



ASX & Media Release

## June 2018 Appendix 4C

**Melbourne, Australia; 26 July 2018:** Patrys Limited (**ASX: PAB**) is pleased to lodge its Appendix 4C for the quarter ended 30 June 2018.

### FINANCE

At the end of June the Company held cash reserves of \$4,605,000 with a further \$2,000,000 on deposit with maturity greater than 3 months. Net cash outflows from operating activities during the quarter were \$674,000.

Cash outflows in the quarter ended 30 June 2018, were approximately \$212,000 less than forecast for the quarter. A provision for this under-expenditure has been made in the estimated cash outflows for the next quarter.

On 21 May 2018, Patrys announced the completion of a \$4.6 million placement (before costs) with the proceeds from this fund raising to continue development of the PAT-DX1 program, business development, operational activities, and corporate activities including insurance claim prosecution.

### OPERATIONS

Patrys continues to progress its PAT-DX1 asset, building a strong position in the field of DNA damage repair (DDR) therapeutics.

On 17 April 2018, the Company announced its Yale University collaborator Dr. James Hansen presented new scientific data at the prestigious American Association for Cancer Research (AACR) Annual General Meeting on 14-18 April in Chicago, Illinois.

On 17 May 2018 the Company announced the completion of a pilot study conducted in collaboration with researchers at Yale School of Medicine, in New Haven and Beth Israel Deaconess Medical Center (BIDMC) in Boston, Massachusetts. This study showed that PAT-DX1 has antitumor activity in an orthotopic, immune-competent mouse model of triple negative breast cancer (TNBC), a particularly aggressive form of breast cancer. The Company will be making further statements on the research findings upon completion and publication of the study.

On 31 May 2018 the Company announced further pre-clinical data for its PAT-DX1 and PAT-DX1-NP assets. Drs. James Hansen and Jiangbing Zhou of Yale School of Medicine have confirmed that PAT-DX1 and PAT-DX1-NP target tumor spheres derived from human glioblastoma cancer stem cells (CSC). Tumor spheres are recognised as a useful tool for pre-clinical studies as they retain tumor heterogeneity and more closely represent the original patient tumor. Treatment with PAT-DX1-NP showed significantly increased localization to the CSC tumor spheres compared to unconjugated NPs. Importantly, PAT-DX1-NP penetrated into the centre of the tumor spheres and targeted cells inside the spheres as well as cells on the sphere surface. Follow-on experiments showed that unconjugated PAT-DX1 significantly reduced the growth and viability of the CSC tumor spheres.



On 12 June 2018 the Company updated its' Corporate Overview and summarised the objectives it delivered against in 2017. In addition, the Company outlined the forward R&D objectives and anticipated news flow for the remainder of 2018.

Consistent with previous disclosures from the Company, manufacturing of PAT-SM6 and a possible clinical trial remain on hold until non-dilutive funding for this program can be obtained. The Company continues to pursue multiple insurance claims associated with the manufacturing runs of PAT-SM6 in 2014 and 2015.

#### *Subsequent events*

On 3 July 2018 the Company announced that it had received a Notice of Grant from both the Japanese and Chinese Patent Offices for Deoxymab patent entitled "*Cell-penetrating anti-DNA antibodies and uses thereof to inhibit DNA repair*" (Patent numbers 6178785 (JP) and ZL 201280025431.2 (CN)). The patent is directed towards methods of using Patrys' novel Deoxymab 3E10 technology, including Patrys' lead candidate, PAT-DX1, as treatment for various cancers and malignancies including gliomas, melanomas, prostate, breast, pancreatic and ovarian cancers. To date, this patent family has been granted in the USA, Japan and China, the three largest pharmaceutical markets and puts Patrys in a strong position to extend the intellectual property base of the Company.

On 5 July 2018 the Company also announced preliminary pharmacokinetic data for PAT-DX1. Drs. James Hansen and Jiangbing Zhou of the Yale School of Medicine have confirmed that as a single agent PAT-DX1 localizes into xenograft triple negative breast cancer (TNBC) tumors in mice. Mice with TNBC tumors were treated with systemic administration of PAT-DX1, and at varying time points afterwards tumors were excised and examined for the presence of PAT-DX1. Preliminary pharmacokinetic analysis indicates that PAT-DX1 exhibited significant tumor penetration 8 hours after administration.

An Appendix 4C accompanies this announcement.

For and on behalf of the Board of Patrys Limited,

Melanie Leydin  
CFO and Company Secretary

#### **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](http://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")**

30 June 2018

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	27
1.2 Payments for		
(a) research and development	(338)	(1,122)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(104)	(439)
(f) administration and corporate costs	(213)	(724)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	12	29
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	4	297
1.8 Other (IP expenditure)	(35)	(199)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(674)</b>	<b>(2,131)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
(d) intellectual property	-	-
(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 (cash on deposit <sup>1</sup> )	(2,000)	(2,000)
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(2,000)</b>	<b>(2,000)</b>

<sup>1</sup> Included in the amount noted above is \$2 million of cash on deposit held with a term to maturity greater than 3 months.

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	4,600	7,015
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	(128)	(178)
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)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>4,472</b>	<b>6,837</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of quarter/year to date	2,811	1,911
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(674)	(2,131)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(2,000)	(2,000)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	4,472	6,837

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	(4)	(12)
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter <sup>1</sup></b>	<b>4,605</b>	<b>4,605</b>

<sup>1</sup> The cash balance above excludes \$2 million of cash on deposit with a maturity date greater than 3 months.

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	4,605	2,811
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above) <sup>1</sup></b>	<b>4,605</b>	<b>2,811</b>

<sup>1</sup> The cash balance above excludes \$2 million of cash on deposit with a maturity date greater than 3 months.

**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**

115

-

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. <b>Financing facilities available</b> <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.		

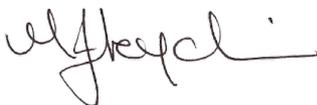
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9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	657
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	123
9.6 Administration and corporate costs	277
9.7 Other (provide details if material) (IP)	43
<b>9.8 Total estimated cash outflows</b>	<b>1,100</b>

10. <b>Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	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: .....  
(Company secretary)

Date: 26 July 2018

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.