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**ASX Announcement**

23 October 2025

**AVECHO RAISES \$2.5M VIA PLACEMENT TO INSTITUTIONAL AND SOPHISTICATED INVESTORS**

**Key Highlights**

- Avecho has received firm commitments to raise \$2.5m from institutional and sophisticated investors
- Funds will be primarily used to accelerate commercial manufacturing activities required for a future TGA submission and commercial supply
- Euroz Hartleys Limited is the Sole Lead Manager and Bookrunner to the Placement

**Melbourne, Australia, 23 October 2025:** Avecho Biotechnology Limited (ASX: AVE) ("Avecho" or "the Company") is pleased to announce it has received firm commitments from sophisticated and institutional investors to raise \$2.5m (before costs) by way of a single tranche placement (**Placement**).

The Company is approaching completion of recruitment for the first cohort of patients in its pivotal Phase III clinical trial evaluating its proprietary CBD TPM® capsule for the treatment of insomnia. Completion of this cohort will support the planned interim analysis, which will provide the first indication of the product's clinical performance. A successful interim analysis would represent a key milestone for the Company, both clinically and commercially.

To support this next stage of development, Avecho is accelerating manufacturing activities required to register its CBD TPM® capsule and support manufacturing at a commercial scale. The Placement proceeds will enable these activities to be brought forward and commenced earlier than originally planned, as well as to complete the remaining manufacturing work necessary to support a future TGA submission, including demonstrating long-term product stability of registration batches and finalising regulatory manufacturing documentation. This positions the Company to be well-prepared for a planned TGA submission, future commercial manufacturing for the Australian market and expansion into additional geographies following a successful Phase III trial outcome as well as with ongoing licensing discussions.

Specifically, funds raised in the Placement will be applied towards:

- manufacturing of registration batches for formal stability;
- manufacturing scale up to support commercial batch sizes and documentation to support a regulatory submission;
- manufacturing and stockpiling of CBD TPM® capsules for use on a second cohort of patients on the phase III study;
- costs associated with Phase III trial until the interim readout; and
- costs of the Offer and general working capital purposes.

The Company is currently well funded through its planned interim analysis which is expected in H1 CY2026.

Euroz Hartleys Limited is the Sole Lead Manager and Bookrunner to the Placement.

**Avecho Chief Executive Officer, Dr Paul Gavin, said:** "As we near completion of recruitment on the first cohort of patients in our pivotal Phase III clinical trial and prepare for the planned interim



analysis, our focus is expanding to the additional work required to support a future TGA submission and future commercialisation. This includes finalising activities with our manufacturing partner to demonstrate long-term product stability and complete the remaining regulatory manufacturing documentation. We have chosen to fast-track these activities to enable a TGA submission as soon as possible following the successful completion of the Phase III trial. As we approach this important interim analysis — a key inflection point for the company — we are pleased to welcome new shareholders and thank them for their support.”

### **Further details about the Placement**

The Placement will be conducted via:

- the issue of 182,653,633 fully paid ordinary shares (“New Shares”), at an issue price of \$0.005 per New Share to raise \$2.38m under the Company’s 15% placement capacity (Listing Rule 7.1); and
- the issue of 317,346,367 New Shares, at the same issue price, to raise \$0.12m under the Company’s additional 10% placement capacity (Listing Rule 7.1A).

As part of the fees for the Placement, the Company will issue 20,000,000 listed options (ASX:AVEOA) to Euroz Hartleys (or its nominee) under Listing Rule 7.1. These options have an exercise price of \$0.012 and an expiry date of 10 May 2026. No options will be issued to investors participating in the Placement.

The Placement issue price represents a 23.1% discount to the last closing price of \$0.0065 on Wednesday, 22 October 2025 and a 20.6% discount to the fifteen-day volume weighted average price (VWAP) of \$0.0063 as at the same date.

The Placement is expected to settle on Friday, 31 October 2025 with the New Shares to be issued shortly thereafter and rank equally with existing ordinary shares.

### **For enquiries, please contact**

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This announcement has been authorised by the Board of Directors of Avecho Biotechnology Limited.

### **About Avecho**

Avecho Biotechnology Limited develops and commercialises innovative Human and Animal Health products using its proprietary drug delivery system called Tocopheryl Phosphate Mixture (TPM®). TPM® is derived from Vitamin E using unique, proprietary and patented processes and is proven to enhance the solubility and oral, dermal and transdermal absorption of drugs and nutrients.

Avecho’s lead asset is a proprietary cannabidiol (“CBD”) TPM soft-gel capsule demonstrated to increase CBD absorption. The CBD soft-gel capsule is currently undergoing Phase III clinical development for the treatment of insomnia.

See more here - [avecho.com.au](https://avecho.com.au)



## **Forward-Looking Statements**

Certain statements in this announcement are forward looking statements. Forward-looking statements can generally be identified by the use of words such as “anticipate”, “estimate”, “expect”, “project”, “intend”, “plan”, “believe”, “target”, “may”, “assume” and words of similar import. These forward-looking statements speak only as at the date of this announcement. These statements are based on current expectations and beliefs and, by their nature, are subject to a number of known and unknown risks and uncertainties that could cause the actual results, performances and achievements to differ materially from any expected future results, performance or achievements expressed or implied by such forward looking statements.

No representation, warranty or assurance (express or implied) is given or made by Avecho that the forward-looking statements contained in this announcement are accurate, complete, reliable or adequate or that they will be achieved or prove to be correct. Except for any statutory liability which cannot be excluded, Avecho and its respective officers, employees and advisers expressly disclaim any responsibility for the accuracy or completeness of the forward-looking statements and exclude all liability whatsoever (including negligence) for any direct or indirect loss or damage which may be suffered by any person as a consequence of any information in this announcement or any error or omission therefrom.

Subject to any continuing obligation under applicable law or relevant listing rules of the ASX, Avecho disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements in these materials to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any statement is based. Nothing in these materials shall under any circumstances create an implication that there has been no change in the affairs of Avecho since the date of the announcement.

Avecho’s major projects include delivering TPM® enhanced injectable, oral and topical products for the human health market, including the recently announced application of TPM® to cannabinoids. The Company is also developing TPM® to enhance feed efficiency and health of livestock.

## **Not an offer in the United States**

This announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be unlawful. The New Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (“US 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, directly or indirectly, in the United States unless they have been registered under the US Securities Act (which the Company has no obligation or intention to do or procure), or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any applicable U.S. state securities laws.

The information in this announcement is of general background and does not purport to be complete. It should be read in conjunction with the Company’s other periodic and continuous disclosure announcements lodged with ASX.