Letter to Shareholders | 16 February 2021
Noxopharm Limited (ASX:NOX)

16 February 2021

Dear Shareholder,

As Noxopharm provides its 2021 Half Year Financial Statement, I would like to make a few points.

There are four pillars in the development of a successful drug.

1. Having a drug that the market needs and wants
The overwhelming majority of patients who develop metastatic cancer, die from that cancer. So we know that a drug with the potential of Veyonda® is needed. A report Noxopharm commissioned 2H2020 from a leading U.S. advisory firm on the size and need of particular sectors in oncology confirmed that, pointing us to certain sectors as a priority in terms of speed and value. The report has been important in helping form up our clinical and commercial strategies.

2. Having evidence that it has the potential for what it takes to make it to market
A drug capable of boosting the effectiveness of other standard forms of therapy including chemotherapy, radiotherapy and checkpoint inhibitor therapy, and doing so cost-effectively and safely, are key ingredients for becoming a widely adopted treatment.

Ongoing analysis in 2H2020 of our CEP-1, DARRT-1 and LuPIN clinical programs in the process of preparing data for publication in medical journals, has confirmed that Veyonda has this potential.

3. Being able to protect the asset through intellectual property (IP)
Good, solid IP is the difference between a modest value deal and a high value deal, so this part of our business is high priority. 2H2020 was important because it saw the lodgement of a number of 2nd generation patent applications around clinical uses. This elevates the Company's IP position considerably from the early patent lodgements around method of delivery etc, leading to a strategy focusing on patent claims where our patent attorneys advise it is much easier to establish novelty and inventiveness.

4. Having the cash to further develop the asset
The A$23M raised in December 2020 means the Company now is well set up to execute its scientific, clinical and commercial strategies.

Specific notable events:

- The NOXCOVID-1 study was started with the first 18 patients successfully completing their treatment with no safety issues
- New data from the LuPIN trial was released at a global conference (ASCO GU) last week showing a survival benefit of at least 19.7 months in end-stage prostate cancer patients. The LuPIN trial at St Vincent's Hospital in Sydney is studying a combination treatment of Veyonda with a Novartis (NYSE:NVS) radiopharmaceutical
- The IONIC clinical program was confirmed following the agreement to participate from Bristol Myers Squibb (NYSE: BMY)
- Planning for the multi-national DARRT-2 Phase 2a clinical study began with the appointment of a contract research organisation
- Considerable progress was made pre-clinically in elucidating the anti-cancer mechanism of action of idronoxil, the active ingredient in Veyonda, confirming the drug's immunotherapy actions (immune cell activation, "COLD" to "HOT" tumour conversion)
- The ability of idronoxil to block STING signalling via a first-in-class mechanism resulting in a novel anti-inflammatory effect, opened up the opportunity to build a drug development business around sepsis and autoimmunity, two areas of major need and major industry interest. This resulted in the establishment of Pharmorage Pty Ltd

On the corporate front, the December 2020 capital raise brought in new institutional investors, now strengthening the share register.

All of this has put the Company on a firm path to commercialisation. The fundamentals are there: the science is growing, the clinical data is coming, the strategies have been formed, the team is in place, we are coming to the attention of the industry, and we are well funded.

As we have previously announced, Noxopharm has assembled a business development team comprising legal and ex-major pharmaceutical industry executives to advise on appropriate clinical, commercial and transactional strategies in light of the Company's various opportunities.

It should be noted that in less than 5 years, Noxopharm has gone from a concept to a pre-commercial phase. From an initial clinical focus on late-stage prostate cancer, we now have a much broader vision of bringing Veyonda to the unmet needs of many other sectors of the cancer field.

On behalf of the Board and our staff, I thank all shareholders for their patience and support. I am confident that the coming year will provide further news and progress.

Yours sincerely,
Dr Graham Kelly
CEO and Managing Director, Noxopharm Limited

Authorisation: Dr Graham Kelly, CEO and Managing Director of Noxopharm, has approved the release of this document to the market on behalf of the Board of Directors.

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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. No representation, warranty or assurance (express or implied) is given or made by Noxopharm that the forward-looking statements contained in this announcement are accurate and undue reliance should not be placed upon such statements.