



ASX & Media Release

Patrys Quarterly Activities Report and Appendix 4C

Melbourne, Australia; 30 July 2020: Patrys (ASX: PAB, “Patrys” or the **Company**), a therapeutic antibody development company, is pleased to announce further progress across its Deoxymab platform (including PAT-DX1 and PAT-DX1-NP) and the release of its Appendix 4C for the quarter ended 30 June 2020.

Key highlights

- **Appointment of Dr. Peter Ordentlich to Scientific Advisory Board to strengthen skill base as Patrys moves towards anticipated Phase 1 study**
- **Patrys collaborators have been awarded Lion Heart Fund for Cancer Research grant of US\$50,000; US National Institutes of Health (NIH) R01 grant of US\$1.83m; and Department of Defence (DoD) grant of US\$1.95m, to support ongoing work in the areas of glioblastoma (GBM) and breast cancer metastases**
- **Announcement of fully underwritten, non-renounceable rights issue to raise approximately A\$4.29 million before costs supported by two of Patrys’ largest shareholders**
- **Cash at bank at close of quarter of A\$3.98m and net cash outflows of A\$619k including A\$411k invested in R&D activities**

Operations

In May 2020, Patrys appointed Dr Peter Ordentlich to its Scientific Advisory Board (SAB). Dr Ordentlich has a broad scientific and translational medicine expertise which Patrys will leverage to assist with progressing its clinical development plans. In 2005, Dr Ordentlich co-founded Syndax Pharmaceuticals, a NASDAQ-listed clinical stage biopharmaceutical company developing an innovative pipeline of cancer therapies, for which he is currently the Chief Scientific Officer. Dr Ordentlich joins Dr Allen Ebens on the SAB, and together with Dr Pamela M. Klein on Patrys’ Board, they have a wealth of experience in taking both biologics and small molecules into the clinic. We look forward to Dr Ordentlich’s valuable contributions going forward.

Later in May 2020, the Company also announced that its Yale University collaborator and inventor of the Deoxymab technology platform, Dr James Hansen, was successful in obtaining multiple competitive grants. The US National Institute of Health (NIH) awarded a US\$1.83m R01 grant to support work on both PAT-DX1 and PAT-DX1-NP in glioblastoma multiforme (GBM), the most common form of brain cancer. In addition, the Lion Heart Fund for Cancer Research awarded US\$50,000 and US Department of Defence (DoD) US\$1.25m, and both grants will explore use of PAT-DX1 and PAT-DX1-NP in breast cancer brain metastases. These prestigious grants bring the



total funding from US agencies to US\$3.13m (A\$4.87m) over the coming five years, and the Company looks forward to reporting the outcomes of these programs to its Shareholders.

In June 2020, the Company was pleased to announce a fully underwritten, non-renounceable Rights Issue to raise approximately A\$4.29 million before costs. The proceeds raised will be used to support the development of PAT-DX1 as it progresses towards an anticipated clinical trial in late 2021 or early 2022. Proceeds will also be used to support development of PAT-DX1-NP and other formats of the antibody, funding operations, cost of the issue, working capital, and other business development and corporate activities.

During the quarter, Patrys continued progressing its development of a stable cell line for the PAT-DX1 program. This work is currently being undertaken by an international manufacturing partner. Fortunately, the Company has experienced only minimal delays due to the COVID-19 pandemic. Patrys remains on track with its manufacturing program, with some minor delays to pre-clinical activities with existing and new collaborators. The market will be updated if this timetable is shifted substantially by the COVID-19 situation.

Corporate

During the quarter, Patrys had net cash outflows of A\$619k with A\$411k invested in R&D associated with pre-clinical studies and manufacturing development. At the end of the quarter, the Company held A\$3.98m in cash. The Company is expecting proceeds from the Rights Issue to be received in August 2020. The Company is committed to utilising funds to support the development of PAT-DX1 as it progresses towards a clinical trial in late 2021 or early 2022. Patrys will continue to expend funds in a prudent manner in line with both management and operational practices and policies, especially during this time of economic uncertainty due to the COVID-19 pandemic.

Payments to related parties and their associates during the quarter as outlined in Section 6 of the accompanying Appendix 4C to this quarterly activities report were A\$152k. These payments are related to executive director salaries, non-executive director fees and consulting services for the quarter.

-Ends-

This announcement is authorised for release by the Board of Directors of Patrys Limited.



For further information, please contact:

General enquiries

James Campbell
Chief Executive Officer
P: +61 3 96703273
info@patrys.com

Media enquiries:

Haley Chartres
HACK
P: +61 423 139 163
haley@hck.digital

Registered Office Address

Level 4, 100 Albert Road
South Melbourne VIC 3205

About Patrys Limited

Based in Melbourne, Australia, Patrys (ASX:PAB) is focused on the development of its Deoxymab platform of cell-penetrating antibodies as therapies for a range of different cancers. 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 (DDR) antibody that was first identified in lupus as an autoantibody that bound to normal cells. 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 single agent therapeutic potential and has been shown to significantly enhance the efficacy of both chemo- and radiotherapies. Further, Deoxymab 3E10 can be conjugated to nanoparticles to target delivery of chemotherapeutics and imaging agents to tumors.

Patrys has developed a humanized 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 tumor 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. PAT-DX1 has also been shown to enhance the therapeutic effect of low dose radiation. Patrys believes that PAT-DX1 may have application across a wide range of malignancies such as gliomas, melanomas, prostate, breast, pancreatic and ovarian cancers.

Patrys' rights to Deoxymab 3E10 are part of a worldwide license to develop and commercialize 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 cash flow report for entities subject to Listing Rule 4.7B

Name of entity

PATRYS LIMITED

ABN

97 123 055 363

Quarter ended ("current quarter")

30 June 2020

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	(411)	(1,551)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(149)	(653)
(f) administration and corporate costs	(41)	(849)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	12	74
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	678
1.8 Other		
- IP expenditure	(80)	(261)
- Government Incentive	50	50
1.9 Net cash from / (used in) operating activities	(619)	(2,485)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) 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	-	-

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
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 period	4,744	6,474
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(619)	(2,485)

Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(144)	(8)
4.6	Cash and cash equivalents at end of period	3,981	3,981

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	2,894	1,665
5.2	Call deposits	1,087	3,079
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,981	4,744

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	152
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	<div style="border: 1px solid black; padding: 5px; min-height: 100px;"> <p>N/A</p> </div>	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(619)
8.2 Cash and cash equivalents at quarter end (item 4.6)	3,981
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	3,981
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	6.43
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
<p>Answer: N/A</p>	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
<p>Answer: N/A</p>	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
<p>Answer: N/A</p>	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

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.

Date: 30 July 2020

Authorised by: The Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.