December 2023 Quarterly Activities Report and Appendix 4C

- **Encouraging new SOF-VAC™ data from Sofra™ platform**
- **SOF-SKN™ autoimmune skin disease program gaining momentum**
- **$6 million Research and Development tax rebate received**

Sydney, 22 January 2024: Australian drug development company **Noxopharm Limited (ASX:NOX)** provides its Quarterly Activities Report and Appendix 4C for the period ending 31 December 2023.

Summary

During the quarter, Noxopharm released new data that showed its SOF-VAC™ mRNA vaccine enhancer significantly reduces inflammation driven by mRNA in an animal model.

In the study, mRNA-associated inflammation was reduced by around 50% when SOF-VAC was co-administered with the mRNA. This is an important finding, as many side effects of current and future mRNA therapeutics and vaccines are due to inflammation.

Additionally, the company received a $6.052 million rebate under the Australian Government's Research and Development Tax Incentive scheme for expenditure during FY 2023. The funds received from the scheme strengthen Noxopharm's cash position and support the R&D pipeline.

The December 2023 quarter also saw the company continue its focus on developing and accelerating its Chroma™ and Sofra™ preclinical platforms, announcing at the AGM that the lupus and psoriasis skin medication previously known as SOF-XX would be renamed SOF-SKN™ and progressed as quickly as possible.

In other news, Noxopharm CEO Dr Gisela Mautner was awarded the STEM Champion prize at the *Health Industry Hub* Catalysts for Change Awards in November. It followed her August interview around the National Science Week theme of innovation and powering future industries.

Reflecting on the quarter, Dr Mautner said: "The final three months of 2023 were important for us, as we clearly demonstrated the validity of our Sofra platform through the results of the SOF-VAC study.

"The data was very encouraging, and we will continue to seek a commercial partner for this asset, as well as advance SOF-SKN via a range of technical and safety studies. Along with our work on our pancreatic cancer drug, these activities position the company well as our transformation continues into 2024.

"I would also like to personally thank the shareholders who attended our AGM in November. It was a good opportunity to meet and discuss the business, and we appreciate all the feedback."

Sofra™

Noxopharm continued to actively develop and promote its Sofra platform over the quarter, strategically focusing on the SOF-VAC mRNA vaccine enhancer. SOF-VAC is a proprietary asset designed to be combined with all types of RNA vaccines, such as the mRNA vaccines used against COVID, to reduce mRNA-induced inflammation.

SOF-VAC has a well-defined selective and novel mechanism of action, and offers the industry the opportunity to enhance any type of mRNA vaccine and a broad range of RNA drugs currently in development globally.

Results showed a highly significant reduction in the mRNA-driven inflammation response in studies conducted by Noxopharm and its strategic partner, the Hudson Institute of Medical Research in Melbourne. In an animal study, inflammation was reduced by around 50% comparing the inflammation induced by mRNA alone to mRNA plus SOF-VAC.

During the study, SOF-VAC was combined with mRNA in a way that did not affect the function of the mRNA, which is important to ensure the effectiveness of vaccines.

The ability of SOF-VAC to reduce the inflammatory side effects of mRNA has several potential benefits, such as:

- Enabling mRNA vaccines to be given with higher doses – creating longer-lasting protection and a decrease in the frequency of booster shots required.
- Supporting the combination of mRNA vaccines (or other types of RNA vaccines) for different diseases into one syringe.
- Supporting future mRNA (or other RNA) drugs that require high and repeated doses to help treat a variety of diseases.

Noxopharm has now largely concluded its planned development work on SOF-VAC, and is actively seeking a commercial partner to take the asset forward to the next stages of its development.

In another Sofra development, the oligonucleotide-based skin medication previously known as SOF-XX was renamed SOF-SKN. SOF-SKN acts to reduce inflammation at its source, and the medication has potential application in autoimmune diseases like lupus and psoriasis.

When applied topically (on the skin) to mice, SOF-SKN only exerts its anti-inflammatory activity within the local environment of the skin, a factor helping to potentially advance the drug more quickly as topical medications have a shorter and less complex development path through preclinical studies and clinical trials. Work continued to progress on the project following the AGM, and in early 2024 the company expects to further prepare for future safety and animal studies.

Chroma™

Following the recent granting of an Orphan Drug Designation from the US FDA, development continued on the new CRO-67 dual-cell therapy drug that is effective in killing both pancreatic cancer cells and their barrier cells to achieve a more profound anti-cancer treatment outcome. Further *in vivo* studies are currently underway, progressing various aspects of the project including work related to efficacy, mechanism of action, dosing and formulation.

Additionally, Noxopharm's submission to the Australian Senate inquiry into equitable access to diagnosis and treatment for individuals with rare and less common cancers, including pancreatic cancer, has now been published. The terms of reference invited input concerning funding for research into rare cancers, and as an active participant in this field, the company made a submission that is available here.

Veyonda® Clinical Program

Noxopharm has supplied all Veyonda required to support the participating patients in the investigator-initiated IONIC Phase 1 proof-of-concept trial led and sponsored by Professor Paul de Souza, combining Veyonda with Bristol Myers Squibb's checkpoint inhibitor Opdivo® (nivolumab). The IONIC trial is taking place across six sites in the Sydney area and regional NSW.

As an investigator-initiated trial, Professor De Souza and the investigators are responsible for the conduct of the study including the screening and recruitment of patients, the administering of doses, and all decisions regarding patient cohorts and dose escalations.

Patient recruitment ended at the end of December with just over half of the target number recruited. No further costs for the trial will be incurred by Noxopharm from January 2024.

