of synthetic anti-infectives

Overview of Recce Pharmaceuticals	• Recce Pharmaceuticals Limited (**Recce** or the **Company**) is developing a New Class of Synthetic Anti-Infectives with the potential to overcome antibiotic-resistant superbugs – the challenge of all antibiotics to date • Lead drug candidate RECCE® 327 is recognized by the World Health Organization as one of the world's most clinically advanced new classes of antibiotics - the first in over 40 years • Recce has a strong pipeline of Phase II / III clinical trials across multiple key geographies with significant revenue catalysts over the next 12 months
Key milestones over the next 12 months	• Registrational Phase III clinical trial of R327 topical gel in Indonesia - the catalyst for revenues in CY2026 • Successful ABSSSI Phase II R327 topical gel clinical trial progressing to a Registrational Phase III clinical trial in Australia on-track to launch mid-year • USA Department of Defense Burns Grant of US$2.2 million (~A$3.3 million) facilitating late-stage pre-clinical data
Registrational Phase III trial catalyst for revenue in 2026	• Memorandum of Understanding (MoU) with leading biomedical company PT Etana Biotechnologies (**Etana**) to facilitate late-stage clinical trials in Indonesia, supporting the Indonesian Government's access to novel infectious disease medicines • Approval received from the Indonesian Drug and Food Regulatory Authority, Badan POM, to initiate Registrational Phase III clinical trial • Awarded expedited regulatory review status in Indonesia to fast-track progression of Phase III trial; brings forward commercial opportunities in ASEAN region • Opportunity to access 10 ASEAN member states covering a population of 680 million inhabitants as well as other geographic regions • Significant bilateral initiative supported by Australian and Indonesian Governments

Capital raising to advance Phase III trials and commercialisation	• A$5.0 million placement and up to ~A$10.8 million 1-for-6 non-renounceable entitlement offer to raise up to a total of ~A$15.8 million (the **Offer**)
	• Funds raised under the Offer will fund significant clinical trials for topical treatments in Indonesia which will progress Recce through to commercialisation, Phase III trials in Australia, continued development of pre-clinical portfolio, Investigational New Drug Application to the FDA and working capital
	• Offer price of A$0.28 per new share (**Offer Price**), which represents a:
	  ○ 13.8% discount to the last traded price (A$0.325) on 9 April 2025
	  ○ 19.8% discount to the 10-day VWAP (A$0.3492) as at 9 April 2025
	  ○ 11.4% to the theoretical ex-rights price (**TERP**) of A$0.3162 per share as at 9 April 2025 (assuming full take-up under the Entitlement Offer)
	• Post completion, Recce will have available funding of up to ~$17.7 million*.

**Includes cash balance as at 31 December 2024 of A$1.9 million plus Offer Proceeds (before Offer costs), assuming full take-up under the Entitlement Offer.*

Company Overview

Leading, Australian Anti-Infective Company

Near-term commercialisation pathway expected to launch in 2026

Products address the global healthcare crisis of antibiotic resistance

Phase III in Indonesia of lead asset RECCE® 327 Gel **for the treatment of Diabetic Foot Infections – Expected launch in 2026 and opens gateway to ASEAN and other markets**

Multiple clinical indications and formulations in Phase I and II **addressing unmet medical needs**

US FDA Qualified Infectious Disease Product designation provides 10 years of market exclusivity plus fast-track approval*

World Health Organization added RECCE® compounds to its list of antibacterial products in clinical development for priority pathogens

Awarded by the US FDA in 2017 for R327 bacteraemia (broad-spectrum bacterial sepsis). Time starts only from potential market approval

Synthetic Anti-Infectives

The need for a new class of antibiotics

On-track to be the only **global clinical stage company** whose drug is shown to be **efficacious** against the full suite of **ESKAPE pathogens**

NO pre-formed natural superbugs

Very broad-spectrum coverage of bacteria with **no signs of resistance**

Universal Mechanism of Action - does not succumb to resistance

Unprecedented, broad-spectrum activity against Gram +ve and Gram -ve bacteria and maintains its activity even with repeated use

Extremely rapid onset of effect – measured in minutes as compared to hours for typical antibiotics

Multiple formulations available – intravenous, topical liquid, topical gel and aerosol for inhalation or intranasal

Large Addressable Market

The global diabetic foot infection (DFI) and sepsis market is worth over $US9.1 billion

- The DFI treatment market is estimated to be worth ~US$5.2 billion[1]
- Initially targeting Indonesian market valued at ~US$189 million where DFI impacts 11% of the population[2]
- Significant near-term opportunity for Recce with registrational Phase III trials anticipated to be completed in FY26 paving the way for future revenues
- Indonesian approvals provide access to the broader Asia Pacific market worth **~US$1.0 billion per year**[3]

- The global sepsis therapeutics market size is anticipated to reach US$5.64 billion by 2030, growing at a CAGR of 6.18% from 2025 to 2030[4]
- Recce is initially targeting US and Australian markets worth **in excess of US$1.5 billion**[4]

~US$135.4B

Estimated value of the significant **additional market opportunities** in the broader anti-infectives market

Recce already exploring opportunities in burn wound infections, skin and soft tissue infections post operation[5]

Source: (1) Grand View Research, Diabetic Foot Ulcer Treatment Market Size, 2023 (2) Diabetes Atlas, International Diabetic Federation and Prof EM Yunir, Faculty of Medicines, University of Indonesia. (3) Business Market Insights, Asia Pacific Diabetic Foot Ulcer Market, 2021 (4) ResearchandMarkets, Global Sepsis Therapeutics, 2024 (5) Grand View Research, Anti-Infective Agents Market Size, 2023

Program Pipeline for 2025

Various indications and upcoming inflection points

Program	Indications	Discovery	Pre-clinical	Phase I	Phase II	Phase III	Market
R327 Topical Gel Registrational Trials	Diabetic Foot Infections Indonesia (ASEAN)			**Phase III starts H1 2025**			
	Diabetic Foot Infections Australia						
	Diabetic Foot Infections USA – IND			**IND Late 2025/Early 2026**			
R327 Topical Gel	Acute Bacterial Skin and Skin Structure Infections (ABSSSI) Australia						
R327 Intravenous and Backups	cUTI/Hospital and Ventilator Acquired Pneumonia Other Serious Infections						
Aerosol for Inhalation	Hospital-acquired Pneumonia Ventilator-associated Pneumonia Serious Lung Infections						
Civil and Dept of Defense Programs	Burn Wound Infections						

U.S. Army Medical Research and Materiel Command

- Approval received from the Indonesian Drug and Food Regulation Authority, Badan POM, to initiate its Registrational Phase III clinical trial in Indonesia
- ABSSSI includes postoperative infection, wound infections and diabetic foot infections
- Completed pilot civil Phase II Burn Wound Infections Study; US$2M grant for Department of Defense pre-clinical pipeline in progress

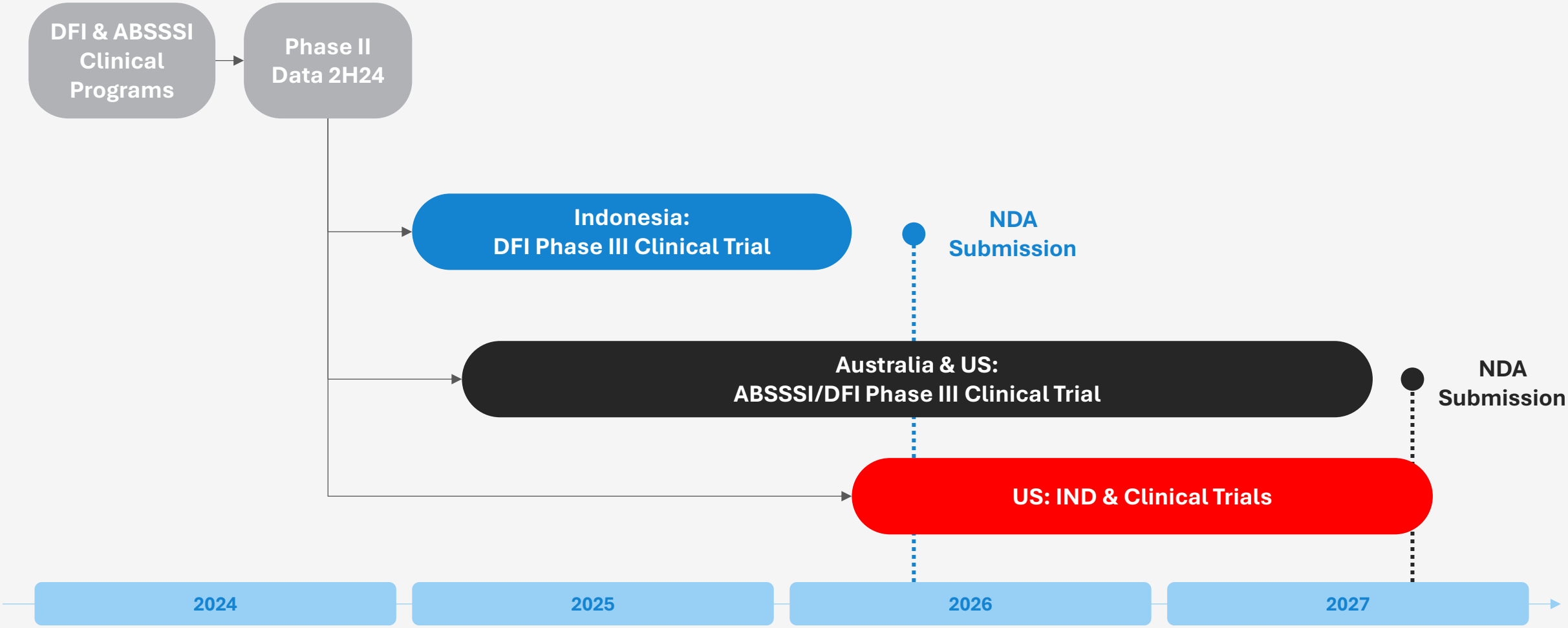
Multiple Clinical Milestones – Achieved and Upcoming

Significant milestones anticipated in 2025

Pre FY2025	Previous 12 Months	2025 and 2026
✓ Phase I/II Clinical Trial for the Treatment of Burn Wound Infections Phase I complete	✓ Phase II Acute Bacterial Skin and Skin Structure Infections (ABSSSI) including Diabetic Foot Infections (DFI) clinical trial complete, meeting all endpoints	○ Launch Registrational Phase III trial for DFI in Indonesia
✓ R327G indicated positive clinical response in the treatment of multiple antibiotic-resistant infections under TGA Special Access Scheme Category A	✓ US Department of Defense grants US$2.0 million funding to accelerate development of R327 for acute treatment of burn wound infections	○ Launch Registrational Phase III trial for ABSSSI in Australia
✓ R327 Phase I/II UTI/Urosepsis Rapid Infusion Clinical Trial - safe and well tolerated at faster infusion rates ~30min for 2,500mg and 3,000mg	✓ Regulatory and ethics approval received for Indonesian Registrational Phase III trial in Diabetic Foot Infections	○ Commencement of US Department of Defense Burn Wound Program
✓ MoU with PT Etana Biotechnologies Indonesia to work collaboratively on R&D, production, distribution and commercialisation of R327		○ File Investigational New Drug Application for R327 in the USA
		○ Launch Phase II UTI/Urosepsis Clinical Trial (with data readouts throughout)

Commercialisation Pathway in DFI and ABSSSI:

Positive Phase II and SAS data → Start Phase III in DFI



Experienced Board of Directors

Dr John Prendergast – Chairman

BSc (Hons), MSc (UNSW), PhD (UNSW), CSS (HU)

US-based, current Chairman and Co-founder of Palatin Technologies, Inc. (NYSE: PTN) and Lead Director of Nighthawk Biosciences (NYSE: HHWK). With extensive experience in the international commercialisation of pharmaceutical technologies, Dr Prendergast has been responsible for the approval of three new drug applications.

