Noxopharm to Prioritise Cutting-Edge Chroma™ & Sofra™ Programs

- **Recent preclinical discoveries in company's mRNA and pancreatic cancer programs showing early promise in important and growing patient markets**
- **Board decision to prioritise resources to Chroma™ and Sofra™ technologies to maximise shareholder value**
- **Two Veyonda® trials to be discontinued due to protracted timelines, low patient acceptance of suppositories and predicted cost increases**
- **Cash preservation through reduced spending and headcount in clinical roles**
- **Cash runway extended into 2024**

Sydney, 6 April 2023: Innovative biotech company **Noxopharm Limited (ASX:NOX)** announces that as part of the Board and management team's continual operational risk and cost profile evaluation, the company has reviewed the opportunities for its growing portfolio of technology assets in light of recent discoveries from its two cutting-edge Chroma™ and Sofra™ preclinical technology platforms, patients' suppository acceptance challenges for its DARRT-2 and CEP-2 trials, and the current capital markets climate.

To prudently utilise existing resources and its cash balance, the Board has determined to prioritise the allocation of resources to the development of the Chroma™ and Sofra™ programs, and limit further investment into Veyonda® clinical trials by discontinuing Noxopharm's DARRT-2 and CEP-2 trials.

Chroma™ & Sofra™ Opportunities

In September 2022, Noxopharm announced initial preclinical data from a proprietary novel 'dual-cell' therapy drug developed under its Chroma™ platform, which is effective in killing both pancreatic cancer cells and their barrier cells to achieve a more profound anti-cancer treatment outcome. In the studies conducted using a cutting-edge model developed by UNSW Sydney, tumour cells decreased by up to 85% and barrier cells were reduced by up to 87%. The company is now working with its partners to accelerate this research into the next phase of studies and build its data package. There is a large global need for new pancreatic cancer treatments, which is predicted to be a US$4 billion market.

Noxopharm's Sofra™ platform is also delivering encouraging early results, with the company announcing in March 2023 the development of a proprietary mRNA vaccine enhancer technology called SOF-VAC™. This asset has demonstrated strong activity against inflammation and the potential to make mRNA vaccines such as COVID vaccines safer, better tolerated by patients and more cost-effective to manufacture. The company is currently generating further data to explore the full capacity of this technology and its relevance to an mRNA market that is growing rapidly and expected to reach US$128 billion by 2030 at a compound annual growth rate of 13%.

The varied nature of Noxopharm's preclinical portfolio and the opportunity to enter new and emerging clinical markets offers a strong level of risk mitigation for the company, along with increased out-licensing opportunities. Accordingly, the Board has determined it will prioritise the allocation of resources to these promising new technologies.

Veyonda Program

Noxopharm's DARRT-2 and CEP-2 Veyonda trials have experienced slow patient recruitment when compared to numbers provided by the trial sites in pre-trial commitments. While these trials are being

conducted mainly at US hospitals with very experienced teams and track records, due to ongoing pressures on the US healthcare system as a result of COVID-19, participating hospitals are operating at a significantly reduced staffing capacity. This has led to delays in the recruitment of patients into the trials.

In addition, over the course of the trials it has become increasingly apparent that Veyonda's rectal route of administration is not widely accepted by patients, with recruitment numbers and feedback from clinical staff at sites suggesting that patients are preferring to participate in other available oncology trials where suppositories are not required. Idronoxil was reformulated as a suppository and branded as Veyonda at the time of the company's foundation, following historical explorations with IV and oral formulations.

The low level of patient acceptance of suppositories, coupled with reduced hospital staff capacity and alternative trial options for patient participation, has meant the DARRT-2 and CEP-2 trials continue to experience protracted patient recruitment and therefore longer projected readout timelines. The expectations for significant cost increases and the extended timeframes for reporting results of the two company-sponsored trials have resulted in the Board determining to discontinue DARRT-2 and CEP-2.

In tandem, the Board has also taken the difficult but necessary decision to reduce employee headcount by disbanding Noxopharm's clinical trials team. Veyonda manufacturing will also be wound down, further reducing ongoing costs.

Noxopharm will continue to supply Veyonda in order to support currently enrolled and potential future patients in the investigator-initiated IONIC trial led by Professor Paul de Souza.

Improved cash runway

The removal of the direct costs of paying suppliers and the clinical site hospitals, along with the reduction in associated clinical trial staff, results in sizeable cost savings to Noxopharm that will allow the company to focus on the potential of its Chroma™ and Sofra™ assets.

The Board believes this strategic shift reflects the best use of shareholder funds and will maximise shareholder value.

"The Board's decision to discontinue the two company-sponsored trials and disband the clinical team has not been made lightly. We firmly believe investment into the preclinical pipeline is a prudent and lower risk strategy while being more likely to deliver shareholder returns in the future. Our proprietary preclinical assets are being built from the ground up with novel characteristics, robust IP and encouraging commercial potential," said Noxopharm Chairman Fred Bart.

"As we position ourselves for the future, we also acknowledge the role played by our departing staff members. The Board and management team recognise the valuable work these diligent and talented colleagues have performed over the past few years, often in trying circumstances due to the impact of the pandemic, and wish them all the best in their future careers," he concluded.

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About Noxopharm

Noxopharm Limited (ASX:NOX) is an innovative Australian biotech company discovering and developing novel treatments for cancer and inflammation.

Its two innovative technology platforms – Chroma™ (oncology) and Sofra™ (inflammation and autoimmunity, including mRNA vaccine enhancement) – provide the basis for active development of a growing pipeline of new proprietary drugs.

Noxopharm also has a major shareholding in the US biotech company Nyrada Inc (ASX:NYR), which is active in the areas of drug development for cardiovascular and neurological diseases.

To learn more, please visit: noxopharm.com

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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.