



ASX & Media Release

June 2017 Appendix 4C

Melbourne, Australia; July 26, 2017: Patrys Limited (**ASX: PAB**) is pleased to lodge its Appendix 4C for the quarter ended 30 June 2017.

Finance

The Company held cash reserves of \$1,911 million at the end of June, with net cash outflows from operating activities during the quarter of \$0.128 million and net cash outflows from investing activities during the quarter of \$0.045 million.

During the quarter the Company received \$394,947 as the final tranche of an agreement regarding amounts due from a contracting party (as part of a total settlement of approximately \$730,000). Management are continuing with efforts to maximize non-dilutive capital inflows, particularly insurance recoveries.

Operations

During the quarter Patrys undertook lab scale production of the lead candidate from the Deoxymab 3E10 program, PAT-DX1. This material will be used in a range of *in vivo* models of cancer at Yale University and other institutions over the coming months, with results expected in H2, 2017.

In June 2017 the Company announced that it has licensed from Yale University the worldwide rights to develop and commercialise technology pertaining to the linking of the novel anti-DNA antibody 3E10 to nanoparticles which can be loaded with standard chemotherapeutic (or other) drugs and have been demonstrated to significantly increase the efficacy of drug therapy. This complementary technology builds on one of the central attributes of 3E10, the fact that it is attracted to the extracellular DNA (exDNA) that is associated with dying cancer cells. Using this targeting mechanism, the 3E10-nanoparticle conjugate is preferentially attracted to tumor tissues, and delivers its payload (the chemotherapy) to where it is most needed. In animal models this novel conjugate was found to significantly increase the efficacy of the drug therapy.

The 3E10-nanoparticle conjugation technology is highly complementary to the Company's development plans for PAT-DX1 and there are many synergies to be gained by leveraging the advances that the Company has made over the past year, ensuring a cost effective development path for the new asset. The Development of the 3E10-nanoparticle conjugates will be incorporated into the existing research and development agreement between Patrys and Yale University, and Patrys' collaborators at Yale will work to conjugate PAT-DX1 to nanoparticles to determine the effectiveness of this system.



Consistent with previous disclosures from the Company, manufacturing of PAT-SM6 and a possible clinical trial remain on hold until non-dilutive funding for this program can be obtained. Patrys' Chinese license partner, Hefei Co-source Biomedical continues to make progress with the PAT-SC1 program, and a Joint Development Committee meeting will be held in early Q4.

An Appendix 4C accompanies this announcement.

For and on behalf of the Board of Patrys Limited,

Melanie Leydin
CFO and Company Secretary

About Patrys Limited:

Based in Melbourne, Australia, Patrys (ASX: PAB) is focused on the development of antibodies as therapies for a range of different cancers. Patrys has a pipeline of anti-cancer antibodies for both internal development and as partnering opportunities. More information can be found at www.patrys.com.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Patrys Limited

ABN

97 123 055 363

Quarter ended ("current quarter")

30 June 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	395	757
1.2 Payments for		
(a) research and development	(351)	(1,119)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(100)	(397)
(f) administration and corporate costs	(79)	(518)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	7	59
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	221
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(128)	(997)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(2)
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
(d) intellectual property	(45)	(287)
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) 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	(45)	(289)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
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 (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 quarter/year to date	2,081	3,213
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(128)	(997)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(45)	(289)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	3	(16)
4.6	Cash and cash equivalents at end of quarter	1,911	1,911

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	1,261	1,381
5.2	Call deposits	650	700
5.3	Bank overdrafts	-	-
5.4	Other	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,911	2,081

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
119
-

Cash payments to directors for executive director salaries, non-executive director fees and consulting services for the quarter.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

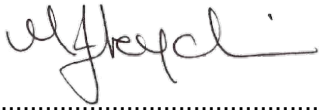
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9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	313
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	97
9.6 Administration and corporate costs	170
9.7 Other (provide details if material) (IP)	54
9.8 Total estimated cash outflows	634

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

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.

Sign here:  Date: 26 July 2017
(Company secretary)

Print name: Melanie Leydin

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.