Michele Dilizia – Executive Director & Chief Scientific Officer

BSc (Med Sci), Grad Dip Bus (Mkting), BA (Journ), GAICD, MASM

Co-inventor and qualified medical scientist with a specialisation in medical microbiology and regulatory affairs. Ms Dilizia successfully co-led the research and development of Recce's suite of anti- infective compounds, resulting in a portfolio of granted patents across the globe, including a Qualified Infectious Disease Product designation with the U.S. FDA.

James Graham – Managing Director & Chief Executive Officer

BCom (Entrepreneurship), GAICD

Six years as former Executive Director and extensive experience in marketing, business development and commercialisation of early-stage technologies with global potential. Mr Graham has served on Recce's Board of Directors for six years with a focus on expanding Recce's commercial opportunities and clinical initiatives.

Dr Justin Ward – Executive Director & Principal Quality Chemist

BSc (Chem), PhD (Chem), M Pharm, MRACI, CChem

A quality control expert who has worked with leading pharmaceutical companies. He previously held a technical role with Pfizer, involving providing data for the regulatory submissions to the FDA and TGA. Dr Ward is bringing Recce's research and development and manufacturing up to US FDA requirements.

Dr Alan Dunton – Chief Medical Advisor & Non-Executive Director

BSc (BioChem) Hons, M.D. (NYU)

US based, Director of Palatin Technologies. Over three decades of senior pharmaceutical experience incl. President and MD of Janssen Research Foundation (Johnson & Johnson). Advanced several blockbuster antibiotics through regulatory review and commercialisation at Fortune 500 companies including Roche. Responsible for the approval of approximately 20 New Drug Applications; an amalgamation of prescription and OTC products.

Alistair McKeough – Non-Executive Director

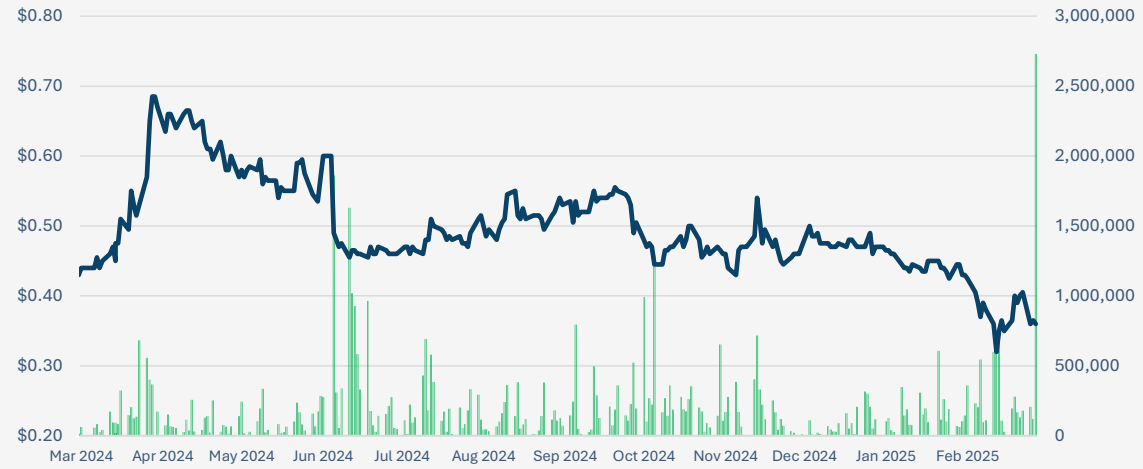
Alistair is a qualified lawyer and specialises in complex commercial matters that require careful and strategic planning. Mr McKeough has extensive experience advising ASX-listed companies and their directors.

Company Overview: Recce Pharmaceuticals Ltd

A clinical-stage Australian biotech company with a new class of synthetic anti-infectives

Capital Structure – March 2025	
ASX & FSE Code	RCE, R9Q
Share Price	**AUD $0.37**
3-Month Average Daily Volume	115.49k
Shares on Issue	**231.87 million**
Unlisted Options (Avg $1.54)	13.9 million
Market Capitalisation	**AUD $84.6 million**
Cash at Bank*	AUD $1.94 million
Top 20 Shareholders	**50%**
Debt	Nil

Share Price & Volume – March 2025



Proprietary **first-in-class, broad-spectrum anti-infectives** against bacteria

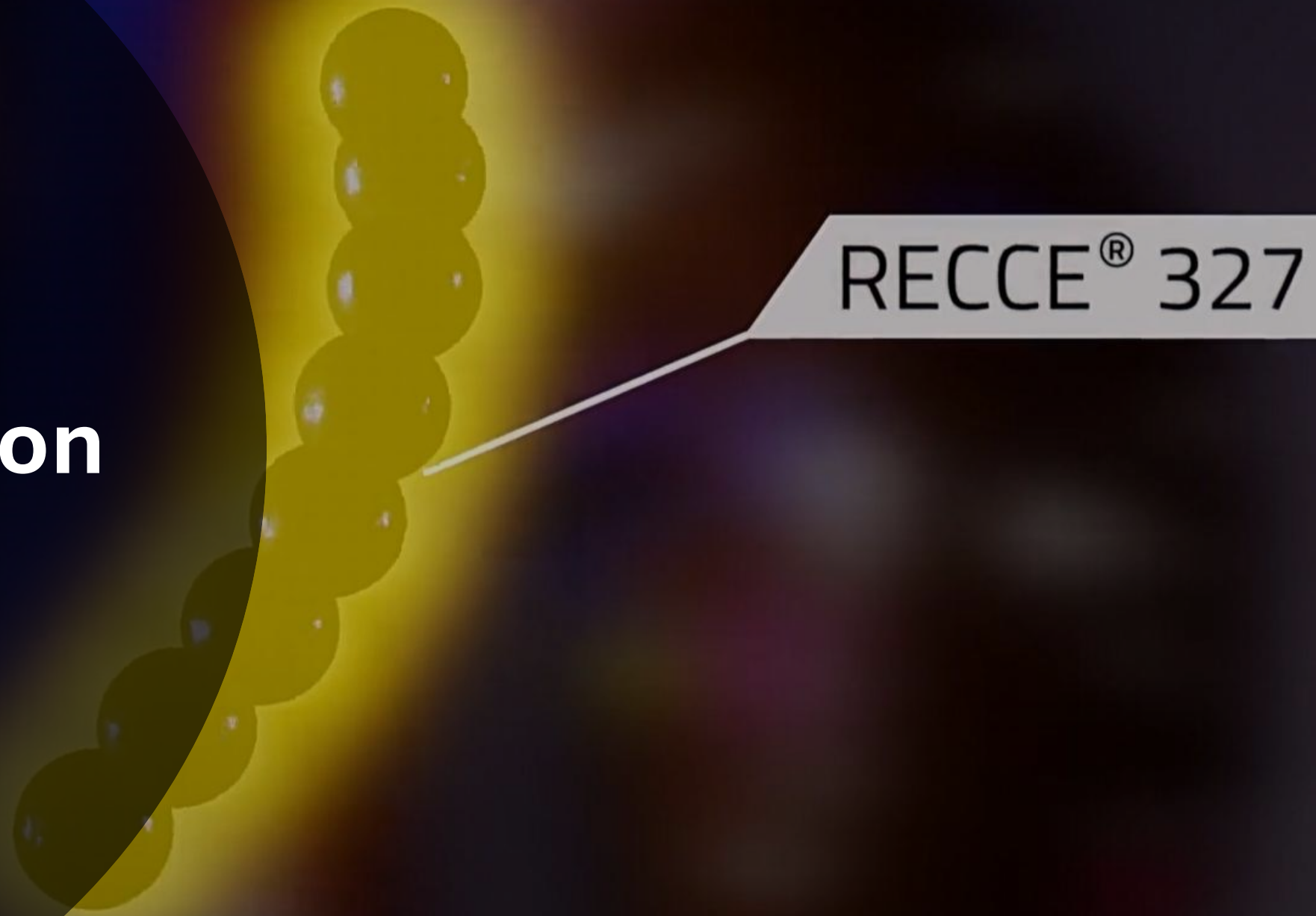
Australian Government awarded AUD $54,947,284 (USD $37,043,433) with Advanced Overseas Finding across RCE infectious disease portfolio**

I.V. and topical treatments advancing for UTI/Urosepsis and Acute Bacterial Skin and Skin Structure Infections (ABSSSI) including DFI; as well as US Department of Defense Burn Wound Program and Indonesian clinical trials for topical treatments.