Financial Update

- As of 31 December 2023, Noxopharm had A$5.1m in cash.
- The current cash position meets the company's forecast funding needs.
- Net cash outflows from operating activities during the quarter amounted to A$4.0m, compared to operating outflows of A$1.83m in the quarter to 30 September. The company made payments for research and development of A$817k during the quarter, compared to A$579k in the September 2023 quarter.
- Operationally, Noxopharm has approximately three quarters of operating cash flows remaining, based on current cash holdings and a forecast operating cash outflow of circa $1.8m per quarter moving forward.

Payments to Related Parties

In accordance with Listing Rule 4.7C, payments made to related parties and their associates included in items 6.1 of the Appendix 4C include Director fees (including superannuation) for non-executive directors of $37.5k.

Interest was paid in cash on the unsecured loan to 4F Investments Pty Limited, an entity associated with Fred Bart, amounting to $14,027. The $2m short-term loan funded by 4F Investments Pty Limited during the quarter was fully repaid on receipt of the ATO R&D rebate in November.

-ENDS-

About Noxopharm

Noxopharm Limited (ASX:NOX) is an innovative Australian biotech company discovering and developing novel treatments for cancer and inflammation, including a pioneering technology to enhance mRNA vaccines.

The company utilises specialist in-house capabilities and strategic partnerships with leading researchers to build a growing pipeline of new proprietary drugs based on two technology platforms – Chroma™ (oncology) and Sofra™ (inflammation, autoimmunity, and mRNA vaccine enhancement).

Noxopharm also has a major shareholding in US biotech company Nyrada Inc (ASX:NYR), which focuses on drug development for cardiovascular and neurological diseases.

To learn more, please visit: noxopharm.com

Investor, Corporate & Media enquiries:
Julian Elliott
M: 0425 840 071
E: julian.elliott@noxopharm.com

Company Secretary:
David Franks
T: +61 2 8072 1400
E: David.Franks@automicgroup.com.au

Dr Gisela Mautner, CEO and Managing Director of Noxopharm, has approved the release of this document to the market on behalf of the Board of Directors.

Forward Looking Statements

This announcement may contain forward-looking statements. You can identify these statements by the fact they use words such as “aim”, “anticipate”, “assume”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “plan”, “predict”, “project”, “plan”, “should”, “target”, “will” or “would” or the negative of such terms or other similar expressions. Forward-looking statements are based on estimates, projections and assumptions made by Noxopharm about circumstances and events that have not yet taken place. Although Noxopharm believes the forward-looking statements to be reasonable, they are not certain. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond the Company’s control (including but not limited to the COVID-19 pandemic) that could cause the actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statement.

Appendix 4C

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

Name of entity	
NOXOPHARM LIMITED	
ABN	**Quarter ended ("current quarter")**
50 608 966 123	31 December 2023

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) research and development	(817)	(1,399)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	(19)	(46)
	(d) leased assets	-	-
	(e) staff costs	(717)	(1,591)
	(f) administration and corporate costs	(483)	(816)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	7	7
1.5	Interest and other costs of finance paid	(16)	(29)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	6,053	6,053
1.8	Other (provide details if material)		
1.9	**Net cash from / (used in) operating activities**	**4,007**	**2,179**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
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	2,000	2,000
3.6	Repayment of borrowings	(2,000)	(2,000)
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	1,144	2,974
4.2	Net cash from / (used in) operating activities (item 1.9 above)	4,007	2,179
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-3	-5
4.6	**Cash and cash equivalents at end of period**	**5,148**	**5,148**

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	5,148	1,149
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (business debit cards)	-	(5)
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**5,148**	**1,144**

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	52
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: Payments in 6.1 include payments of $38k to Directors for non-executive directors fees.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
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.	

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	4,007
8.2	Cash and cash equivalents at quarter end (item 4.6)	5,148
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	5,148
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	1.28

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.

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?

Answer: It should be noted that the figure above of 1.28 quarters is distorted by the receipt of the 2023 R & D rebate of $6M during the quarter, resulting in cash flows from operations of $4M for the quarter. During the quarter the Company received interim funding of $2M and repaid these borrowings on receipt of the R&D tax incentive from the ATO, effectively netting off the cash flows from financing activities. The operating cash outflows for the quarter, (excluding the ATO R&D rebate) was $2M. It appears that the Company has less than two quarter's cash flow remaining, however, operationally it has approximately three quarters of operating cash flows remaining. This is based on current cash holdings and the forecast cash outflows of approximately $1.8M per quarter moving forward.

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?

Answer: Following the completion of the recent strategic review, the Company has in place a very focused R&D program that it believes represents an appropriate use of shareholder funds as well having the potential to add significant value to the Company's long term IP portfolio. In order to sustain the anticipated level of R&D activities, additional funding will be required within the next 12 months. The precise timing, method and quantum of the additional funding to be secured remains subject to ongoing review and discussions between the Board as well as its advisers and potential funders. The timing of securing additional funds will also be subject to market conditions prevailing at the time. In addition, the Company continues to look for opportunities to apply for non-dilutive funding through government and other grants programs.

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?

Answer: The Company believes it has sufficient working capital to meet its obligations and continue with the implementation of its revised business plans for the foreseeable future. Moreover, the Company is highly diligent in managing its ongoing cash reserves and will take the necessary steps to ensure that it remains a viable business. The Company has embarked on a program of ongoing review of all of its activities to identify where any additional cost savings can be made in order to extend its cash runway.

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.

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: 22 January 2024

Authorised by: By order of 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.