

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 8-K

Current Report
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 9, 2019

FENNEC PHARMACEUTICALS INC.

(Exact name of registrant as specified in its charter)

001-32295

(Commission File Number)

British Columbia, Canada
(State or other jurisdiction of
incorporation)

20-0442384
(I.R.S. Employer Identification No.)

PO Box 13628, 68 TW Alexander Drive,
Research Triangle Park, NC
(Address of principal executive offices)

27709
(Zip Code)

Registrant's telephone number, including area code: (919) 636-4530

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common shares, no par value	FENC	Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On September 9, 2019, Fennec Pharmaceuticals Inc. announced the appointment of Shubh Goel as Chief Commercial Officer. A copy of the news release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

There were no arrangements or understandings between Ms. Goel and any other person pursuant to which Ms. Goel was appointed as a management team member, and there are no related party transactions between Ms. Goel and the Company.

Ms. Goel, age 46, is a proven leader with nearly 20 years of global commercial experience successfully building and executing the launch of several oncology products. Most recently, she served as Vice President of Commercial Strategy and Operations at Odonate Therapeutics, Inc from 2017. Prior to Odonate, Ms. Goel previously served in multiple leadership positions at Celgene Corporation from 2013-2017, including serving as Executive Director, Global Early Commercialization and previously as Head of U.S. Marketing, Oncology. While at Celgene, she oversaw the successful execution of the U.S. launch of Abraxane® in pancreatic cancer and had overall responsibility for marketing the U.S. solid tumor franchise.

Prior to her time at Celgene, Ms. Goel served as Head of Global Launch Team at Bayer AG where she managed a franchise of almost \$2 billion in enterprise value, had responsibility for global commercial brand and launch strategy, and managed a global marketing team. During her career, she has also held leadership roles at Aveo Oncology, and marketing roles at Ariad Pharmaceuticals and Millennium Pharmaceuticals. Ms. Goel received a B.Sc. degree in biochemistry from the University of Bath.

It is anticipated that Ms. Goel will commence employment on September 23. Ms. Goel's initial base salary will be at the rate of \$360,000 per year. She shall be entitled to receive an annual discretionary bonus with a target (the "Target Bonus") of forty percent (40%) of Ms. Goel's base salary per 12-month period (which may be pro-rated for any partial period of less than 12 months), based upon a determination by the CEO and, where applicable, the Company's Board of Directors (the "Board") of the achievement of objectives to be set from time to time by the Board, provided that Ms. Goel must remain employed through the payment date in order to earn the bonus. In addition, Fennec will grant Ms. Goel 175,000 options to purchase common shares which (i) have an exercise price per share equal to the "Fair Market Value" (as defined in Company's Option Plan); (ii) have a term of ten years and one-third of which shall vest one year after the date of the grant and the balance thereof shall vest monthly thereafter for two years in equal increments, and (iii) be otherwise on the terms and conditions set forth in the Company's Option Plan.

If Ms. Goel's employment is terminated by the Company (other than for cause) or by the Ms. Goel for "good reason", and such termination, then, following such termination, Ms. Goel shall be entitled to continue to receive the following as severance (the "Severance Benefits"):

(i) an amount equal to:

(x) three (3) months of Ms. Goel's Base Salary, or

(y) if such termination occurs either (a) after the second anniversary of the Effective Date or (b) as a result of a Change of Control as defined in 8F, six (6) months of Ms. Goel's Base Salary,

in either case, minus any federal, state and local payroll taxes and other withholdings legally required or properly requested by Ms. Goel. The applicable foregoing amount shall be paid to Ms. Goel in full within five (5) days of termination.

(ii) a *pro rata* share of any Target Bonus earned by Ms. Goel for the year in which the termination takes place, minus any federal, state and local payroll taxes and other withholdings legally required or properly requested by Ms. Goel; and

(iii) acceleration of vesting of stock options as a result of such termination;

provided, however, Ms. Goel shall receive no Severance Benefits unless Ms. Goel executes and delivers to the Company, in a form acceptable to the Company and its counsel, a general release of claims against the Company (a "Release"), which Release is not revoked within any time period allowed for revocation under applicable law.