Multiple clinical indications and formulations in Phase I and Phase II addressing unmet medical needs: **Sepsis, UTI/Urosepsis, Burn Wounds and ABSSSI, including Diabetic Foot Infections**

**Cash balance does not reflect Q3, 2024 announced U.S. Department of Defense Army burn wound grant of US$2.0 million (~A$3 million) or anticipated additional R&D advance funds.*
***The Advanced Finding is a binding, underwritten guarantee provided by the Australian Government, which affirms the Company's R&D activities are of national interest and extends the 43.5% R&D rebate from locally, to cover those undertaken by the Company anywhere in the world for a period of three years. This finding does not constitute a grant, or an upfront payment of the amount awarded*

R327 Solution



Independent Study Undertaken on RECCE® 327 MoA[1]

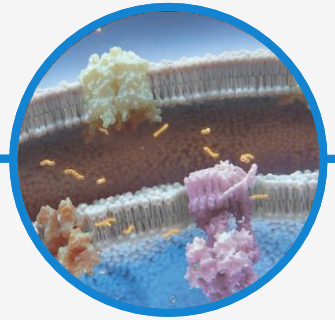
Linnaeus Biosciences MoA studies of R327

Recce products work via a NOVEL MECHANISM which targets rapid access to and shut down of bacterial energy production (ATP), **which results in bacterial death of both active and resting bacteria**

Stage 1

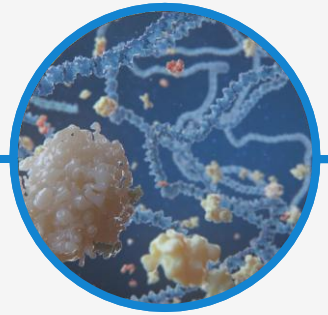
R327 targets and irreversibly bind to essential bacterial proteins

Stage 2



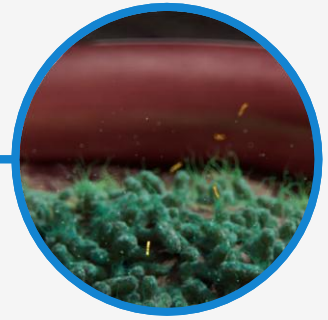
R327 interferes with bacterial cellular metabolism and energy production at or near the cell surface, depleting ATP

Stage 3



R327 kills bacteria rapidly without inducing cell lysis

Stage 4



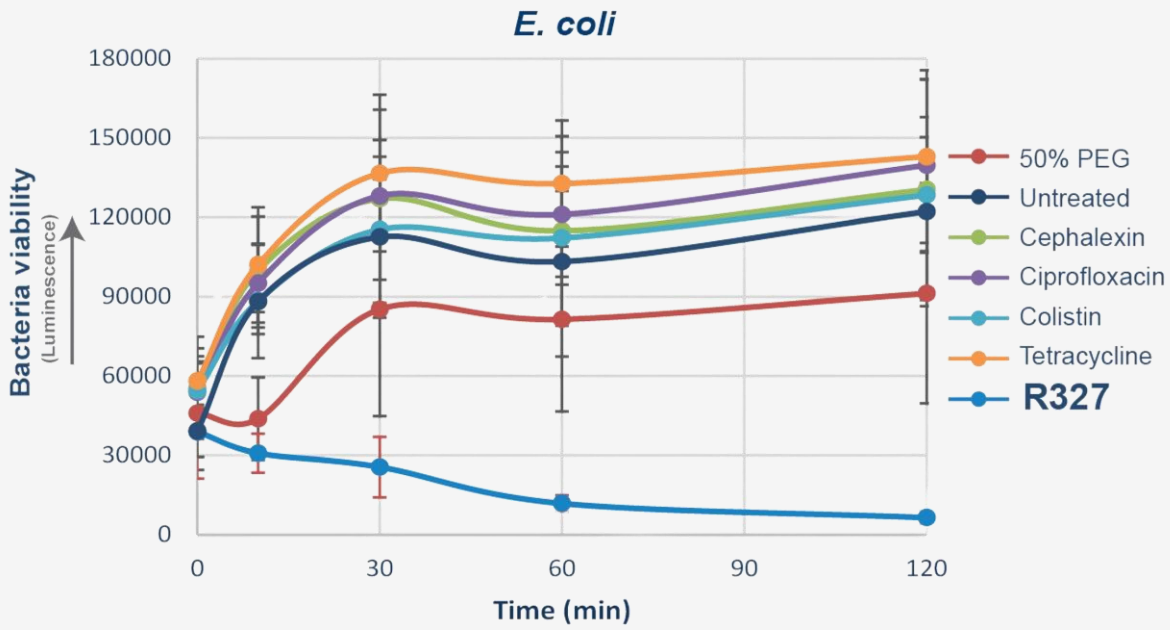
R327 is rapidly and irreversibly bactericidal

Note (1): Dilizia, M., Tsunemoto, H., Quach, D. et al. Elucidating the Mechanism of Action of Novel Polymer-based Synthetic Anti-infective Compound RECCE 327 - Abstract

R327 Faster Acting Than Existing Antibiotics

No prolonged exposure needed

R327 is faster-acting against bacteria than other antibiotics – works quickly, without prolonged cellular exposure times required of other antibiotics (extended exposures commonly associated with systemic toxicity)



R327 shuts down ATP production, the driver of bacterial energy irreversibly in minutes

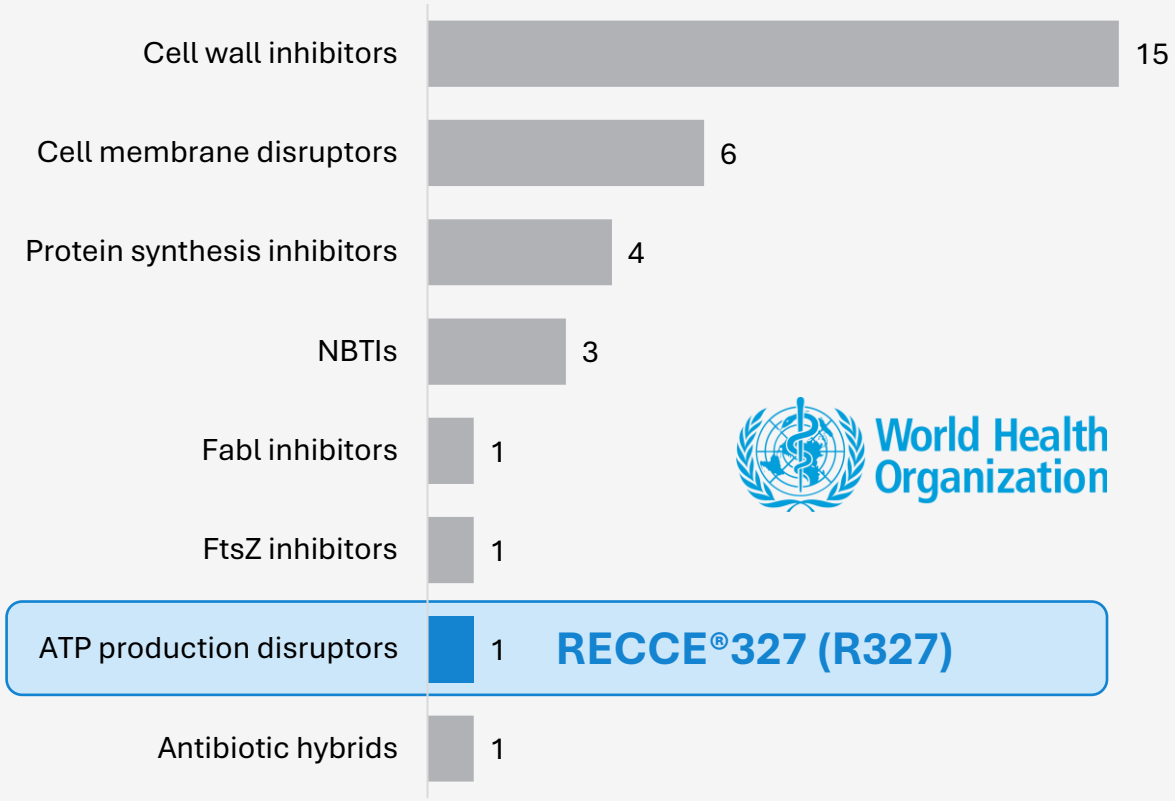
Because of its unique MoA, R327 kills pathogenic bacteria at a faster rate than any known antibiotic and it is the only clinical candidate currently being developed to target ATP disruption

> **R327 kills bacteria in conditions where other antibiotics are ineffective**
>
> - Marc Sharp, PhD, Chief Scientific Officer, Linnaeus Bioscience

RECCE® 327 – Global Recognition

R327 added to WHO's list of antibacterial products in clinical development

Number of compounds by antibiotic class



Global recognition by the World Health Organization (WHO): Inclusion underscores significance of R327 in combating antimicrobial resistance

Unique Mechanism of Action: R327 uniquely classified as an adenosine triphosphate (ATP) production disruptor, **the only compound under this category**

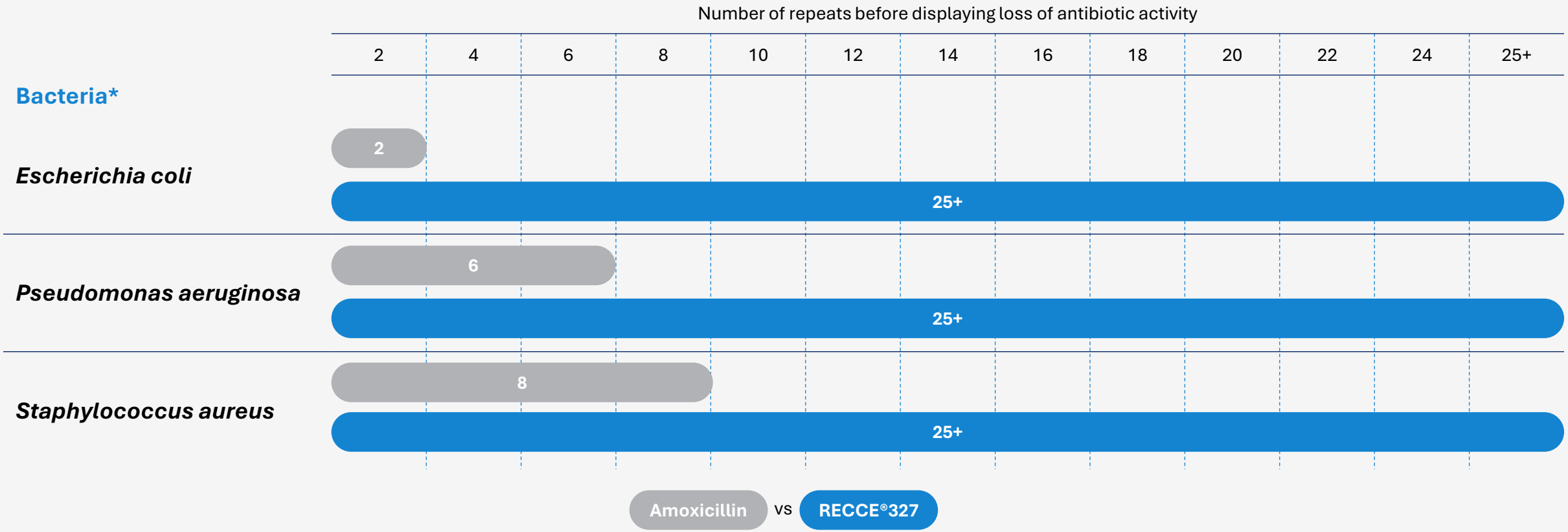
R327 recognised as a novel treatment: For a broad range of life-threatening and resistant bacteria

The WHO report covers traditional and non-traditional antibacterial agents in development worldwide and evaluates to what extent the present pipeline addresses infections caused by priority pathogens

RECCE® 327 – *NO RESISTANCE* on Serial Passaging

Amoxicillin loses activity after a maximum of 8 repeats; RECCE® 327 remains active for more than 25 repeats

