



ASX & Media Release

Patrys Announces \$12.5 Million Rights Issue

Melbourne, Australia; 13 November, 2013: Patrys Limited (**ASX: PAB, Company**), a clinical stage biotechnology company is pleased to announce a non-renounceable pro-rata rights issue (**Rights Issue**) to Eligible Shareholders (defined below). Patrys is also offering Eligible Shareholders the right to increase their shareholding in Patrys (**Share Top Up Offer**) should there be any shortfall under that Rights Issue. Under the combined Rights Issue and Share Top Up Offer Patrys is seeking to raise approximately \$12.5 million before costs.

Azure Capital Limited and BBY Limited are Joint Lead Managers for the Rights Issue.

Eligible Shareholders are those shareholders whose registered addresses are within Australia, New Zealand or the United Kingdom as at 7.00 p.m. (AEDT) on 25 November 2013 (**Record Date**). Shareholders with a registered address outside Australia, New Zealand and the United Kingdom at the Record Date (**Excluded Shareholders**) will not be eligible to participate in either the Rights Issue or the Share Top Up Offer.

The Directors will have the ability to place any remaining shortfall under the Rights Issue in the three months following the close of the issue, subject to compliance with the ASX Listing Rules and the Corporations Act.

Eligible Shareholders will have the opportunity to participate in the Rights Issue to receive one new ordinary share for every two ordinary shares held in the Company as of the Record Date and also to apply for additional Patrys shares under the Share Top Up Offer, in each case at an issue price for each new ordinary share of 5 cents. Fractional entitlements will be rounded up to the nearest whole number and the shares issued under the Rights Issue and the Share Top Up Offer will rank equally with the Company's fully paid ordinary shares on issue.

The structure of the Rights Issue with a Share Top Up Offer has been designed to provide the maximum opportunity for existing Patrys shareholders to subscribe for further shares in the Company, while at the same time ensuring that a sufficient amount of capital will be raised. The Directors believe a Rights Issue is the correct structure for this capital raising as it treats all shareholders equally and is non-dilutive to the extent that all shareholders are given the opportunity to participate.

As announced on Monday, 11 November, Onyx Pharmaceuticals Inc., a subsidiary of Amgen Inc., has agreed to fund an investigator-sponsored trial evaluating the effectiveness of Patrys' lead anti-cancer drug PAT-SM6 in combination with its leading multiple myeloma (MM) product, carfilzomib, in patients with relapsed and refractory MM.



Patrys now needs to raise funds for the manufacturing of the product to be used in this trial as well as other activities associated with advancing the pipeline. Given the interest of Onyx in supporting this trial Patrys will not be actively seeking a licensing partner for PAT-SM6 at this time.

The proceeds raised pursuant to the Rights Issue and Share Top Up Offer will be used to support, in part, lead product clinical development, operations, business development and corporate development.

In addition to working capital, specifically, the funds will be used for:

PAT-SM6 Clinical Programme:

- i. Prepare and execute a Phase Ib/IIa clinical trial in patients with Multiple Myeloma (MM) involving a European based multi-centre trial with relapsed/refractory MM patients. PAT-SM6 will be used in combination with carfilzomib.
- ii. Manufacturing of GMP PAT-SM6 material to support the Phase Ib/IIa clinical trial.
- iii. Expand external collaboration alliances to generate additional preclinical data and intellectual property with a focus on haematological malignancies.
- iv. Fund activities related to potential partnering/out-licensing of PAT-SM6.

PAT-LM1 Preclinical Programme:

- i. Preclinical scale-up manufacturing to produce GMP material in preparation for clinical trial.
- ii. Additional preclinical work both internal and with external partners to generate additional data and intellectual property.

PAT-SC1 Out-licensing Programme:

- i. Fund activities related to the ongoing partnering/out-licensing of PAT-SC1.

PAT-NM1, PAT-SM3 Discovery Programme:

- i. Preclinical development and target discovery work.

In addition to the collaboration with Onyx Pharmaceuticals, Patrys has achieved a number of significant milestones over the last twelve months including:

PAT-SM6:

Phase I/IIa multi-dose multiple myeloma trial:

- Commenced November 2012 at University Hospital, Germany, currently in 4th (final) dosing cohort
- Full data expected to be released 1Q 2014
- Received Orphan Drug Designation in both Europe (September 2013) and USA (October 2013)

- Data presented at multiple clinical / scientific meetings in Europe, USA and Japan. Data accepted for presentation ASH December 2013

Preclinical:

- 4 publications published in peer-reviewed journals
- ARC linkage grant awarded with Macquarie University
- Expanded external collaborations with CSIRO, University Brussels, Myelomax

PAT-LM1:

- Two key patents granted around use of PAT-LM1 for treatment / prevention of metastatic cancer
- Progressed into late-stage preclinical development

PAT-SC1:

- Out-licensing programme ongoing. Expanded to include China & India

PAT-SM3, PAT-NM1:

- Promising preclinical data in various leukemias, lymphomas
- Hosted International IgM Workshop, Frankfurt

The Rights Issue and Share Top Up Offer is being undertaken without a prospectus in accordance with section 708AA of the *Corporations Act 2001 (Cth)* (Act).

The proposed timetable* for the Rights Issue and Share Top Up Offer is as follows:

Initial announcement of Rights Issue and Share Top Up Offer, lodgement of Appendix 3B and s708AA notice.	Prior to commencement of trading on Wednesday 13 November 2013
Dispatch letters to option holders (including timetable)	Wednesday 13 November 2013
Dispatch letters to shareholders and ineligible shareholders (including timetable)	Thursday 14 November 2013
"Ex" Date (ie. date from which securities are quoted on an ex basis)	Tuesday 19 November 2013
Record Date (ie. date for determining entitlement to participate in the Rights Issue and Share Top Up Offer)	Monday 25 November 2013
Dispatch of Rights Issue and Share Top Up Offer document and personalised Entitlement and Acceptance Form	Wednesday 27 November 2013
Closing Date	Wednesday 11 December 2013

Securities quoted on a deferred settlement basis.	Thursday 12 December 2013
Company notifies ASX of under subscriptions	Monday 16 December 2013
Allotment of shares under Rights Issue and Share Top Up Offer and despatch of holding statements	Thursday 19 December 2013
Trading of shares issued under Rights Issue and Share Top Up Offer expected to commence on ASX	Friday 20 December 2013

* Note: This timetable is indicative only and subject to change. The Company reserves the right to change the dates, including the Closing Date without prior notice, subject to the Listing Rules. Any extension of the Closing Date will have a consequential effect on the anticipated date for allotment and issue of the new shares.

Full details of the Rights Issue and the Share Top Up Offer will be contained in the Offer Letter to be lodged with the ASX. This will be dispatched to all Eligible Shareholders together with a personalised Entitlement and Acceptance Form, on or about 27 November 2013.

-Ends-

For further information, please contact:

Patrys Limited:

Roger McPherson
Chief Financial Officer
P: +61 3 9670 3273
info@patrys.com

Patrys IR:

Rebecca Wilson
Buchan Consulting
P: +61 417 382 391
rwilson@buchanwe.com.au

Patrys Media:

Kellie Hanrick
Buchan Consulting
P: +61 3 9866 4722
khanrick@buchanwe.com.au

About Patrys Limited:

Based in Melbourne, Australia, Patrys (ASX: PAB) is focused on the development of natural human antibodies as therapies for cancer and other major diseases. Patrys has a deep pipeline of anti-cancer natural human antibodies that qualify for both internal development and partnering opportunities. More information can be found at www.patrys.com.