



ASX & Media Release

March 2017 Appendix 4C

Melbourne, Australia; April 27, 2017: Patrys Limited (**ASX: PAB**) is pleased to lodge its Appendix 4C for the quarter ended 31 March 2017.

Finance

The Company held cash reserves of \$2.081 million at the end of March, with net cash outflows from operating activities during the quarter of \$0.507 million and with net cash outflows from investing activities during the quarter of \$0.088 million.

Management are working diligently to maximize non-dilutive capital inflows, including particularly insurance recoveries. A total of \$1.272 million in insurance recoveries were received in 2014/15, and in the past quarter the Company lodged several additional claims.

Operations

During the quarter Patrys completed pre-clinical screening of approximately 20 variants of Deoxymab 3E10 at Yale University. The Deoxymab 3E10 variants were screened and evaluated using a range of studies and the majority of variants were able to enter the cell nucleus and to kill cancer cells *in vitro*. Importantly, some variants showed a significantly increased ability to enter the nucleus of cancer cells and a similar increase in ability to kill cancer cells. Based on these findings, which were reproducible in multiple experiments, Patrys has decided on a lead candidate to progress through the next stage of development. Patrys will also file patent applications to protect this exciting new development. In the coming months the lead candidate will be used in a range of *in vivo* models of cancer to guide the eventual clinical development of 3E10.

The Patrys Scientific Advisory Board had its inaugural meeting in February. The meeting was an excellent opportunity for Drs Klein and Ebens to familiarise themselves with the Patrys programs, and has provided a strong foundation for ongoing dialog around the progression of 3E10 and other assets towards the clinic.

Patrys' Chinese license partner, Hefei Co-source Biomedical continues to make progress with the PAT-SC1 program, and manufacturing of PAT-SM6 and a possible clinical trial remain on hold until non-dilutive funding for this program can be obtained.

An Appendix 4C accompanies this announcement.

For and on behalf of the Board of Patrys Limited,

Melanie Leydin
CFO and Company Secretary

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About Patrys Limited:

Based in Melbourne, Australia, Patrys (ASX: PAB) is focused on the development of antibodies as therapies for a range of different cancers. Patrys has a pipeline of anti-cancer antibodies for both internal development and as partnering opportunities. More information can be found at www.patrys.com.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Patrys Limited

ABN

97 123 055 363

Quarter ended ("current quarter")

31 March 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	362
1.2 Payments for		
(a) research and development	(250)	(768)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(98)	(297)
(f) administration and corporate costs	(189)	(439)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	13	52
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	17	221
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(507)	(869)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(2)
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(d) intellectual property	(88)	(242)
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(88)	(244)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	-	-

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	2,705	3,213
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(507)	(869)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(88)	(244)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(29)	(19)
4.6	Cash and cash equivalents at end of quarter	2,081	2,081

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,381	1,405
5.2	Call deposits	700	1,300
5.3	Bank overdrafts	-	-
5.4	Other	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,081	2,705

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
119
-

Cash payments to directors for executive director salaries, non-executive director fees and consulting services for the quarter.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		


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9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	342
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	101
9.6 Administration and corporate costs	87
9.7 Other (provide details if material) (IP)	80
9.8 Total estimated cash outflows	610

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:  Date: 27 April 2017
(Director/Company secretary)

Print name: Melanie Leydin

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.