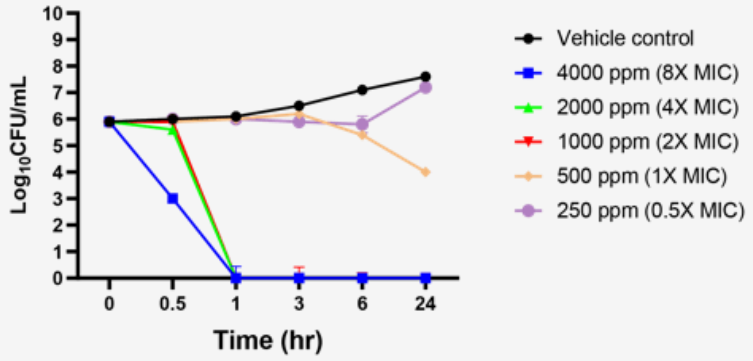
25 repeats at time of discovery was sufficient for PCT patent applications, with no sign of resistance



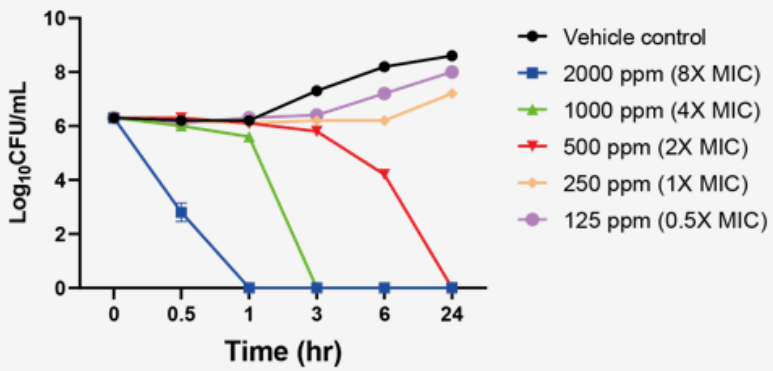
*Antibiotic Sensitive Strains

Broad-Spectrum of Coverage of RECCE® 327 *in vitro* against ESKAPE Pathogens-Bactericidal Effect

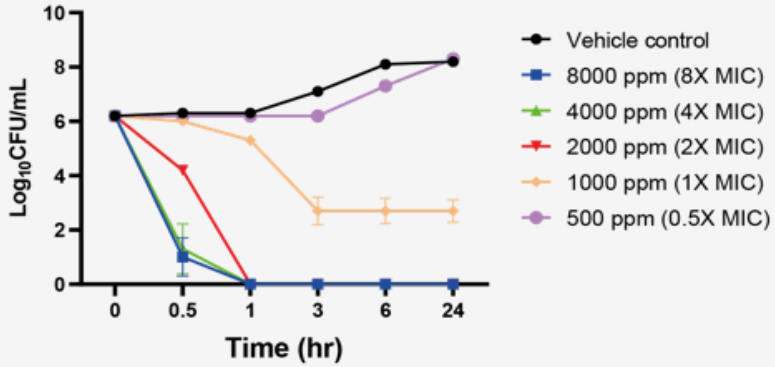
E. faecium ATCC 19434



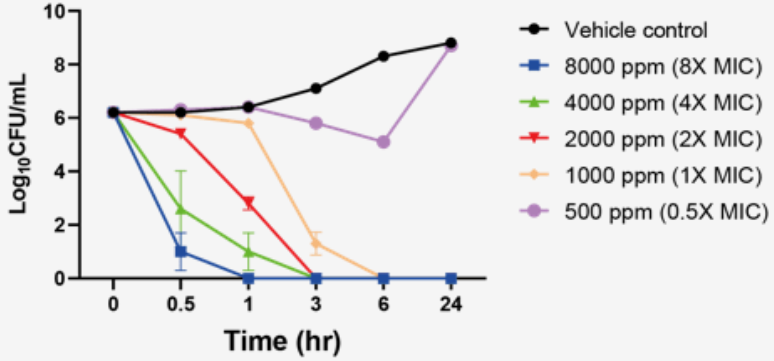
S. aureus ATCC 29213



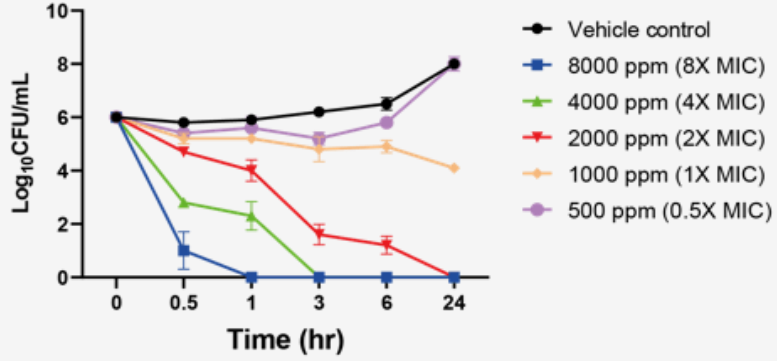
K. pneumoniae ATCC 43816



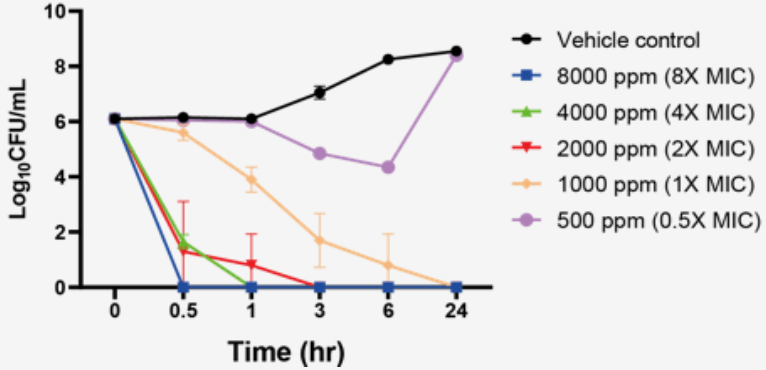
A. baumannii ATCC 17978



P. aeruginosa ATCC 27853



Enterobacter cloacae ATCC 13047



- **Average time-kill curves of R327 at various concentrations against strains of ESKAPE pathogens (tested in duplicate)**
- Time-kill study was performed to determine the bacterial killing effect of R327 at five concentrations, ranging from 0.5X to 8X, MIC and to measure killing kinetics of treatment with R327 against each strain.

R327 Active Against all Tested Clinical Drug-Resistant Species

Test Bacteria	Antibiotic		# of strains resistant to comparator abx	# of strains resistant to R327
	Comparator abx	Total # of strains	(+/-)	
Klebsiella pneumoniae [1]	levofloxacin	66	**52**	0
Klebsiella pneumoniae [2]	imipenem	35	**13**	**0**
Acinetobacter baumannii [3]	levofloxacin	67	**48**	0
Acinetobacter baumannii [4]	imipenem	17	**12**	0
Pseudomonas aeruginosa	levofloxacin	85	**67**	0
Pseudomonas aeruginosa	imipenem	14	**10**	0

1. *Includes resistance genes e.g. KPC (12 strains including 5 strains KPC-2), NDM-1 (11 strains), OXA-48 (3 strains tested), CTX-M (45 strains)*
2. *includes resistance genes e.g. NDM-1 (4 strains tested); OXA (21 strains tested); CTX-M (24 strains tested); KPC (2 strains tested)*
3. *includes resistance genes e.g. OXA-23 (25 strains); VIM (1 strain); PER-7 (4 amino acid substitutions compared to PER-1)*
4. *includes resistance genes e.g. OXA-23## (26 strains), OXA24 (10 strains); TEM-1, armA*

These resistance genes are from Ukraine military patients

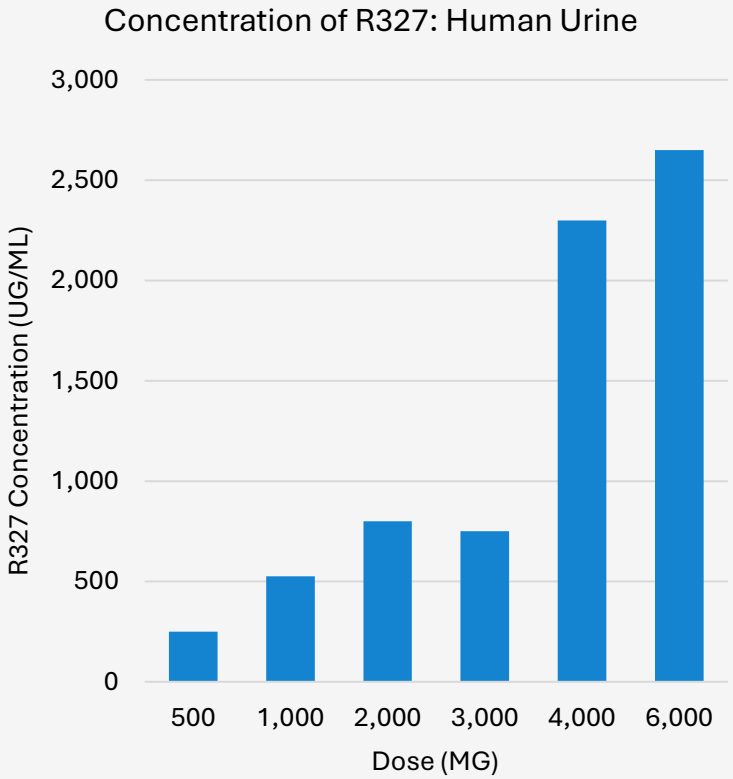
R327: Clinical Programs

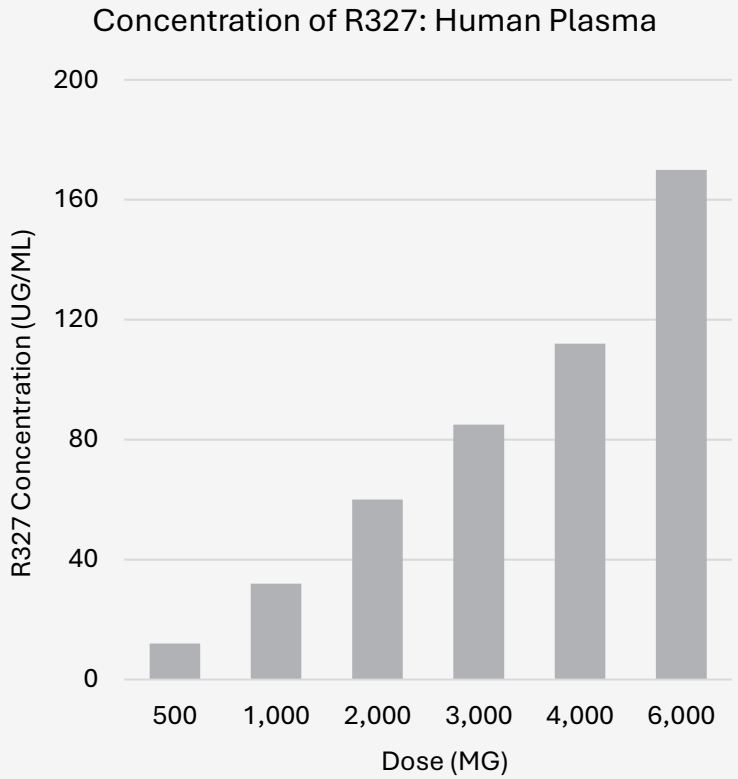
RECCE® 327 Phase I: Safety & PK Intravenous Study

