Biodel Announces $18.5 Million Private Placement

Bio-Medicine.Org

DANBURY, Conn., June 22, 2012 /PRNewswire/ -- Biodel Inc. (NASDAQ: BIOD) today announced that it has entered into a definitive securities purchase agreement with a group of institutional investors, including both existing and new investors, for the private placement of approximately 7.9 million shares of its capital stock and warrants to purchase approximately 2.7 million shares of its common stock. A portion of the shares to be issued will be shares of Biodel's common stock and a portion will be shares of its Series B Preferred Stock. For each share being purchased, investors will receive a warrant to purchase 0.35 of a share of common stock.

For each unit consisting of a share and warrant, the investors have agreed to pay a negotiated price of $2.355, resulting in gross proceeds to Biodel, before deducting placement agents' fees and estimated offering expenses of approximately $18.5 million. The private placement is expected to close on or about June 27, 2012, subject to customary closing conditions.

The Series B Convertible Preferred Stock is non-voting. Each share of Series B Convertible Preferred Stock is convertible into one share of Biodel's common stock, provided that conversion will be prohibited if, as a result, the holder and its affiliates would beneficially own more than 9.98% of the total number of Biodel shares of common stock outstanding following such conversion. The per share exercise price of the warrants is $2.66. The warrants will be exercisable beginning on the original date of issuance and will expire on the date that is five years after the original issue date.

William Blair & Company, L.L.C. acted as Sole Lead Placement Agent and JMP Securities LLC acted as Co-Agent for the private placement.

The securities offered and to be sold by Biodel in this private placement have not been registered under the Securities Act of 1933, as amended (the "Securities Act '/>"/>

SOURCE [1]

Source URL (retrieved on *11/28/2014 - 9:59pm*):
http://www.mdtmag.com/news/2012/06/biodel-announces-185-million-private-placement

Links:

[1] http://www.bio-medicine.org/medicine-technology-1/Biodel-Announces--2418-5-Million-Private-Placement-26165-1/