The foregoing description of Ms. Goel's employment agreement is not complete and is subject in all respects to the complete terms of such agreement, a copy of which is attached as Exhibit 10.1 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No. Description

[Exhibit 99.1](#) [Press Release dated September 9, 2019](#)

[Exhibit 10.1](#) [Employment Agreement Shubh Goel](#)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FENNEC PHARMACEUTICALS INC.

Date September 9, 2019

By: /s/ Robert Andrade
Robert Andrade
Chief Financial Officer



September __, 2019

Dear Shubh Goel (“Employee”):

On behalf of the Board of Directors of Fennec Pharmaceuticals, Inc. (“Fennec” or the “Company”), I am pleased to make you an executable offer to join the Company as its Chief Commercial Officer. The purpose of this agreement is to clarify the terms of Employee’s “at will” employment with the Company, including Employee’s compensation level and benefit entitlements.

1. **Employment and Duties.**

A. The Company hereby agrees to employ Employee as Chief Commercial Officer (“CCO”) of the Company and its parent corporation, Fennec Pharmaceuticals Inc. (the “Parent”), effective as of September __, 2019 (the “Effective Date”). In that position, Employee will report directly to the Company’s Chief Executive Officer, and Employee hereby agrees to accept such employment upon the terms and conditions hereinafter set forth.

B. Employee will perform the duties inherent in Employee’s position in good faith and in a reasonable and appropriate manner. Employee will be based out of Employee’s home office and/or a Company office in New Jersey or New York City, but will be expected to travel from time to time as reasonably necessary or advisable to perform and fulfil Employee’s responsibilities under this Agreement.

C. Employee shall be employed by the Company on an “at will” basis, meaning either the Company or Executive may terminate Employee’s employment at any time, with or without cause or advance notice except as specifically set forth in Section 8 of this Agreement. Any contrary representations that may have been made to Employee shall be superseded by this Agreement. This Agreement (inclusive of the Proprietary Information and Inventions Agreement incorporated herein) shall constitute the full and complete agreement between Employee and the Company on the “at will” nature of Employee’s employment with the Company, which may be changed only in an express written agreement signed by Employee and a duly authorized officer of the Company.

2. **Compensation.**

A. Employee’s initial base salary will be at the rate of \$360,000 per year. Employee’s base salary will be subject to adjustment by the Company’s Board of Directors on an annual basis.

B. Employee shall be entitled to receive an annual discretionary bonus with a target (the “Target Bonus”) of forty percent (40%) of Employee’s base salary per 12-month period (which may be pro-rated for any partial period of less than 12 months), based upon a determination by the CEO and, where applicable, the Company’s Board of Directors (the “Board”) of the achievement of objectives to be set from time to time by the Board, provided that Employee must remain employed through the payment date in order to earn the bonus. The measurement period for this purpose will end on approximately December 31 of each year. For the avoidance of doubt, Employee may be entitled to receive the full Target Bonus for the year ending December 31, 2019. The annual discretionary bonus, if otherwise earned subject to continued employment through the payment date, will be paid as soon as practicable after the achievement of objectives for the measurement period has been determined, but in no event will such bonus be paid after March 31 for the preceding measurement period. The Company may modify Employee’s compensation and benefits from time to time at its sole discretion.

C. Employee's base salary will be paid at periodic intervals in accordance with the Company's payroll practices for salaried employees. The Company will deduct and withhold, from the base salary and bonuses payable to Employee hereunder, any and all applicable Federal, state and local income and employment withholding taxes and any other amounts required to be deducted or withheld by the Company under applicable statute or regulation.

3. **Employee Stock Options.**

A. Upon execution of this Agreement, Fennec will grant Employee 175,000 options to purchase common shares (the "Equity Options"). The Equity Options shall: (i) have an exercise price per share equal to the "Fair Market Value" (as defined in Plan); (ii) have a term of ten years and one-third of which shall vest one year after the date of the grant and the balance thereof shall vest monthly thereafter for two years in equal increments, and (iii) be otherwise on the terms and conditions set forth in the Plan;

B. At the discretion of the Company's Board of Directors, Employee may be granted stock option awards in addition to the Equity Options described in 3(A).