Double-blind, placebo-controlled, single ascending-dose, in 80 healthy participants

- **Safe and well tolerated** at doses up to 4,000mg given as a 1-hour intravenous infusion
- **No Serious Adverse Events:** All AE's mild or moderate (some irritation, discomfort at infusion site mostly at 6,000mg, also in placebo)
- **No changes to outside normal limits** in any laboratory test, EKG or telemetry
- Concentrations of RECCE® 327 increased with dose
- t1/2 increased with dose: 3-5 hours at higher doses
- Urine concentrations were up to 20 times higher than plasma concentrations – potential complicated cUTI as an indication

RECCE® 327 Excreted Safely in High Concentration in Urine





- **R327 primary route of elimination** appears to be through the kidney to the ureters and bladder
- **High concentrations of R327** noted in the urine of Phase I healthy subjects
- **Insight consistent** with pre-clinical *in-vivo* kidney and UTI bacterial infection studies
- **Opportunities for therapeutic in array of UTIs** (uncomplicated UTI - single dose, complicated UTI, recurrent UTI, treatment resistant etc.)
- Suggests **broader anti-infective treatment model** in pre-sepsis

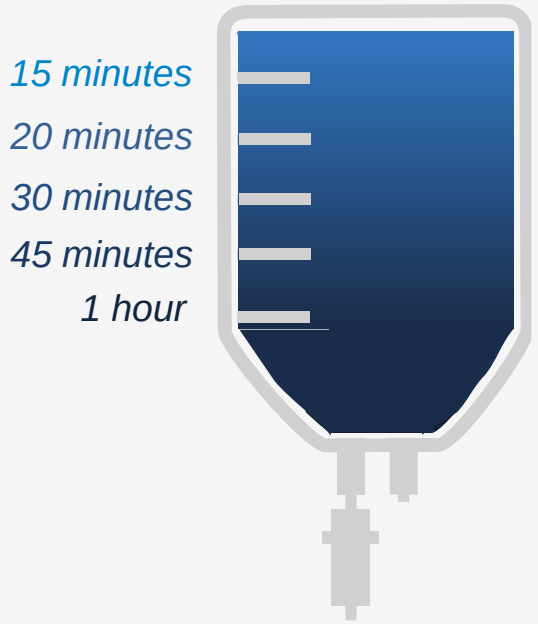
Concentration of R327 in Urine Compared to Plasma (from over 60 healthy subjects)						
Dose (MG)	500	1,000	2,000	3,000	4,000	6,000
Ratio Urine/Plasma	**16x**	**17x**	**14x**	**9x**	**21x**	**16x**

Phase I/II UTI/Urosepsis Rapid Infusion Clinical Trial

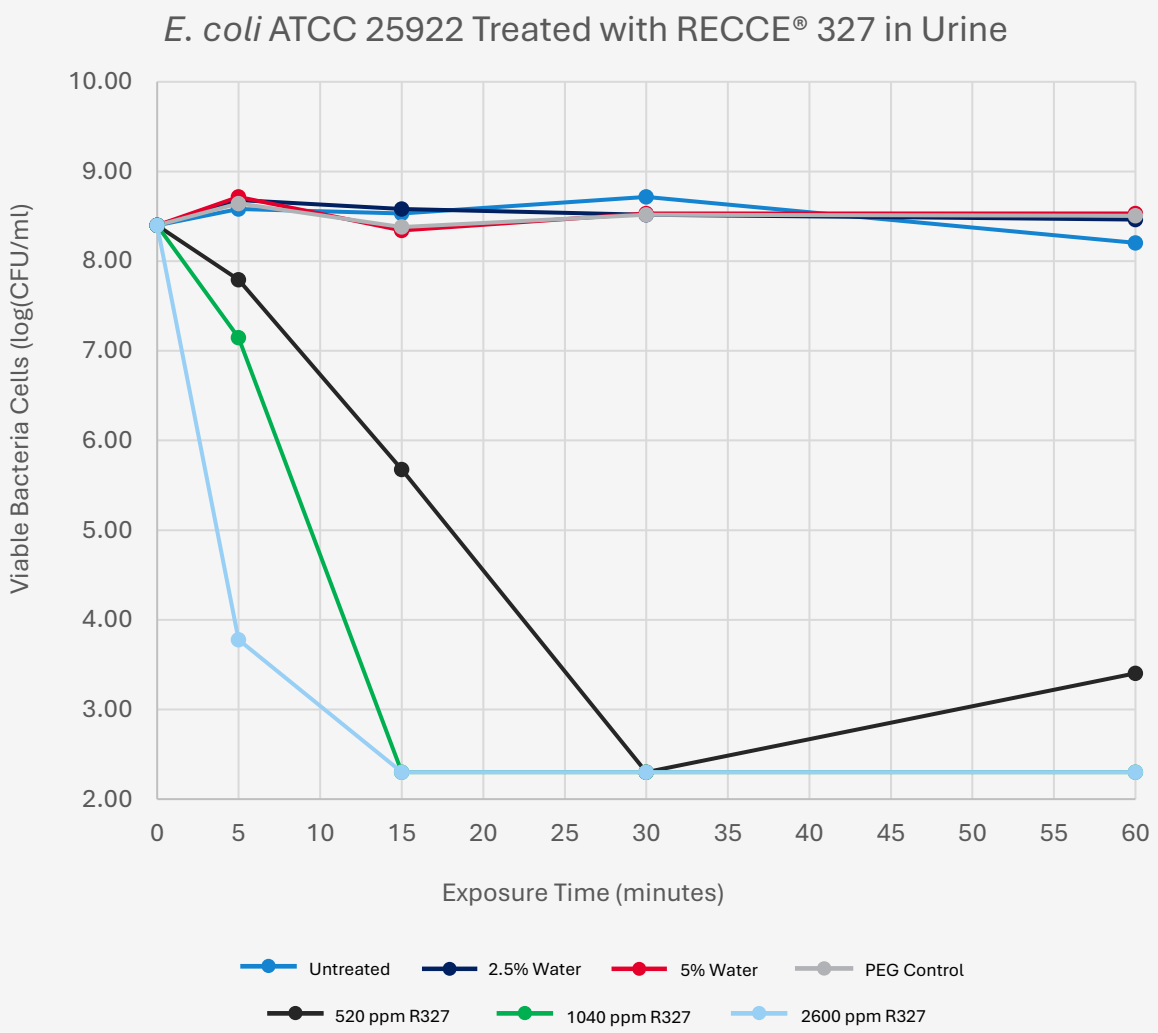
UTI's are responsible for about 30% of all sepsis infections, defined as 'Urosepsis'

R327 has achieved multiple 'fast infusion' time stamps in line with intended future regulatory submissions

Clinical Trial Complete	
Assessment	Assessing R327 at faster administration rates (<1 hour) Ability of Collected Urine to kill *E. coli* Bacteria (*ex vivo*)
Endpoint	No serious adverse events reported and no clinically significant changes in any laboratories, reinforcing safety profile of R327 Provided proof of ability in urine collected from volunteers dosed with R327 to kill *E. coli* (*ex vivo*)
Subjects	**Male and female** subjects dosed
Initial indication	Results from trial paves the way for **R327 as a potential first-line treatment for patients suffering from UTI/Urosepsis**
US FDA status	**Qualified Infectious Disease Product designation** - awarded by the US FDA in 2017 for R327 bacteraemia (broad-spectrum bacterial sepsis).



RECCE® 327 Kills Quickly in the Urine

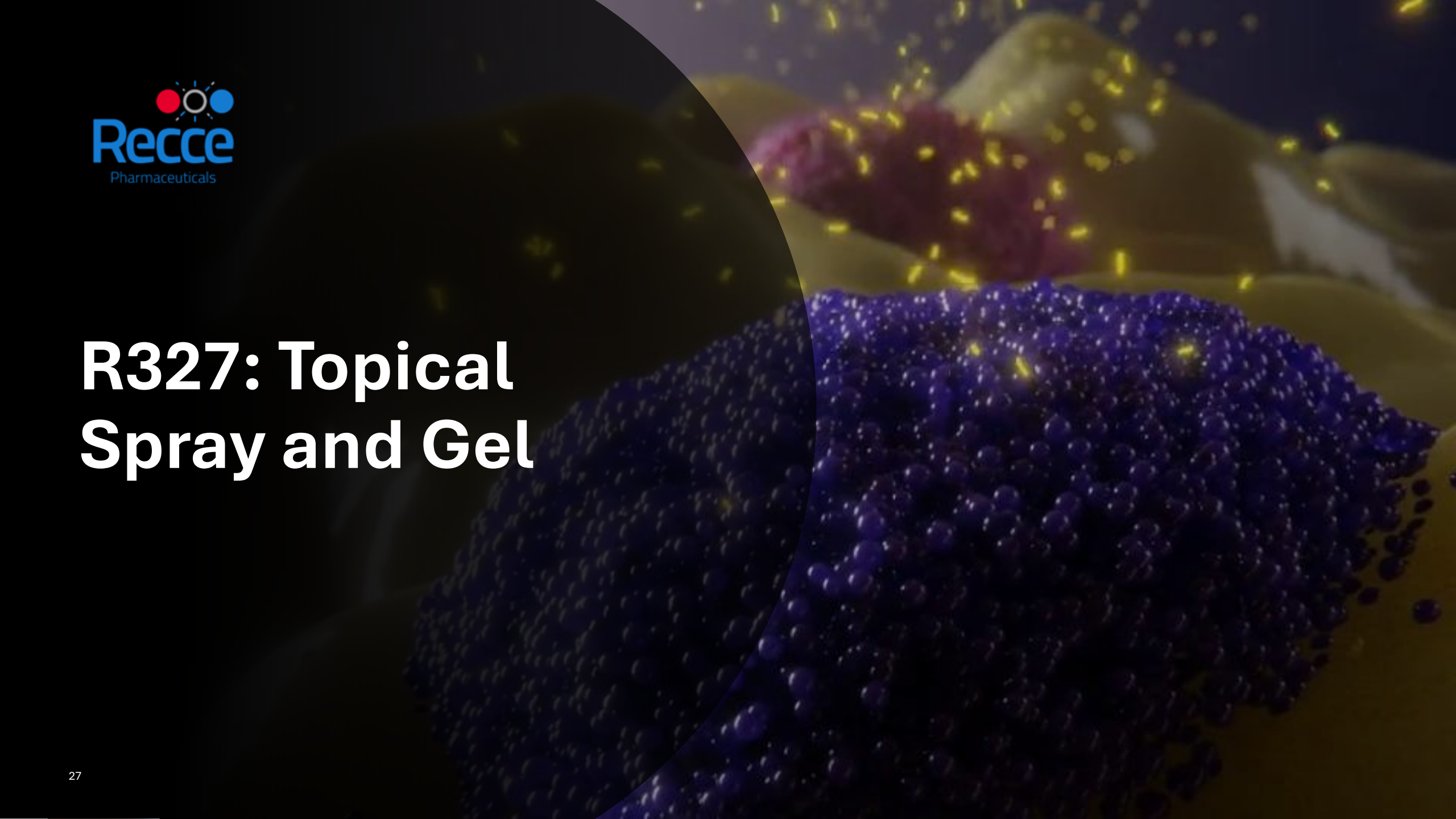


- **R327 in the presence of human urine was able to have a fast (near minutes) effect against *E. coli* and irreversible**
- **Bacteria could not be revived post-treatment**
- R327 capability starting from comparatively low concentrations
- Achieved 6-log reduction in viable cell count

