



23 March 2021

Incanthera plc

("Incanthera" or the "Company")

Placing to Raise £1,144,650

Incanthera plc (AQSE: INC), the specialist oncology company focused on transforming cancer treatment, is pleased to announce that it has raised gross proceeds of £1,144,650 through an oversubscribed placing of 9,538,750 new ordinary shares ("Placing Shares") with existing and new investors at a price of 12 pence per share ("Issue Price").

Incanthera successfully floated on AQSE on 28 February 2020, raising funds to concentrate on the commercialisation of lead asset, Sol, a proprietary topical formulation designed to deliver into the skin an active known to treat solar keratosis and prevent the formation of skin cancers.

The results of two successful studies, announced in September 2020, demonstrated Sol's permeation across the skin barrier and safety profile on human skin, both of which surpassed expectations, strengthening the technology's commercial potential and valuation, which was further enhanced through the filing of a new patent which gives extended patent protection to Sol to 2040.

Incanthera began introducing Sol's technology to a number of potential commercial partners last year. In February 2021, the Company issued a corporate update in which it advised that the Company has prioritised those potential partners and is currently focussed on discussions with two Global cosmetic companies.

The net proceeds from the Placing now extends the Company's existing cash runway into the second half of 2022 and provides funds for the Company to progress discussions in respect of a potential commercial deal for Sol from a strong financial position.

Stanford Capital Partners Ltd acted as lead broker and joint placing agent, with SI Capital Ltd acting as joint placing agent to the Placing. They have entered into a placing agreement with the Company which contains customary terms and conditions.

Placing and Admission

The Company has raised £1,144,650 before expenses through a placing of the Placing Shares at the Placing Price, conditional only on admission to trading on AQSE ("Admission"). The Placing Shares will represent 12.88 per cent. of the enlarged issued share capital of the Company upon Admission and the Placing Price represents a discount of 6.6% to the closing mid-market price of 12.85 pence on 22 March 2021, the last practicable day prior to this

announcement. The Placing Shares will rank pari passu with the existing ordinary shares and an application will be made for Admission of the Placing Shares which is anticipated to occur at 8.00 a.m. on or around 30 March 2021.

For each Placing Share, Placees were offered one warrant to subscribe for an ordinary share in the Company at a price of 20 pence, for a period of two years from the issue date. The Company has received acceptances of warrants from Placees over a total of 8,500,000 new ordinary shares ("Placing Warrants") which have been conditionally granted subject to, inter alia, the approval by the Company's shareholders of resolutions granting authority to its Directors to be able to allot and issue sufficient new ordinary shares for exercise of the Placing Warrants on a non-pre-emptive basis. A circular will be posted to shareholders to convene a general meeting in due course.

In addition to the Placing Warrants, the Company entered into a warrant instrument on 23 March 2021 in which the Company agreed to grant Stanford Capital Partners Ltd 667,963 warrants to subscribe for ordinary shares in the Company at the Issue Price of 12 pence per ordinary share. Stanford may exercise the warrants at any time from Admission until the date 10 years from the date of Admission.

Total Voting Rights

For the purposes of the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority ("DTR"), the Board of Incanthera hereby notifies the market that following Admission, the Company's total issued share capital will consist of 74,082,871 ordinary shares with a nominal value of 2 pence each per share.

The figure of 74,082,871 ordinary shares may be used by shareholders as the denominator for the calculations by which they may determine if they are required to notify their interests in, or a change to their interests in the share capital Company under the DTR.

Commenting on the Placing, Chairman, Tim McCarthy commented:

"The Company is delighted at the results of this Placing and the support from existing and new shareholders, at an important time for Incanthera.

Our recent commercial update highlighted the progress we have made towards a commercial deal on Sol. The security of the additional funding allows the management team to concentrate on concluding the current negotiations."

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014 (which forms part of domestic UK law pursuant to the European Union (Withdrawal) Act 2018).

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Notes to Editors:

Incanthera is a specialist oncology company focused on transforming cancer treatment by creating environments in which cancer cannot survive. It seeks to identify and develop innovative solutions to current clinical, commercially relevant unmet needs, utilising new technology from leading academic institutions.

The Company's current lead product and focus is Sol, a potentially innovative topical product for the treatment of solar keratosis and the prevention of skin cancers.

The Company originated from the Institute of Cancer Therapeutics ("ICT") at the University of Bradford and has acquired and developed a portfolio of specific cancer-targeting therapeutics through a Pipeline Agreement with the ICT and other corporate acquisitions.

Incanthera's strategy is to develop each candidate in the portfolio from initial acquisition or discovery to securing its future through commercially valuable partnerships at the earliest opportunity in its development pathway.

For more information on the Company please visit: www.incanthera.com