ASX & Media Release

Market update

Melbourne, Australia; 3 December 2020: Patrys Limited (ASX: PAB, "**Patrys**" or the **Company**), a therapeutic antibody development company, is pleased to provide an update on its ongoing activities.

While 2020 has been a challenging year on many fronts, Patrys has had a very successful year having made significant progress in the development of its deoxymab antibody platform. The Company is now in the enviable position of having established a very clear path for getting its deoxymabs into clinical trials by H1 2022, and having the necessary funds to achieve this.

The material progress that Patrys has delivered this year has established a robust foundation for the therapeutic and commercial development of its deoxymab platform over the next 12-24 months. Broadly speaking, the key areas of progress that Patrys has delivered on are:

1. Deoxymab development program

In order to get its deoxymabs into human clinical trials, Patrys needs to be able to economically produce clinical-grade antibody material and use that material to complete the final preclinical studies. Patrys anticipates selecting a preferred cell line for large scale production by year end. This should provide the Company with access to scaled-up production of clinical-grade material enabling the final preclinical toxicology studies to commence in H2 2021. On these timelines, we would expect to initiate our first-in-man clinical studies in H1 2022.

2. Deoxymab platform expansion

The addition of PAT-DX3, a humanised full length IgG deoxymab, has significantly expanded the potential opportunities for Patrys' deoxymab platform. PAT-DX3 has the DNA-binding and DNA Damage Repair (DDR) blocking properties of PAT-DX1. However, as a full-sized antibody, it is likely tobehave differently in the body, in terms of half-life and/or distribution, that could expand the potential applications for Patrys' deoxymab platform. This year, Patrys also initiated a research program focused on using deoxymabs as targeting agents for antibody-drug conjugates (ADCs).

3. Partnerships and commercial

Patrys has a number of research collaborations in place including a major program with the Yale School of Medicine. Research efforts to further develop Patrys' deoxymab platform are supported by approximately $5M worth of non-dilutive grant funding awarded to its research collaborators, for which the Company is extremely grateful. Patrys continues to maintain an active program looking at potential opportunities to license out the use of deoxymabs for certain, specified applications. In addition, the year saw a number of material, offshore, commercial transactions in the domain of therapeutic approaches targeting DNA Damage Repair.

From a corporate perspective, it has been a very busy and productive year. Patrys is soon to complete two capital raisings for a total of $11.6M before costs. This has provided the Company with a very strong balance sheet and sufficient funds to complete the manufacture of its deoxymab antibodies, complete the required preclinical studies, and initiate the first human clinical trial in 1H 2022.

Finally, a clinician engagement process has commenced with CEO Dr James Campbell and Board member Dr Pamela M. Klein holding key opinion leader (KOL) discussions with leading international neuro-oncologists. These feedback discussions have been extremely positive, particularly regarding the new therapeutic opportunities that may be possible as a result of the novel mechanism of action of PAT-DX1 and the fact that it is able to cross the blood brain barrier. The interviews have confirmed that glioblastoma multiforme (GBM) is a logical and high-priority unmet need, and have envisioned single agent, combination and ADC approaches based on the deoxymab platform.

Patrys Chief Executive Officer and Managing Director, Dr. James Campbell said: "We believe that the next 12-18 months will be a very exciting time for the Company which will culminate in the anticipated initiation of the first human clinical trials of Patrys' deoxymabs. As we are fully funded the Company looks forward to being able to focus on execution and delivering the best results it can for shareholders from this exciting stage of development for its deoxymabs.

Patrys advises that the letters to Eligible Shareholders in relation to the Non-Renounceable pro-rata Entitlement Offer ("Entitlement Offer") were dispatched on 17 November 2020.

The Entitlement Offer is fully underwritten and allows Eligible Shareholders to subscribe for one (1) new fully paid ordinary share for every six (6) existing fully paid ordinary shares held at the record date of 12 November 2020 at an issue price of $0.02 (2 cents) per share, together with one (1) free attaching New Option, exercisable at $0.04 (4 cents) per New Option and expiring three (3) years after the grant date, for every three (3) New Shares subscribed for and issued, to raise approximately $4.787 million (before costs).

The closing date of the Entitlement Offer is 5:00pm (AEDT) on 8 December 2020.

If Eligible Shareholders have any questions in relation to applying for the Entitlement Offer, they can contact the Company on +61 3 9692 7222 or email info@patrys.com.

-Ends-

This announcement is authorised for release by the Board of Directors of Patrys Limited.

For further information, please contact:

General enquiries
James Campbell
Chief Executive Officer
P: +61 3 96703273
info@patrys.com

Media enquiries:
Haley Chartres
H^CK
P: +61 423 139 163
haley@hck.digital

Registered Office Address
Level 4, 100 Albert Road
South Melbourne VIC 3205

About Patrys Limited

Based in Melbourne, Australia, Patrys (ASX:PAB) is focused on the development of its deoxymab platform of cell-penetrating antibodies as therapies for a range of different cancers. More information can be found at www.patrys.com.

About Patrys' deoxymab 3E10 platform:

Patrys' deoxymab platform is based on the deoxymab 3E10 antibody that was first identified as an autoantibody in a mouse model of the human disease systemic lupus erythematosus (SLE). While most antibodies bind to cell surface markers, deoxymab 3E10 penetrates into the cell nuclei and binds directly to DNA where it inhibits DNA repair processes. Cancer cells often have high levels of mutations and underlying deficiencies in the DNA repair mechanisms. For these reasons, the additional inhibition of the DNA repair processes by deoxymab 3E10 can kill cancer cells, but appears to have little impact on normal cells. As a single agent, deoxymab 3E10 has been shown to significantly enhance the efficacy of both chemo- and radiotherapies. Further, deoxymab 3E10 can be conjugated to nanoparticles to target delivery of chemotherapeutics and imaging agents to tumours.

Patrys has developed two humanised forms of deoxymab 3E10, both which have improved activity over the original deoxymab 3E10 antibody. PAT-DX1 is a dimer (two joined subunits) of the short chain from the binding domain of deoxymab 3E10, while PAT-DX3 is a full-sized IgG antibody. In a range of pre-clinical studies, PAT-DX1 has shown significant ability to kill cancer cells in cell models, human tumour explants, xenograft and orthotopic models. PAT-DX1 has been shown to cross the blood brain barrier, reduce tumour size, and increase survival in multiple animal models of brain cancer, other cancers, and cancer metastases. PAT-DX1 is tumour-agnostic, meaning that it can target many different tumour types in the body, regardless of specific tumour antigens. Patrys believes that PAT-DX1 may have application across a wide range of cancers including gliomas, melanomas, prostate, breast, pancreatic and ovarian cancers.

Deoxymabs, such as PAT-DX1 and PAT-DX3, can be used to target nanoparticles carrying a payload of anti-cancer drugs specifically to tumours. This allows specific delivery of cancer drugs to multiple types of cancer while having minimal impact on normal, healthy cells.

Patrys' rights to deoxymab 3E10 are part of a worldwide license to develop and commercialize a portfolio of novel anti-DNA antibodies and antibody fragments, variants and conjugates discovered at Yale University as anti-cancer and diagnostic agents. Five patents covering the unconjugated form of deoxymab 3E10 (and derivatives thereof) have already been granted (Europe, Japan, China, and 2 in the USA), and one patent covering nanoparticle conjugation has been granted (Australia).