Understanding logs (example of a small colony of 1 million MRSA bacteria)*
A 1-log kill reduces the colony to 100,000 MRSA bacteria after a 90% reduction
A 2-log kill reduces the colony to 10,000 bacteria after a 99% reduction
A 3-log kill reduces the colony to 1,000 bacteria after a 99.9% reduction
A 4-log kill reduces the colony to 100 bacteria after a 99.99% reduction
A 5-log kill reduces the colony to 10 bacteria after a 99.999% reduction
A 6-log kill reduces the colony to 1 MRSA bacterium after a 99.9999% reduction

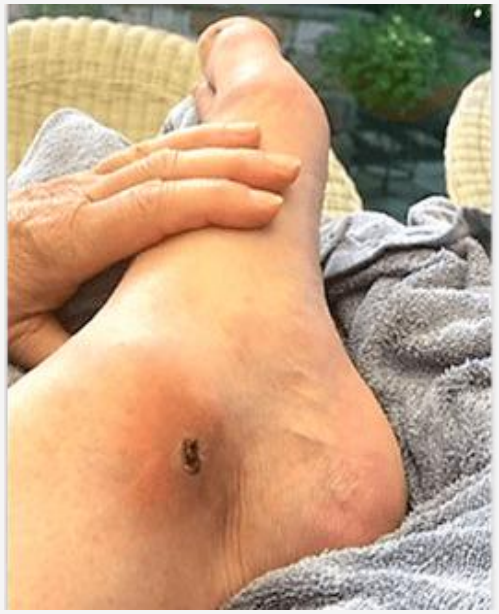
**https://halosil.com/what-are-logs-and-why-do-they-matter-in-preventing-infections/*

R327: Topical Spray and Gel

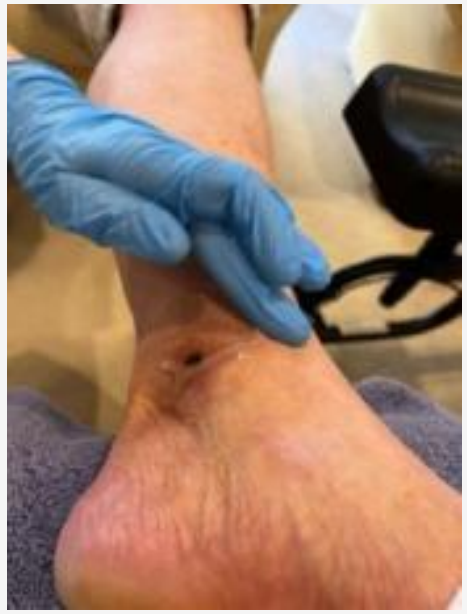


Patient Case Study – TGA Special Access Scheme

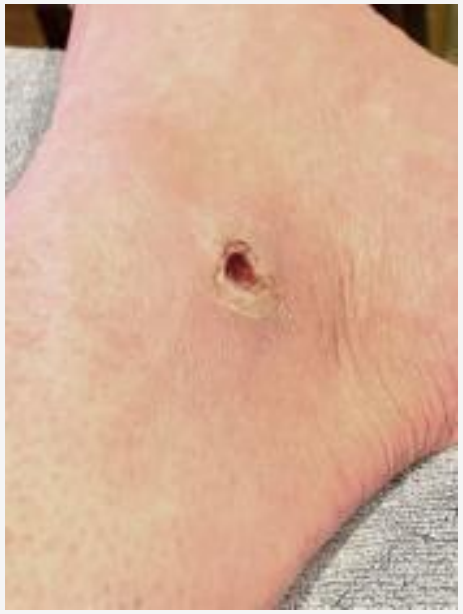
Day 0:
Pre-treatment



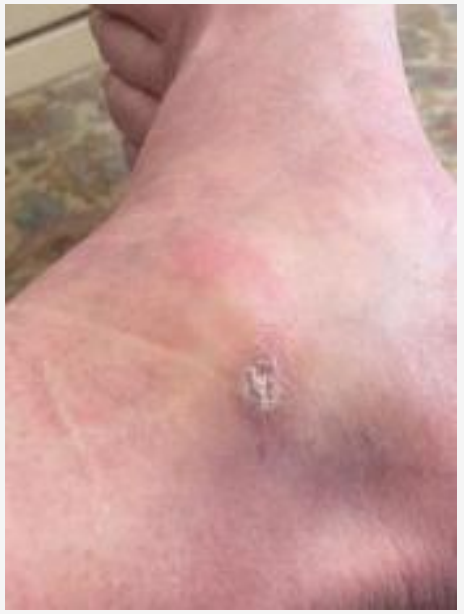
Day 0:
First Recce gel applied



Day 1:
Post treatment



Day 30:
Post treatment



Patient unresponsive to 4x daily Cephalexin for 10 days:
Infection spreading and hospital ready

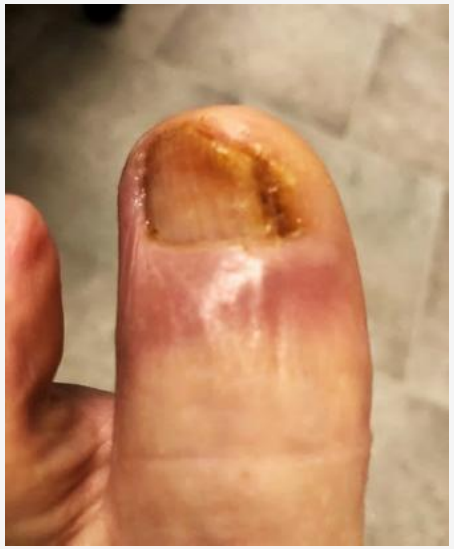
After only one dosing of R327, the infection had clinically responded in 24 hours – redness and swelling reduced

- No pre-treatment wound debridement
- No stinging at any point reported
- R327 Gel worked quickly and effectively

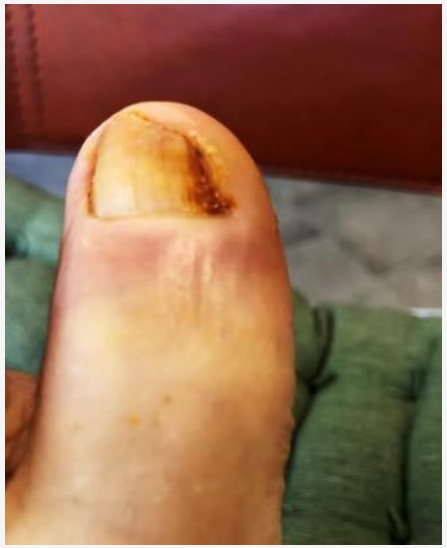
Patient Case Study – TGA Special Access Scheme

Infection with Biofilm

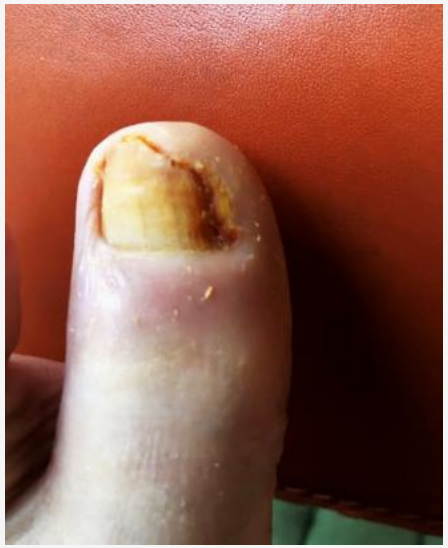
Day 0:
Pre-treatment



Day 3:
Recce treatment



Day 7:
Recce treatment



Pre-treatment (Day 0) X-rays showed **infection deep within the underlying bone**, tissue and around the nail, with signs of initial biofilm formation

After 3 days of R327G treatment, the wound is **drying up with infection clearing** and the toe responding well to treatment

- **Day 7 post R327G treatment showed wound completely dried up, no signs of biofilm surrounding toenail and swelling significantly reduced**
- **Surgical intervention, which was the next step for this patient, was averted**

Phase II DFI / ABSSSI Clinical Trial – Achieved all Endpoints

Confirms approach for Phase III trials and commercialisation progress in Australia

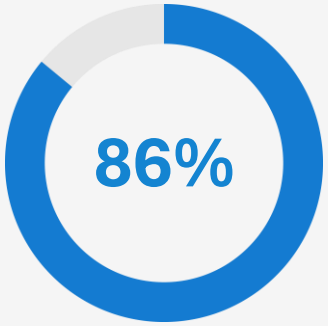
- This Phase II study **achieved all primary and secondary endpoints** as an open-label clinical trial evaluating the safety and tolerability, efficacy, and plasma pharmacokinetics of R327G when applied directly to the infected area
- The study enrolled 30 patients, with 29 included in the final data analysis. One patient was withdrawn due to pre-existing pain at the wound site that was deemed unrelated to R327G
- After 7 days of treatment, **86% of patients** (25 out of 29) treated with R327G had a successful clinical response
- At 14 days of treatment, **93% of patients** (27 out of 29) achieved a primary efficacy endpoint
- **R327G demonstrated to be safe and well tolerated, achieving all endpoints - no Serious Adverse Events reported**

Study Outcome – Top Line Data*	To evaluate the efficacy of RECCE®327 topical gel on ABSSSI
Assessment method	Lipsky Scale/Bates Jensen Wound Assessment Tool
Endpoint met	Yes

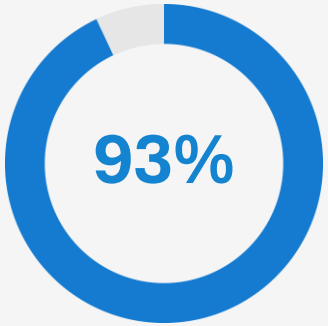
**https://www.anzctr.org.au/Trial/Registration/TrialReview.aspx?id=387997&isReview=true*

