Appendix 4C

Quarter Ended 31 March 2023

Chimeric Therapeutics Limited

ACN 638 835 828

ASX: CHM

ASX ANNOUNCEMENT **28 APRIL 2023**

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 31 MARCH 2023

Chimeric Therapeutics (ASX:CHM, "Chimeric" or the "Company"), an Australian leader in cell therapy, is pleased to provide a summary of its activities for the quarter ended 31 March 2023.

Highlights for the quarter included:

- 1st patient dosed in clinical trial assessing CHM 0201 in combination with Vactosertib
- 3rd dose cohort in CHM 1101 Phase 1A completed with no dose limiting toxicities
- Fourth dose cohort in CHM 1101 Phase 1A initiated with first patient treated
- Viral vector manufacturing completed to support initiation of Phase 1 trial for CHM 2101
- Positive feedback from US FDA at pre-IND meeting for CHM 2101
- CHM 1101 abstract to be presented at ASCO 2023
- Chimeric presents CAR T educational webinar in addition to virtual healthcare investor event
- R&D tax incentive refund received

1st patient dosed in CHM 0201 + Vactosertib Phase 1b trial

During January the first patient was dosed in the CHM 0201 (CORE NK) + Vactosertib clinical trial, the first ever trial to assess NK cells in combination with Vactosertib in patients with advanced colorectal and blood cancers.

The CHM 0201 (CORE NK) platform is a potential best in class NK cell platform of ex-vivo expanded non HLA-matched universal donor NK cells. The platform was previously studied in a phase 1 clinical trial that established safety with no GvHD (Graft versus Host Disease), 28-day NK cell persistence and an encouraging early efficacy signal, particularly in blood cancers where all patients achieved disease control and one patient achieved a complete response that has now been sustained for over 24 months.

The objective of this new Phase 1B study is to build upon the clinical responses seen in the initial CORE NK Phase 1A clinical trial by adding Vactosertib, an oral TGF-β receptor inhibitor that can potentially disrupt the TGF-β signalling pathway.

This new trial is being led by UH Seidman oncologist J. Eva Selfridge, MD, PhD, and Assistant Professor at Case Western Reserve University School of Medicine in Ohio and is designed to treat 12 patients with either locally advanced/metastatic colorectal cancer or relapsed/refractory blood cancers.

The Phase 1B trial is currently funded without financial support from Chimeric Therapeutics.

Fourth dose cohort initiated in CHM 1101 Phase 1A trial after completion of follow-up period for third patient cohort with no dose limiting toxicities.

During March, Chimeric was pleased to announce treatment initiation for the first patient in cohort 4 in the CHM 1101 (CLTX CAR T) Phase 1A clinical trial for glioblastoma (GBM) at City of Hope.

Patients in this dose level receive a total dose of 440 X 10^6 CHM 1101 (CLTX CAR T) cells through dual routes of intratumoral and intraventricular administration.

Advancement to this dose level follows the completion of the 3rd dose cohort without any dose limiting toxicities, as announced in January 2023.

City of Hope, one of the largest cancer research and treatment organizations in the United States, initiated and is leading, the initial Phase 1A CHM 1101 (CLTX CAR T) cell therapy clinical trial. Chimeric Therapeutics has licensed the exclusive global rights to intellectual property covering the chlorotoxin (CLTX) CAR-T cells.

The City Of Hope Phase 1A study aims to enroll 18-36 patients with MMP2+ recurrent or progressive GBM across four dose levels. Study objectives are to evaluate the safety and efficacy of CLTX CAR T and to establish recommended dosing for a phase 2 trial.

CHM 2101 viral vector manufacturing completed to support initiation of Phase 1

Chimeric has now completed the manufacturing and quality release for CHM 2101 viral vector, a key milestone in advancing CHM 2101 towards the clinic. CHM 2101 is a first in class, 3rd generation autologous CAR T cell therapy invented at the world-renowned cell therapy centre, the University of Pennsylvania.

