



ASX RELEASE

31 October 2019

### **PAR Quarter Update**

#### **Key Highlights for the Quarter:**

- FDA approval for the Expanded Access Programme (EAP);
- Institution Review Board approval to treat 10 Ex NFL players;
- Drug to treat 10 Ex NFL players shipped to the USA;
- First US patient, under the EAP, expected to be treated in December 2019;
- Additional biomarker data, from Phase 2b clinical trial, demonstrating that iPPS prevents further cartilage loss;
- Filing of additional patents;
- Submission to the TGA for Provisional Approval of iPPS to treat OA in Australia (potential for first revenues in Q3 CY 2020);
- Peer Review publication of the pain reducing effects of injectable pentosan polysulfate sodium (iPPS)
- Commercial discussion ongoing.

**Paradigm Biopharmaceuticals Ltd (ASX:PAR)** is pleased to provide its quarterly update for the three months ended 30 September 2019 to accompany its Appendix 4C cash flow report for the period.

#### **Financial and Corporate Update**

As at 30 September 2019, the Company's cash balance was \$75.39 million. The Company is expecting the receipt of an R&D Tax Incentive rebate of \$2.97 million for R&D expenditure undertaken during the 2019 financial year.

## **Outlook**

Paradigm is looking forward to submitting its pre-IND dossier to the US FDA in Q4 CY 2019.

Paradigm's is also preparing the submission of Scientific advice documents for a joint submission to the US FDA and European EMA for the rare disease mucopolysaccharidosis (MPS) which are scheduled for submission Q1 CY2020.

The Company is looking forward to feedback from the Australian TGA on its Provisional Approval application.

Dr John Michel's treatment of 10 ex NFL players is an exciting strategic entry into the US market for the Company.

The appointment of an Investor Relations specialist in the USA is another exciting development for the Company.

### **FOR FURTHER INFORMATION PLEASE CONTACT:**

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## 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**

Paradigm Biopharmaceuticals Limited

**ABN**

94 169 346 963

**Quarter ended ("current quarter")**

30 September 2019

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(3,301)	(3,301)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(160)	(160)
(f) administration and corporate costs	(628)	(628)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	383	383
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(3,706)</b>	<b>(3,706)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(92)	(92)
(b) businesses (see item 10)	-	-
(c) investments	-	-

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
(d) intellectual property	(2)	(2)
(e) other non-current assets	-	-
<b>2.2</b> Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
<b>2.3</b> Cash flows from loans to other entities	-	-
<b>2.4</b> Dividends received (see note 3)	-	-
<b>2.5</b> Other (provide details if material)	-	-
<b>2.6</b> <b>Net cash from / (used in) investing activities</b>	<b>(94)</b>	<b>(94)</b>

<b>3.</b> <b>Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	354	354
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)	-	-
<b>3.10</b> <b>Net cash from / (used in) financing activities</b>	<b>354</b>	<b>354</b>

<b>4.</b> <b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of quarter/year to date	78,836	78,836
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(3,706)	(3,706)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(94)	(94)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	354	354

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>75,390</b>	<b>75,390</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	75,390	75,390
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (term deposits)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>75,390</b>	<b>75,390</b>

**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

<b>Current quarter \$A'000</b>
60
-

Payments to Chairman and Non-Executive Directors

**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

<b>Current quarter \$A'000</b>
-
-

8. <b>Financing facilities available</b> <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	NIL	NIL
8.2 Credit standby arrangements	NIL	NIL
8.3 Other (please specify)	NIL	NIL
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. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	3,350
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	163
9.6 Administration and corporate costs	514
9.7 Other (provide details if material)	-
<b>9.8 Total estimated cash outflows</b>	<b>4,027</b>

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

**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.



31 October 2019

Sign here: .....  
Company secretary

Date: .....

Kevin Hollingsworth

Print name: .....

**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.