4. **Expense Reimbursement.** Employee will be entitled to reimbursement from the Company for all customary, ordinary and necessary business expenses incurred by Employee in the performance of Employee's duties hereunder in accordance with the Company policies, provided Employee furnish the Company with vouchers, receipts and other details of such expenses within ninety (90) days after they are incurred.

5. **Fringe Benefits.** Employee will be eligible to participate in any group life insurance plan, group medical and/or dental insurance plan, accidental death and dismemberment plan, short-term disability program and other employee benefit plans, including any Section 401(k) plan or employee stock purchase plan if and when established, which are made available to executive officers of the Company and for which Employee otherwise qualify.

6. **Vacation.** Employee will accrue 3 weeks of paid vacation benefits per year in accordance with the Company policy in effect for executive officers.

7. **Proprietary Information.** Prior to commencement of Employee's services as CCO, Employee will sign and deliver to the Company the standard-form Proprietary Information and Inventions Agreement required of all key employees of the Company.

8. **Termination of Employment.**

A. Employee's employment shall commence as of the Effective Date and shall continue until terminated in accordance with this Agreement.

B. The Company may terminate Employee's employment under this agreement at any time for any reason by providing Employee with at least thirty (30) days prior written notice. However, such notice requirement is not required if Employee's employment is terminated for cause as described in subparagraph 8(D) below.

C. If Employee's employment is terminated by the Company (other than for cause) pursuant to Subsection 8(B) or by the Employee for "good reason" pursuant to Subsection 8(F), and such termination is not for any of the reasons set out in Subsections 8(D), then, following such termination, Employee shall be entitled to continue to receive the following as severance (the "Severance Benefits"):

(i) an amount equal to:

(x) three (3) months of Employee's Base Salary, or

(y) if such termination occurs either (a) after the second anniversary of the Effective Date or (b) as a result of a Change of Control as defined in 8F, six (6) months of Employee's Base Salary,

in either case, minus any federal, state and local payroll taxes and other withholdings legally required or properly requested by Employee. The applicable foregoing amount shall be paid to Employee in full within five (5) days of termination.

(ii) a *pro rata* share of any Target Bonus earned by Employee for the year in which the termination takes place, minus any federal, state and local payroll taxes and other withholdings legally required or properly requested by Employee; and

(iii) acceleration of vesting of stock options as a result of such termination;

provided, however, Employee shall receive no Severance Benefits under this Paragraph 8(C) unless Employee executes and delivers to the Company, in a form acceptable to the Company and its counsel, a general release of claims against the Company (a "Release"), which Release is not revoked within any time period allowed for revocation under applicable law.

D. The Company may at any time, upon written notice, terminate Employee's employment hereunder for cause as described in (i) and (ii) below. Such termination will be effective immediately upon such notice and, for the avoidance of doubt, Employee will not be entitled to any Severance Benefits, nor any acceleration of vesting of stock options, as a result of such termination.

For purposes of this agreement, Employee's employment with the Company will be deemed to have been involuntarily terminated for cause if Employee's services are terminated by the Company for one or more of the following reasons:

(i) acts of fraud or embezzlement or other intentional misconduct which materially adversely affects the Company's business, or

(ii) misappropriation or unauthorized disclosure or use of the Company's proprietary information.

E. Employee's employment shall automatically terminate in the event of Employee's death or permanent disability on the date of her death or permanent disability, as applicable. However, all the Severance Benefits described in Section 8(C) shall be extended to Employee or Employee's beneficiaries, as applicable, for a period of 12 months. "Permanent disability" in this context means that the Company in good faith has determined, and advised Employee in writing that, the Employee has become incapacitated or disabled in a manner that indefinitely precludes Employee from performing the essential functions of her position with the Company without any reasonable prospect of improvement, and no reasonable accommodations can be made by the Company for Employee to return to work and perform such essential functions.