Chimeric is currently focused on advancing CHM 2101 towards a phase 1A clinical trial in gastrointestinal and neuroendocrine tumours. One of the most challenging and critical components of cell therapy technical operations is the timely manufacturing and release of viral vector. Viral vector is considered the backbone for the manufacture of a CAR T cell therapy as it holds the genetic engineering instructions.

A shortage of vector manufacturing capacity has significantly delayed other cell therapy company development programs, making this a critical milestone for Chimeric.

Positive pre-IND meeting for Chimeric's new CHM 2101 Phase 1 CAR T study

In March, Chimeric announced it had successfully completed a pre-Investigational New Drug (pre-IND) meeting with the US Food and Drug Administration (FDA), receiving positive feedback on the development plan for CHM 2101.

The objective of the meeting was to facilitate FDA regulatory communication and guidance through the IND submission process for CHM 2101. The pre-IND meeting package included details and specific questions regarding the clinical development plan and technical operations, including drug product manufacturing and quality release plan for CHM 2101.

The Company received positive written responses from the FDA that provide a clear path to an IND submission for CHM 2101 and validates the Chimeric team's efforts and accomplishments in preparing CHM 2101 for clinic.

CHM 1101 glioblastoma abstract accepted for presentation at ASCO 2023

Subsequent to the end of the period, Chimeric announced that its CHM 1101 abstract was selected for presentation at the 2023 Annual Meeting of the American Society of Clinical Oncology (ASCO), being held 2-6 June 2023 in Chicago, Illinois.

The Company's abstract was selected from more than 6,500 abstracts submitted, with this highlighting the clinical trial design and objectives of Chimeric's new multi-site Phase 1B clinical trial of CHM 1101 in patients with recurrent or progressive glioblastoma (GBM).

CAR T Cell Therapies Educational Webinar: Where are we today and where are we going?

Also subsequent to the end of the period, Chimeric announced it would host an educational webinar on CAR T cell therapies for shareholders and interested parties. It took place at 11am AEST, Tuesday 18 April 2023, and was hosted by Chimeric's CEO and Managing Director Jennifer Chow, alongside Chief Medical Officer Dr Jason B. Litten.

A replay of the webinar can be viewed at:
https://us02web.zoom.us/webinar/register/WN_Aj5N5a1YSt2Dz3Gs56EGew#/registration

Presentation at NWR Virtual Healthcare Conference

Chimeric's CEO and Managing Director Jennifer Chow presented at the NWR Virtual Healthcare Conference during March, welcoming shareholders, investors and other interested parties to hear the latest on the Company's investment proposition.

A replay of the presentation at the conference can be viewed: https://youtu.be/OwTO82ZF1SQ

$3.06m R&D tax incentive refund received

During February the Company received its R&D tax refund, totalling A$3,061,205, under the Australian Government's R&D tax incentive. This recognises Chimeric's R&D activities during the 2022 financial year.

Finance update

An Appendix 4C is Quarterly Cash Flow Report is attached to this announcement.

As detailed in the attached ASX Appendix 4C, the Company had $2.8 million in cash and equivalents as at 31 March 2023, decreasing from $3.6 million at 31 December 2022.

The Net Cash used in Operating Activities during the quarter was $0.7 million with direct Research and Development expenditure and Staff costs accounting for over 87% of the $0.7 million (excluding government grants). Additionally, during the quarter the Company had net cash outflows in investment activities of $0.1 million after the payment of licence fees for CORE-NK.

The Board is assessing alternative capital sources, including a placement to sophisticated and professional investors and other options with advisors. The Directors believe that the Company can raise sufficient capital based on the success of previous capital raises and the continued development of the Company's projects. In addition, the Company has and will continue to employ cash management strategies such as delaying operating activities.

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 payments for remuneration of director fees to executive and non-executive directors in the normal course of business at commercial rates, excluding reimbursements of out-of-pocket expenses.

