For Immediate Release

DIMERIX RAISES $2.5 MILLION TO FUND DMX-700

Key Highlights

- **Dimerix raises A$2.5 million through a strongly supported Placement to new and existing sophisticated and professional investors**
- **Funds raised will predominantly be used to develop DMX-700 through value inflection points**

MELBOURNE, Australia, 3 December 2019: Dimerix Limited (ASX: DXB), a clinical-stage biopharmaceutical company, is pleased to announce the placement of 22.7 million fully paid ordinary shares in the Company to sophisticated and institutional investors at a price of $0.11 per share to raise $2.5 million (before costs) **(Placement)**.

The Placement was well supported with strong participation from new and existing sophisticated and professional investors.

This funding will be used to progress DMX-700 for Chronic Obstructive Pulmonary Disease (COPD) towards *in vivo* proof-of-concept, along with initial studies into additional pipeline candidates, general working capital and corporate costs.

The Shares issued under the Placement will be issued on the same terms, and will rank equally with, the existing ordinary shares of Dimerix Limited.

Commenting on the successful raising Dimerix Chairman Dr James Williams said "This is a very exciting time for Dimerix. With DMX-200 nearing completion of two different Phase 2 clinical trials, with read-outs expected mid-2020, and DMX-700 entering proof-of-concept studies, 2020 has the potential to be a transformational year for the Company".

"We believe DMX-700 could make a real difference in the lives of those suffering from COPD, where there is a significant unmet need", Dimerix CEO and Managing Director Dr Nina Webster added. "Dimerix has a strong background in G Protein-Coupled Receptors, or GPCRs, on the back of its proprietary Receptor-HIT assay. GPCRs represent one of the most important families of drug targets involved in many disease conditions. We are pleased to have discovered both DMX-200 and DMX-700 candidates using our platform technology, Receptor-HIT. The platform enables us to leverage and utilise our core competencies in GPCR complexities to generate intellectual property and knowhow on a number of new product development candidates in commercially attractive market segments".

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About the Placement

The Placement was offered to sophisticated and professional investors in Australia at $0.11 per share, representing a 15.4% discount to the last closing price (13 cents) on 28 November 2019 and a 7.3% discount to the 15-day Volume Weighted Average Price **(VWAP)**. The Placement was not underwritten and was managed by Taylor Collison and Westar Capital as Joint Lead Managers

22,727,280 Placement shares will be issued using the Company's available capacity under its limits in accordance with ASX Listing Rules 7.1 and 7.1A. It is noted that 6,847,336 shares will be issued in accordance with ASX Listing Rule 7.1 and 15,879,944 shares will be issued in accordance with ASX Listing Rule 7.1A.

Settlement and allotment of the Placement shares is expected to take place later this week or during the week commencing 9 December 2019 as appropriate, with the shares admitted to trading shortly thereafter.

For further information, please visit our website at www.dimerix.com or contact:

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About Dimerix

Dimerix (ASX: DXB) is a clinical-stage biopharmaceutical company developing innovative new therapies in areas with unmet medical needs for global markets. Dimerix is currently developing its proprietary product DMX-200 for both Diabetic Kidney Disease and Focal Segmental Glomerulosclerosis (FSGS). DMX-200 was identified using Dimerix' proprietary assay, Receptor Heteromer Investigation Technology (Receptor-HIT), which is a scalable and globally applicable technology platform enabling the understanding of receptor interactions to rapidly screen and identify new drug opportunities. Receptor-HIT is licensed non-exclusively to Excellerate Bioscience, a UK-based pharmacological assay service provider with a worldwide reputation for excellence in the field of molecular and cellular pharmacology.

About DMX-700

COPD is a progressive and life-threatening lung disease. The primary cause of COPD is exposure to tobacco smoke (either active smoking or secondary smoke), however is also caused by exposure to indoor and outdoor air pollution, occupational dusts and fumes and long-term asthma. COPD is the fourth-leading cause of death in the world and although treatments exist to improve the symptoms of COPD, there is currently no way to slow progression of the condition or cure it. Moreover, among the top five causes of death globally, this disease is the only one with increasing mortality rates. The global COPD treatment market was valued at US$14 billion in 2017 and is projected to increase at a compound annual growth rate of 4.9% to 2026.

Initial studies have been completed, and Dimerix has completed a key step in securing ownership over what it believes is an important new drug discovery by lodging a provisional patent application for DMX-700. Over the next 12 months Dimerix will conduct further proof of concept studies to perform the value added verification in support of a robust product development pathway and patent position.

About DMX-200

DMX-200 is the adjunct therapy of a chemokine receptor (CCR2) antagonist administered to patients already receiving irbesartan, an angiotensin II type I (AT1) receptor blocker and the standard of care treatment for kidney disease. DMX-200 has granted patents in various territories until 2032.

In 2017, Dimerix completed its first Phase 2a study in patients with a range of chronic kidney diseases. No significant adverse safety events were reported, and all study endpoints were achieved. In a subsequent sub-group analysis, significant clinical efficacy signals were seen in the diabetic group.

DMX-200 administered to patients already taking irbesartan reduced proteinuria levels by a further 36%. This reduction in proteinuria is highly correlated with improved renal function and delay in kidney failure and dialysis. The compelling results from this study prompted the decision to initiate two different clinical studies in 2018: one for patients with Diabetic Kidney Disease; and the second for patients with another form of kidney disease, Focal Segmental Glomerulosclerosis (FSGS).

FSGS is a serious and rare disease that attacks the kidney's filtering units (glomeruli) causing serious scarring which leads to permanent kidney damage and kidney failure and for which there is a recognised medical need for a new or improved treatment. FSGS affects both children and adults.

DMX-200 for FSGS has been granted Orphan Drug Designation by the FDA and EMA. Orphan Drug Designation is granted to support the development of products for rare diseases and qualifies Dimerix for various development incentives including: seven years (FDA) and ten years (EMA) of market exclusivity if regulatory approval is received, exemption from certain application fees, and an abbreviated regulatory pathway to approval.

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