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Sydney, Australia

ASX: NOX

Noxopharm Limited

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ESTABLISHMENT OF NYRADA INC.

- **NOX establishes subsidiary Nyrada Inc. to develop non-oncology drug IP**
- **Nyrada is a New York-based drug discovery and development company**
- **Initial 3 drug assets in fields of substantial unmet clinical need**
- **Extraordinary general meeting to be called to approve the proposed transactions.**

Sydney, 25 September 2017: Noxopharm Limited (ASX:NOX) is pleased to announce the formation of a subsidiary company, Nyrada Inc. (**Nyrada**), for the purpose of developing non-oncology drug intellectual property (IP). Nyrada is a US-registered company based in New York. Its purpose is to house non-oncology IP that is outside of Noxopharm's primary focus on oncology drug development and which, in the Board's view, represents the best means of creating value for Noxopharm shareholders from non-core IP.

It is intended that Nyrada will commence business with 3 drug assets across 4 main clinical indications. Each asset is pre-clinical. Nyrada proposes to bring each asset into the clinic.

In accordance with the *Corporations Act 2001* (Cth) and the ASX Listing Rules, Noxopharm will call an extraordinary general meeting to be held in early-November 2017, and separate from the Annual General Meeting, for to consider and vote on the proposal.

Background

Noxopharm has identified 2 drug candidates, NYX-104 and NYX-105.

NYX-104 is designed to inhibit a secondary disease process of the central nervous system known as excitotoxicity. This is death of nerve cells as a secondary event following injury to the brain and spinal cord associated with stroke, trauma, repeat concussion or severe epilepsy. Progressive brain shrinkage associated with sporting concussive injuries (boxing, football) is an example of excitotoxicity.

NYX-105 is designed to inhibit a certain component of inflammation known as thromboxanes. The production of inflammatory thromboxanes is implicated in a range of diseases including peripheral neuropathies (loss of function of peripheral nerves) and inflammatory bowel disease/ulcerative colitis. Peripheral neuropathy is a common complication of diabetes.

Noxopharm IP in both cases relates to the application of proprietary drug delivery technology designed to improve drug access to diseased tissues.

Noxopharm has identified a third drug candidate as a potential acquisition. This asset is owned by a private drug development company, Cardio Therapeutics Pty Ltd ACN 167 825 201 (**Cardio**), a company owned by Altnia Holdings Pty Ltd ACN 133 349 238 as trustee for the I. Dixon Family Trust (**Altnia**). Altnia is controlled by Dr. Ian Dixon, a non-executive director of Noxopharm. This asset is a small molecule drug designed to lower LDL cholesterol levels through inhibition of the PCSK9 protein, potentially offering significant advantages compared to current therapies. This drug candidate is also undergoing pre-clinical development.

The Transaction

Nyrada is an entity incorporated in the USA (Delaware-registered) and currently jointly owned by Noxopharm and Altnia.

NYX-104 and NYX-105 have been transferred (with all associated IP rights) to 2 subsidiaries that are wholly-owned by Noxopharm, known as NorBio No. 1 Pty Ltd ACN 619 956 722 (**NorBio No. 1**) and NorBio No. 2 Pty Ltd ACN 619 956 973 (**NorBio No. 2**) respectively.

Noxopharm has entered into a conditional share sale and subscription agreement with Nyrada pursuant to which Noxopharm has agreed to transfer the total issued share capital of NorBio No. 1 and NorBio No. 2 to Nyrada in consideration for 6,669 shares in Nyrada (**NorBio Agreement**).

Nyrada also has entered into a share sale and subscription agreement with Altnia, pursuant to which Altnia has agreed to transfer the total issued share capital of Cardio to Nyrada in consideration for 3,329 shares in Nyrada (**Cardio Agreement**).

Upon completion of the NorBio Agreement and the Cardio Agreement, Noxopharm will own 66.7% and Altnia 33.3% of Nyrada.

The NorBio Agreement and the Cardio Agreement together are the "**Proposed Transactions**".

Shareholder approval

Noxopharm shareholders must approve the Proposed Transactions for them to proceed. Noxopharm will call an extraordinary general meeting and Noxopharm shareholders will be asked to approve the following resolutions:

- that, for the purposes of Chapter 2E of the Corporations Act, ASX Listing Rule 10.1 and for all other purposes, the acquisition by Nyrada of the entire issued share capital of NorBio No. 1 and NorBio No. 2 from Noxopharm is approved (**Resolution 1**); and
- that, for the purposes of Chapter 2E of the Corporations Act, ASX Listing Rule 10.1 and for all other purposes, the acquisition by Nyrada of the entire issued share capital of Cardio from Altnia and the issue of 3,329 Nyrada Shares to Altnia are approved (**Resolution 2**),

(together, the **Resolutions**).

Resolution 2 is conditional upon Resolution 1 being approved by Noxopharm shareholders. If Resolution 1 is not passed, then both Resolutions will be taken to have been rejected by Noxopharm shareholders and the Proposed Transactions will not proceed. If Resolution 1 is passed and Resolution 2 is not passed, the NorBio Agreement will proceed and the Cardio Agreement will not proceed.

Purpose of the Proposed Transactions

The Proposed Transactions will result in the establishment of a non-oncology drug discovery and development business to be conducted by Nyrada. The Board of Noxopharm believes that Nyrada represents the best way to grow shareholder value for IP held by Noxopharm that is non-core to the Company's current oncology focus, but which, in the opinion of the Board, holds significant commercial potential.

The Board (other than Dr. Ian Dixon) is also of the view that the drug asset owned by Cardio is a significant opportunity that complements the IP rights held by NorBio No. 1 and NorBio No. 2.

The Proposed Transactions give Noxopharm an opportunity to maintain a proprietary interest in the development of 3 drug assets without adversely affecting the core activities of Noxopharm. The directors of Noxopharm believe that the combination of the NorBio No.1, NorBio No. 2 and Cardio drug assets will be attractive to investors and, if the clinical trials are successful, that the Company's shareholding in Nyrada could be a valuable asset.

Meeting documents

Noxopharm will call an extraordinary general meeting in the coming weeks to put the Resolutions to Noxopharm shareholders.

The notice of meeting will include important information in relation to the Proposed Transactions and the Resolutions. The notice of meeting will be accompanied by an independent expert report.

Indicative timetable for implementing the Proposed Transactions

An indicative timetable for implementing the Proposed Transactions is as follows:

Event	Date
Announce the Proposed Transactions	25 September 2017
Call the extraordinary general meeting	9 October 2017
Hold the general meeting	9 November 2017
Complete the NorBio Agreement and the Cardio Agreement	16 November 2017

Note: this is subject to change.

For further information, please contact:

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About Noxopharm

Noxopharm is an Australian drug development company with offices in Sydney, Melbourne and Hong Kong. The Company has a primary focus on the development of drugs to address the problem of drug-resistance in cancer cells, the major hurdle facing improved survival prospects for cancer patients. NOX66 is the first pipeline product, with later generation drug candidates under development. The Company also has initiated a pipeline of non-oncology drugs.

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