F. Employee may terminate his employment under this agreement at any time for any reason upon thirty (30) days prior written notice to the Company. Company may, in its discretion, waive all or any portion of such notice in writing. No Severance Benefits (including acceleration of vesting of stock options) are payable to Employee unless such termination by Employee is for "good reason". If the Employee terminates his employment for "good reason", the Employee is entitled to receive the Severance Benefits described in Section 8(C) and acceleration of vesting of stock options as a result of such termination. "Good reason" means: (i) a material decrease in the Employee's title, duties, responsibilities, and/or compensation and benefits; (ii) the Company requiring Employee to be based out of any office more than 25 miles from Employee's home office in New Jersey or New York City (for the avoidance of doubt, the foregoing shall not apply to travel that is reasonably necessary or advisable from time to time for Employee to perform and fulfil her responsibilities under this Agreement); (iii) the Company's material breach of the employment agreement that has not been cured within seven (7) days after Employee provides written notice of such material breach; (iv) the Parent completes a transaction that constitutes a Change of Control and, in connection therewith or at any time within one (1) year following such Change of Control, any of Employee's title, duties, responsibilities, base salary or reporting structure have materially changed. "Change of Control" shall have the meaning given to such term in the Parent's stock option plan.

9. **Governing Law.** This agreement shall be governed by and construed according to the laws of the State of North Carolina, without reference to the choice of law or conflict of law provisions of such laws.

10. **Entire Agreement.** This agreement (inclusive of the Proprietary Information and Inventions Agreement incorporated herein) contains the entire agreement and understanding by and between the Company and Employee with respect to the terms described herein, and any representations, promises, agreements or understandings, written or oral, not herein contained shall be of no force or effect. No change or modification hereof shall be valid or binding unless the same is in writing and signed by the parties hereto. Please indicate your acceptance of the foregoing provisions of this employment agreement by signing the enclosed copy of this agreement and returning it to the Company.

Very truly yours,

Fennec Pharmaceuticals, Inc.

By: _____

Name: Rostislav Raykov

Title: Chief Executive Officer

ACCEPTED BY AND AGREED TO

SHUBH GOEL

Dated: September __, 2019



FENNEC APPOINTS SHUBH GOEL AS CHIEF COMMERCIAL OFFICER

Seasoned commercial leader to lead the anticipated launch of PEDMARK™

Research Triangle Park, NC, September 9, 2019 – Fen nec Pharmaceuticals Inc. (NASDAQ:FENC; TSX: FRX), a specialty pharmaceutical company focused on the development of PEDMARK™ (a unique formulation of sodium thiosulfate (STS)) for the prevention of platinum-induced ototoxicity in pediatric patients, today announced that it has appointed Shubh Goel as chief commercial officer. In this newly created position, Ms. Goel will build and oversee Fen nec’s commercial strategy and organization, including the launch and commercialization of PEDMARK™ if approved.

“We are excited to have Shubh join Fen nec as she brings significant commercial and oncology experience in the U.S. and globally,” said Rosty Raykov, chief executive officer of Fen nec. “Her proven track record of developing and executing commercialization plans will be instrumental in the preparation of our pre-commercial activities for PEDMARK™.”

“I am thrilled to join Fen nec at such a transformative moment, as we prepare for the potential commercial launch of PEDMARK,” said Ms. Goel. “Throughout my career, I have worked to improve care for patients with unmet medical needs and I am excited to join a company that shares my commitment as we work to make available a new standard of care in pediatric oncology with PEDMARK.”

Ms. Goel is a proven leader with nearly 20 years of global commercial experience successfully building and executing the launch of several oncology products. Most recently, she served as Vice President of Commercial Strategy and Operations at Odonate Therapeutics, Inc. Prior to Odonate, Ms. Goel previously served in multiple leadership positions at Celgene Corporation, including serving as Executive Director, Global Early Commercialization and previously as Head of U.S. Marketing, Oncology. While at Celgene, she oversaw the successful execution of the U.S. launch of Abraxane® in pancreatic cancer and had overall responsibility for marketing the U.S. solid tumor franchise.

