



ASX & Media Release

Patrys Quarterly Activities Report and Appendix 4C

Melbourne, Australia, 30 July 2019: Patrys Limited (ASX:PAB, “Patrys” or the “Company”), a therapeutic antibody development company, is pleased to announce further progress across its Deoxymab 3E10 platform and the release of its Appendix 4C for the quarter ended 30 June 2019.

Key highlights

- **Successful animal data released for the treatment of triple negative breast cancer brain metastases**
- **Results from studies support that lead candidate (PAT-DX1) crosses the blood brain barrier, suppresses tumour growth and increases survival**
- **Planning underway for further PAT-DX1 and PAT-DX1-NP pre-clinical studies**
- **Patrys continues to receive interest in Deoxymab 3E10 from industry leaders and research grant providers generated by successful data and attendance at key conferences**

Operations

In May 2019, Patrys released results from an animal study confirming that PAT-DX1 crosses the blood brain barrier and suppresses growth of Triple Negative Breast Cancer (TNBC) brain metastases at a shortened dosing regimen of one week. The study also confirmed that PAT-DX1 in combination with low dose radiation resulted in significantly increased tumour suppression. The study was conducted at the Yale School of Medicine and forms part of Patrys’ broader program to identify and optimise dosing regimens for future studies.

Guided by recent data, the Company commenced planning for further TNBC brain metastases studies to explore the interactions between different combination and dosing regimens and to help guide clinical development.

During the quarter, Patrys’ well-respected international service provider continued to progress the cell line development of PAT-DX1. The development of a stable cell line is an important milestone for the Company and development is anticipated to be complete in 1H CY20.

The PAT-SC1 program continued to progress under Patrys’ Chinese partner, Hefei Co-source Biomedical. Hefei Co-source Biomedical has continued work diligently to progress its development activities and Patrys continues to provide support and expertise. The exclusive license agreement entitles Hefei Co-source Biomedical to develop and commercialise PAT-SC1 for all oncology indications in China.

Corporate

Patrys had net cash outflows of A\$733k during the quarter with A\$454k invested in R&D activities associated with the Company’s pre-clinical work. Patrys continues to demonstrate prudent cash management, with funding of R&D activities supported by a number of grants. As at 30 June 2019, the Company held A\$6.5m in cash.

In April 2019, the Patrys announced Dr James Hansen of the Yale School of Medicine, presented successful Deoxymab 3E10 animal data at the American Association for Cancer Research Annual



Meeting in Atlanta, US. Dr Hansen presented a poster titled “Deoxymab: A targeted biologic that is synthetically lethal to TNBC brain metastases” to a range of researchers, clinicians, patient advocates, and other oncology professionals from around the world.

-Ends-

To learn more please visit: www.patrys.com

For further information, please contact:

General enquiries

James Campbell
Chief Executive Officer
P: +61 3 9670 3273
info@patrys.com

Media enquiries:

Kyahn Williamson
Buchan Consulting
P: +61 3 9866 4722
kwilliamson@we-buchan.com

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.

About Patrys’ Deoxymab 3E10 platform – lead candidates PAT-DX1 and PAT-DX1-NP:

Deoxymab 3E10 is a DNA damage-repair antibody that was first identified in lupus. Of particular interest is that whilst most antibodies bind to cell surface markers, Deoxymab 3E10 penetrates into the cell nuclei and binds directly to DNA where it inhibits DNA repair processes and kills cells that have mutations or deficiencies in DNA repair mechanisms as found in various cancer cells. Deoxymab 3E10 has demonstrated single agent activity and has been shown to significantly enhance the efficacy of both chemotherapy and radiotherapy. Further, Deoxymab 3E10 can be conjugated to nanoparticles to target delivery of chemotherapeutics and imaging agents to tumours.

Patrys has developed a humanised form of Deoxymab 3E10, PAT-DX1 with improved activity over the original version of 3E10, and is progressing this, and a nanoparticle-conjugated form (PAT-DX1-NP) towards the clinic. In a range of pre-clinical cancer models PAT-DX1 has shown significant ability to kill cancer cells in cell models, human tumour explants, xenograft and orthotopic models. Treatment with PAT-DX1 has been shown to significantly improve survival in orthotopic models of both triple negative breast cancer brain metastases and glioblastoma. Significantly, PAT-DX1 has repeatedly been shown to be able to cross the blood brain barrier, a significant hurdle for therapeutics to combat brain cancers.

Patrys’ rights to Deoxymab 3E10 are part of a worldwide license to develop and commercialise as anti-cancer and diagnostic agents a portfolio of novel anti-DNA antibodies and antibody fragments, variants and conjugates discovered at Yale University.

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 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	27
1.2 Payments for		
(a) research and development	(454)	(1,617)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(132)	(603)
(f) administration and corporate costs	(136)	(1,336)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	66	102
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	617
1.8 Other		
- IP expenditure	(77)	(323)
- Insurance Settlement	-	3,000
1.9 Net cash from / (used in) operating activities	(733)	(133)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
(c) investments	-	-
(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 deposits)	2,000	2,000
2.6 Net cash from / (used in) investing activities	2,000	2,000

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	2
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	-	2

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	5,207	4,605
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(733)	(133)
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)	-	2

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	6,474	6,474

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	2,390	3,186
5.2	Call deposits	4,084	2,021
5.3	Bank overdrafts	-	-
5.4	Other	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,474	5,207

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
144
-

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.		

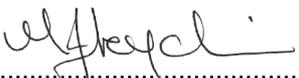
-

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	774
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	106
9.6 Administration and corporate costs	232
9.7 Other (provide details if material) (IP)	68
9.8 Total estimated cash outflows	1,180

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: 30 July 2019
(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.