Successful clinical response

After 7 days of treatment



After 14 days of treatment



RECCE® 327 Topical Gel: Phase III Registration Trial in DFI

R327G Multicenter study in Indonesia

- Double blind, Placebo-controlled, Parallel group Study in Patients with DFI
- Drug to be administered once daily at the clinic for up to 14 days
- N=300 patients (200 active, 100 placebo)
- Planned enrolment to be conducted at up to 10 centers across Indonesia
- **Primary endpoint is "clinical response" – per standard used by US FDA and other regulatory authorities for this indication and consistent with Phase II study**
- ***Interim analysis at 106 patients completed (est. 1QCY26) with success the catalyst for accelerated review and approval***

Commercialisation Opportunity

Strategic Partnership in SE Asia to Accelerate Clinical Program

Phase III Registrational Clinical Trial in Indonesia Topical Gel	• **Approval received from the Indonesian Drug and Food Regulatory Authority, Badan POM**, to initiate registrational Phase III clinical trial • **Human Research Ethics Committee approval received** – registrational Phase III clinical trial to commence this quarter
Opportunity Presents a Clear Path to Commercialisation	• **Awarded expedited regulatory review status in Indonesia to fast-track progression of Phase III trial**; brings forward commercial opportunities in ASEAN region • **Opportunity to access 10 ASEAN member states** covering a population of 680 million inhabitants • **Significant bilateral initiative** supported by Australian and Indonesian Governments • **Memorandum of Understanding** (MoU) with leading biomedical company PT Etana Biotechnologies (Etana) to **facilitate late-stage clinical trials** in Indonesia, supporting the Indonesian Government's access to novel infectious disease medicines • **Expected launch in 2026**

Recce & Badan POM Team's - Recce CEO James Graham (centre left) and Head of Drug and Food Authority Badan POM, Professor Taruna Ikrar (centre)

Recce Global Growth Strategy

Global Approvals

Expansion into ASEAN → **Expansion across Australia/NZ** → **Expansion to USA/DoD**

	Gel	IV	Aerosol
New Products and New Indications	DFI Gel ABSSSI Gel Burn Gel	IV cUTI IV Sepsis IV HAP & VAP IV Single Dose UTI	Aerosol HAP / VAP Aerosol non-TB Mycobacteria Intranasal Sinusitis

Manufacturing & Scalability for Commercialisation

- Key raw ingredient made in the USA
- Clinical Phase I-II and preclinical product produced at RECCE Macquarie Park facility in Australia
- GMP Manufacturing facility in Australia for Phase III / Scale up
- Exploring US manufacturing opportunities for large scale
- Raw materials **plentiful and cheap** – few $/Kg
- **No expensive waste** – 99.9% product yield

Robust Worldwide Intellectual Property Portfolio

Patent portfolio of 40+ patents and patent applications in the world's major markets

Filed	Patent Family 1	Expiry	Patent Family 2	Expiry	Patent Family 3	Expiry	Patent Family 4	Expiry
Australia	✓	2028	✓	2037	✓	2037	✓	2041
USA	✓	2029	✓	2037	✓	2037	Pending	-
Europe	✓	2028	✓	2037	✓	2037	Pending	-
Germany	✓	2028	✓	2037	✓	2037	-	-
Spain	✓	2028	✓	2037	✓	2037	-	-
France	✓	2029	✓	2037	✓	2037	-	-
UK	✓	2028	✓	2037	✓	2037	-	-
Italy	✓	2028	✓	2037	✓	2037	-	-
Sweden	✓	2028	✓	2037	✓	2037	-	-
Japan	✓	2028	✓	2037	✓	2037	✓	2041
China	✓	2028	✓	2037	✓	2037	Pending	-
HK	Pending	2028	Pending	2037	✓	2037	Pending	-
Israel	-	-	-	-	-	-	✓	2041
Canada	-	-	-	-	-	-	✓	2041

- **Family 1** group relates to the Company's Unique and Highly Economical Manufacturing Process and use of the Polymer in Treatment of Diseases
- **Family 2** relates to the Method of Manufacture, Administration and Application to Treat a Broad Range of Common Human Infections
- **Family 3** relates to a Method of Treatment of a Broad Range of Viral Infections, particularly Parenteral Viral Infection
- **Family 4** relates to Process for Preparation of Biologically Active Copolymer, other Patent Cooperation Treaty countries pending/granted)

Summary

Significant value creating opportunities

Novel, Synthetic, Broad-Spectrum, Rapid-Acting, Anti-Infectives: **demonstrated against >500 clinical isolates** including all resistant species; **no signs of resistance to R327**

Indonesian Phase III registrational clinical trial data read-out and regulatory submission expected in late 2025, potential market approval and commercial launch in H1 2026

Upon completion of Phase III registrational clinical trial, enables Recce to **replicate regulatory approval for R327G across the broader ASEAN region**

Development of a first new class of antibiotic in over 40 years, recognised by the World Health organisation, with accelerated de-risking via registrational Phase III trials in Indonesia and Australia

Expansion of Recce's Global Regulatory Strategy including US IND and Department of Defense partnership

Equity Raising Details

Equity Raising Overview

Placement and Entitlement Offer to raise up to ~$15.8 million

Offer Structure and Size	• Recce is raising up to ~A$15.8 million comprising:
	  ○ A$5.0 million placement to an Australian based private investor (**Placement**); and
	  ○ up to ~A$10.8 million 1-for-6 non-renounceable entitlement offer (**Entitlement Offer)**
	• Up to ~56.5 million new fully paid ordinary shares (**New Shares**) to be issued under the Offer

Offer Price	• New shares under the Offer will be issued at A$0.28 per share (**Offer Price**), representing a discount of:
	  ○ 13.8% discount to the last traded price (A$0.325) on 9 April 2025
	  ○ 19.8% discount to the 10-day VWAP (A$0.3492) as at 9 April 2025
	  ○ 11.4% to the theoretical ex-rights price (**TERP**) of A$0.3162 per share as at 9 April 2025 (assuming full take-up under the Entitlement Offer)

Use of Proceeds	• The proceeds from the Offer will be used to fund:
	  ○ Significant clinical trials in Indonesia and Australia, covering topical treatments for ABSSSI including Diabetic Foot Infections (DFI); as well as USA Department of Defense Burn Wound Program;
	  ○ Indonesian clinical trials for topical treatments through to commercialisation;
	  ○ Investigational New Drug Application to the FDA; and
	  ○ Working capital and offer costs.

Placement	• The Placement is to an Australian based private investor and will utilise the Company's existing 15% placement capacity under ASX Listing Rule 7.1 • ~17.9 million New Shares to be issued under the Placement, representing ~7.7% of existing Recce shares on issue
Entitlement Offer	• The Entitlement Offer is non-renounceable and entitlements will not be tradeable or otherwise transferable • The Entitlement Offer will open at 9:00am (AEST), 22 April 2025 and close at 5:00pm (AEST), 5 May 2025 • Only eligible Recce shareholders with a registered address in Australia or New Zealand may participate in the Entitlement Offer • Under the Entitlement Offer, Eligible Retail Shareholders that take up their full Entitlement may also apply for additional New Shares in excess of their Entitlement
Director Participation	• All Recce Directors have each confirmed their intention to participate in the Entitlement Offer
Ranking	• New Shares issued under the Offer will rank pari passu with existing Recce shares on the date of issue

Funding Phase III Trials

Equity raising to support Registrational Phase III trials in Indonesia and Australia – the catalyst for revenues in 2026

Use of Funds	Placement & Entitlement A$15.8m[1]
Phase III Diabetic Foot Infections (DFI) Registrational Topical Clinical Trial in Indonesia	$5.6m
Phase III Acute Bacterial Skin and Skin Structure Infections (ABSSSI) Registrational Topical Clinical Trial in Australia	$4.6m
US Department of Defense Burn Wound Program	$2.5m
Activities enabling Investigational New Drug application to FDA & the Indonesia FDA (BPOM)	$2.0m
General working capital (operational costs delivering above) and offer costs	$1.1m
Total Uses	**$15.8m**

Commentary

Proceeds of A$5.0 million to be raised under the Placement and up to A$10.8 million to be raised under the Entitlement Offer.

The A$5.0 million proceeds from the Placement will be applied to commence one of the Phase III trials, additional proceeds from the Entitlement Offer will be allocated to other programs currently in development by the company. Recce will look at alternative funding solutions to ensure the full quantum of capital is raised where required.

Capital raising of up to approximately A$15.8 million will be used towards:

- Phase III DFI Registrational Topical Clinical Trial in Indonesia – the catalyst for revenue in 2026;
- Commencement of Phase III ABSSSI Registrational Topical Clinical Trial in Australia; and
- Additional clinical activities, Investigational New Drug Application to the FDA and working capital.

Cash position post equity raising:

- Pro-forma cash position of A$17.7 million post capital raising[2];
- Excludes an additional estimated R&D rebate of A$8.5 million from the ATO (expected Q4 2025); and
- Excludes non-dilutive capital via R&D advance of approximately A$10.0 million anticipated following completion of the capital raise