Prior to her time at Celgene, Ms. Goel served as Head of Global Launch Team at Bayer AG where she managed a franchise of almost \$2 billion in enterprise value, had responsibility for global commercial brand and launch strategy, and managed a global marketing team. During her career, she has also held leadership roles at Aveo Oncology, and marketing roles at Ariad Pharmaceuticals and Millennium Pharmaceuticals. Ms. Goel received a B.Sc. degree in biochemistry from the University of Bath.

Forward looking statements

Except for historical information described in this press release, all other statements are forward-looking. Forward-looking statements are subject to certain risks and uncertainties inherent in the Company’s business that could cause actual results to vary, including such risks that regulatory and guideline developments may change, scientific data may not be sufficient to meet regulatory standards or receipt of required regulatory clearances or approvals, clinical results may not be replicated in actual patient settings, protection offered by the Company’s patents and patent applications may be challenged, invalidated or circumvented by its competitors, the available market for the Company’s products will not be as large as expected, the Company’s products will not be able to penetrate one or more targeted markets, revenues will not be sufficient to fund further development and clinical studies, the Company may not meet its future capital requirements in different countries and municipalities, and other risks detailed from time to time in the Company’s filings with the Securities and Exchange Commission including its Annual Report on Form 10-K for the year ended December 31, 2018. Fen nec Pharmaceuticals, Inc. disclaims any obligation to update these forward-looking statements except as required by law.

For a more detailed discussion of related risk factors, please refer to our public filings available at www.sec.gov and www.sedar.com.

About PEDMARK™ (Sodium Thiosulfate (STS))

Cisplatin and other platinum compounds are essential chemotherapeutic components for many pediatric malignancies. Unfortunately, platinum-based therapies cause ototoxicity in many patients, and are particularly harmful to the survivors of pediatric cancer.

In the U.S. and Europe there is estimated that over 10,000 children may receive platinum-based chemotherapy. The incidence of hearing loss in these children depends upon the dose and duration of chemotherapy, and many of these children require lifelong hearing aids. There is currently no established preventive agent for this hearing loss and only expensive, technically difficult and sub-optimal cochlear (inner ear) implants have been shown to provide some benefit. Infants and young children at critical stages of development lack speech language development and literacy, and older children and adolescents lack social-emotional development and educational achievement.

STS has been studied by cooperative groups in two Phase 3 clinical studies of survival and reduction of ototoxicity, The Clinical Oncology Group Protocol ACCL0431 and SIOPEL 6. Both studies are completed. The COG ACCL0431 protocol enrolled one of five childhood cancers typically treated with intensive cisplatin therapy for localized and disseminated disease, including newly diagnosed hepatoblastoma, germ cell tumor, osteosarcoma, neuroblastoma, and medulloblastoma. SIOPEL 6 enrolled only hepatoblastoma patients with localized tumors.

About Fenec Pharmaceuticals

Fenec Pharmaceuticals Inc., is a specialty pharmaceutical company focused on the development of Sodium Thiosulfate (STS) for the prevention of platinum-induced ototoxicity in pediatric patients. Fenec initiated a rolling New Drug Application (NDA) for PEDMARK™ for the prevention of ototoxicity induced by cisplatin chemotherapy patients 1 month to < 18 years of age with localized, non-metastatic, solid tumors in December 2018. The Company is targeting completing the NDA submission in early 2020 with potential first commercial launch of PEDMARK™ in the second half of 2020. Further, PEDMARK™ received Breakthrough Therapy and Fast Track Designation by the FDA in March 2018. Fenec has a license agreement with Oregon Health and Science University (OHSU) for exclusive worldwide license rights to intellectual property directed to STS and its use for chemoprotection, including the prevention of ototoxicity induced by platinum chemotherapy, in humans. For more information, please visit www.fenecpharma.com.

For further information, please contact:

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