ABOUT CHIMERIC THERAPEUTICS

Chimeric Therapeutics, a clinical stage cell therapy company and an Australian leader in cell therapy, is focused on bringing the promise of cell therapy to life for more patients with cancer. We believe that cellular therapies have the promise to cure cancer, not just delay disease progression.

To bring that promise to life for more patients, Chimeric's world class team of cell therapy pioneers and experts is focused on the discovery, development, and commercialization of the most innovative and promising cell therapies.

CHM 1101 (CLTX CAR T) is a novel and promising CAR T therapy developed for the treatment of patients with solid tumours. CHM 1101 is currently being studied in a phase 1 clinical trial in recurrent / progressive glioblastoma. Initial positive data has been presented on patients treated in the first two dose levels of the trial.

CHM 2101 (CDH17 CAR T) is a novel, 3rd generation CDH17 CAR T invented at the world-renowned cell therapy centre, the University of Pennsylvania. Preclinical evidence for CHM 2101 was published in March 2022 in Nature Cancer. CHM 2101 (CDH17 CAR T) is currently in preclinical development with a planned phase 1 clinical trial in gastrointestinal and neuroendocrine tumours.

CHM 0201 (CORE-NK platform) is a clinically validated, off the shelf natural killer (NK) cell platform. Data from the complete phase 1 clinical trial was published in March 2022, demonstrating safety and efficacy in blood cancers and solid tumours. Based on the promising activity signal demonstrated in that trial, a new Phase 1B clinical trial investigating CHM 0201 in combination with IL2 and Vactosertib is now underway. From the CHM 0201 platform, Chimeric has initiated development of new next generation NK and CAR NK assets with plans for phase 1 clinical trials in solid tumours and blood cancers.

Authorised on behalf of the Chimeric Therapeutics board of directors by Chairman Paul Hopper.

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Appendix 4C

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

Name of entity	
Chimeric Therapeutics Limited	
ABN	**Quarter ended ("current quarter")**
68 638 835 828	31 March 2023

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) research and development	(1,213)	(8,383)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	-	-
	(d) leased assets	-	-
	(e) staff costs*	(2,060)	(6,599)
	(f) administration and corporate costs	(544)	(2,026)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	8	23
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	3,061	3,499
1.8	Other (provide details if material)	61	158
1.9	**Net cash from / (used in) operating activities**	**(687)**	**(13,328)**

*Staff costs includes staff, directors, scientific advisors and employment related costs.

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
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	(112)	(112)
	(f) other non-current assets	-	-
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**	**(112)**	**(112)**

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	-	(32)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – payments of licence fee liabilities	-	(2,225)
3.10	**Net cash from / (used in) financing activities**	**-**	**(2,257)**

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	3,626	18,382
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(687)	(13,328)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(112)	(112)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(2,257)
4.5	Effect of movement in exchange rates on cash held	(2)	140
4.6	**Cash and cash equivalents at end of period**	**2,825**	**2,825**

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	2,825	3,626
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**2,825**	**3,626**

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	337
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Item 6.1 – Include payments for remuneration of director fees to executive and non-executive directors in the normal course of business at commercial rates, excluding reimbursements of out-of-pocket expenses.

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)	(687)*
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,825
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	2,825
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	4*

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: The Company does not expect to maintain the current level of net operating cash flows as the Company received a $3m R&D tax incentive rebate relating to the fiscal year ending 30 June 2022 during the March 2023 quarter.

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: The Board is assessing alternative capital sources, including a placement to sophisticated and professional investors and other options with advisors. The Directors believe that the Company can raise sufficient capital based on the success of previous capital raises and the continued development of the Company's projects. In addition, the Company has and will continue to employ cash management strategies such as delaying operating activities.

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 Board is assessing alternative capital sources, including a placement to sophisticated and professional investors and other options with advisors. The Directors believe that the Company can raise sufficient capital based on the success of previous capital raises and the continued development of the Company's projects. In addition, the Company has and will continue to employ cash management strategies such as delaying operating activities.

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.

* Refer to responses in section 8.6.

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: 28 April 2023

Authorised by: 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.

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