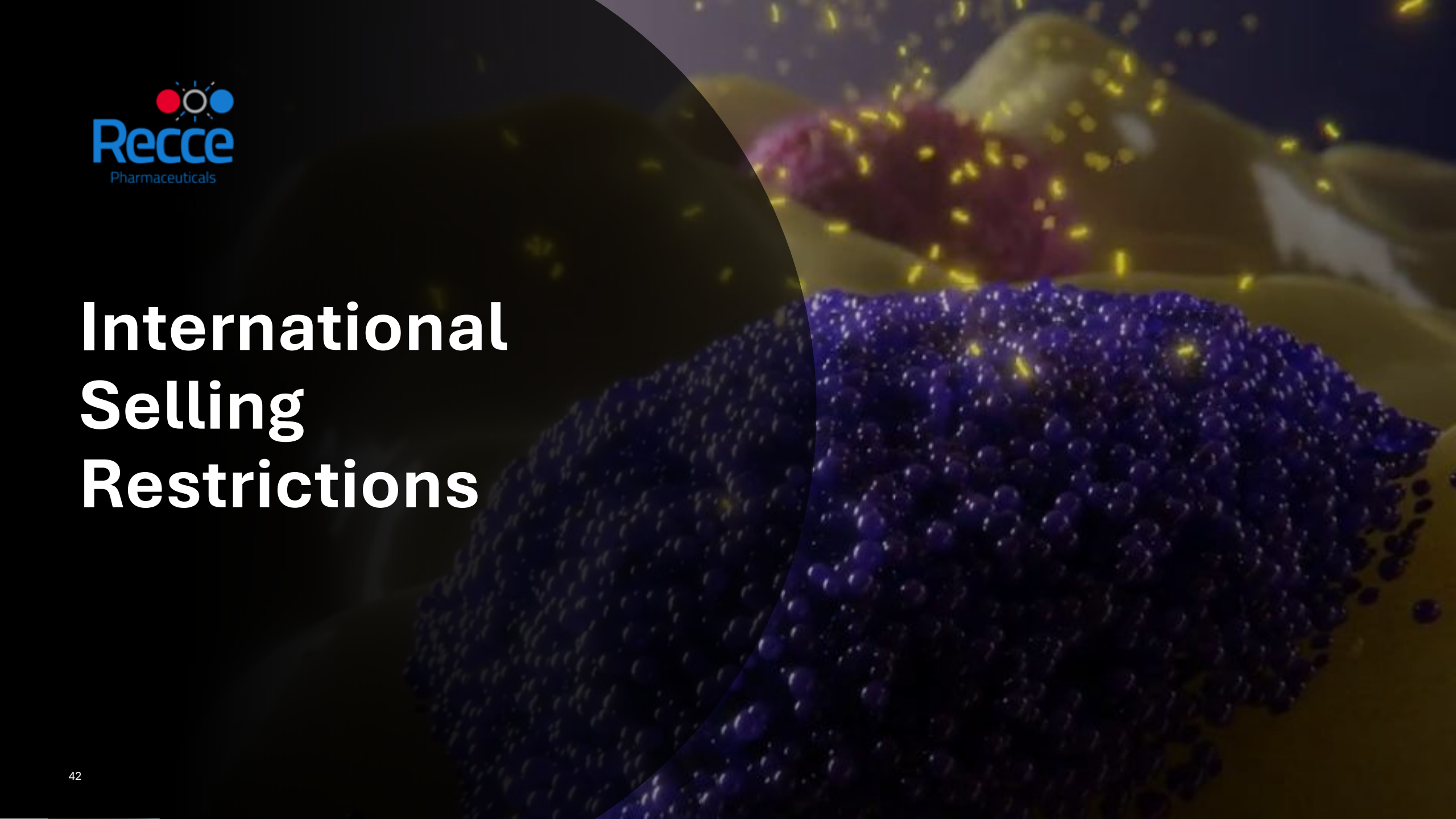
Notes: (1) Assumes A$5.0 million raised via the Placement and A$10.8 million via the Entitlement Offer.
(2) Includes cash balance as at 31 December plus proceeds from the Offer (before Offer costs).

Equity Raising Timetable

Event	Date (AEST)
Announcement of Entitlement Offer and Completion of Placement	Thursday, 10 April 2025
Settlement of New Shares under Placement	Wednesday, 16 April 2025
Record Date for Entitlement Offer	7:00pm, Wednesday, 16 April 2025
Allotment of New Shares under Placement	Thursday, 17 April 2025
Entitlement Offer opens	Tuesday, 22 April 2025
Entitlement Offer closes	5:00pm, Monday, 5 May 2025
Announcement of results of Entitlement Offer	Thursday, 8 May 2025
Issue of New Shares under Entitlement Offer	Thursday, 8 May 2025
Commencement of trading of New Shares under Entitlement Offer	Friday, 9 May 2025

This timetable is indicative only and subject to change. The Company reserves the right to vary the above dates and times, subject to ASX Listing Rules and the Corporations Act 2001 and other applicable laws. All times and dates are in reference to Sydney, Australia time (AEST).

International Selling Restrictions



International Selling Restrictions

This document does not constitute an offer of new ordinary shares (**New Shares**) of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the FMC Act). The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This document and any other material relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer of sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an "institutional investor" (as defined in the SFA) or (ii) an "accredited investor" (as defined in the SFA). If you are not an investor falling within one of these categories, please return this document immediately. You may no forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Key Risks

Key Risks

This section discusses some of the key risks relating to an investment in Recce, which may have an impact on Recce's business, its financial and operational performance, and the value of Recce shares (including shares issued in connection with the Offer). Before investing in Recce, you should be aware that an investment in Recce has a number of risks, some of which are specific to Recce and some of which relate to listed securities generally, many of which are beyond the control of Recce. You should have regard to the relevant risks when considering the suitability of the investment for you.

You should consider publicly available information on Recce (such as that available on the websites of Recce and the ASX), carefully consider your personal circumstances and consult your stockbroker, accountant, solicitor or other professional adviser before investing in Recce shares. Nothing in this presentation is personal financial product advice and this document has been prepared without taking into account your investment objectives or personal circumstances.

The risks set out on the following pages are not intended to be in order of importance and you should read all of this Key Risks section in its entirety. The following is not an exhaustive list of all relevant risks involved with an investment in Recce. Please also note that there can be no guarantee that Recce will achieve its stated objectives or that any forward looking statements or forecasts contained in this presentation will be realised.

Key Risks

Research and Development
The Company can make no representation that any of its research into or development of its technologies or further development of the Company's antibiotics will be successful or that they will be developed into products that are commercially exploitable. There are many risks inherent in the development of pharmaceutical products, particularly where the products are in the early stages of development. Projects can be delayed or fail to demonstrate any benefit, or research may cease to be viable for a range of scientific and commercial reasons.

Changes in Laws and Regulations
The operation of the Company's business in the pharmaceutical industry is governed by a variety of laws, regulations and guidelines. While to the knowledge of management, the Company is currently in compliance with all current laws, changes to laws and regulations due to matters beyond the control of the Company may cause adverse effects to its operations. The introduction of new legislation or amendments to existing legislation by governments, or the respective interpretation of the legal requirements in any of the legal jurisdictions which govern the Company's operations or contractual obligations, could impact adversely on the assets, operations and, ultimately, the financial position and financial performance of the Company and its Shares. In addition there is a risk that legal action may be taken against the Company in relation to commercial, legal, regulatory or other matters.

Forward-Looking Information
The forward-looking statements, opinions and estimates provided in this document rely on various contingencies and assumptions. Various factors and risks, both known and unknown, many of which are outside the control of the Company, may impact upon the performance of the Company and cause actual performance to vary significantly from expected results. There can be no guarantee that the Company will achieve its stated objectives or that forward-looking statements or forecasts will provide to be accurate.

Product Liability and Uninsured Risks
The Company is exposed to potential product liability risks which are inherent in the research and development, manufacturing and marketing and use of its technology or products developed. Whilst the Company has in place a level of insurance suitable for its current business undertakings, the Company may not be able to maintain insurance for product or service liability on reasonable terms in the future and, in addition, the Company's insurance may not be sufficient to cover large claims, or the insurer could disclaim coverage on claims. Although the Company endeavours to work to rigorous standards there is still the potential for the technology or developed products to contain defects which may result in failures. These defects or problems could result in the loss of or delay in generating revenue, loss of market share, failure to achieve market acceptance, diversion of development resources, and injury to the Company's reputation or increased insurance costs.

Risk of Delay and Continuity of Operations
The Company may experience delays in achieving some or all of its milestones, including but not limited to product development, obtaining regulatory approvals, or delays in sales of licensing. The Company is also dependent on amongst other things its technology, key personnel and IT systems. Any disruption or delay to any key inputs could impact adversely on the Company.

Research & Development Grant (Commonwealth)
The Company is eligible each year for an R&D Tax Incentive refund. The R&D Tax Incentive is an Australian Government program under which companies receive cash refunds for 43.5% of eligible expenditure on research and development. There is no guarantee that this program will continue or that the eligibility criteria will not change. Refunds are subject to audit by the Australian Tax Office and AusIndustry which may result in a requirement for repayment in certain circumstances.

Intellectual Property
The Company's ability to leverage its innovation and expertise depends upon its ability to protect its intellectual property and any improvements to it. The intellectual property may not be capable of being legally protected, it may be the subject of unauthorised disclosure or be unlawfully infringed, or the Company may incur substantial costs in asserting or defending its intellectual property rights. Any failure to protect the Company's intellectual property, unauthorised disclosure or unlawfully infringed could 19 enable competitors to develop generic products or use its proprietary information to develop other products that compete with the Company's products or cause additional, material adverse effects upon the Company's business, results of operations and financial condition.

Dividends
There are a range of factors that determine the payment of dividends on Shares. These include the profitability of the business, its cash reserves, future capital requirements and obligations under debt facilities. The Board will determine any future dividend levels based upon its operating results and financial standing at the time. There is no guarantee that any dividend will be paid by the Company.

Key Risks

Key Personnel
The Company depends on the talent and experience of its personnel as its primary asset. There may be a negative impact on the Company if any of its key personnel leave. It may be difficult to replace them, or to do so in a timely manner or at comparable expense. Additionally, any key personnel of the Company who leave to work for a competitor may adversely impact the Company. In summary, the Company's ability to attract and retain personnel will have a direct impact on its ability to deliver its commercialisation and commitments. Additionally, increases in recruitment, wages and contractor costs may adversely impact upon the financial performance of the Company.

Competition
The pharmaceutical industry is intensely competitive, and the development of suitable antibiotics is very difficult and demanding; even more so if this competition is against parties who may have larger resources than the Company. As a result, there is the risk the Company may be beaten to the market by one or more competitors.

Additional Requirements For Capital
There is no guarantee that the Entitlement Offer will be fully or even partially subscribed, accordingly, the Company may not receive any, or only a portion, of the total amount of funds it intends to raise. As a result, the Company may raise less than the target of $10.8 million under the Entitlement Offer, which could impact its financial position and may require it to take other steps to raise capital. The extent of any shortfall will depend on the level of participation by eligible shareholders which is influenced by factors beyond the Company's control and investors should consider this when evaluating the Entitlement Offer and the proposed use of funds outlined in this Investor Presentation.

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and may be prevented from progressing the commercialisation of its technology. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

General Market and Share Price Risks
There are general risks associated with any investment in the share market. The price of Shares may increase or decrease due to a number of factors. Those factors include fluctuations in domestic or global financial markets and general economic conditions, including interest rates, inflation rates, exchange rates, commodity and oil prices, changes to government fiscal, monetary or regulatory policies, legislation or regulation, the removal or inclusion of the Company from market indices, and the nature of markets in which the Company operates.

Tax and Accounting
Australian accounting standards and tax laws (including GST and stamp duty taxes), or the way they are interpreted, are subject to change from time to time, which may impact the Company's financial position or performance.

Foreign Exchange Rate Fluctuation
The expenditure of the Company is and will be in Australian and other various foreign currencies, including the US dollar. This exposes the Company to fluctuations in exchange rates, which is beyond the Company's control. This could adversely impact the profitability of the Company's foreign operations

Litigation
Legal proceedings and claims may arise from time to time in the ordinary course of the Company's business and may result in high legal costs, adverse monetary judgments and/or damage to the Company's reputation which could have an adverse impact on the Company's financial position or performance and the price of its shares.

Speculative Investment
The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically 21 referred to above, may in the future materially affect the financial performance of the Company and the value of the securities offered under this Offer Booklet. Therefore, the Shares to be issued pursuant to this Offer Booklet carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities. Potential investors should consider that an investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for securities pursuant to this Offer Booklet.

Thank You

James Graham
Managing Director and Chief Executive Officer
Recce Pharmaceuticals Ltd
ASX:RCE; FSE:R9Q

T: +61 2 9256 2505
E: james.graham@recce.com.au