ASX Announcement | 23 December 2020
Noxopharm Limited (ASX:NOX)

NOX Receives Key Government Approval For Overseas R&D Expenditure

Sydney 23 December 2020: Australian clinical-stage drug development company Noxopharm Limited (ASX:NOX) is pleased to announce that it has received formal notification of approval of the Advanced Overseas finding from the Department of Industry, Science, Energy and Resources. The approval is that the Company's projected R&D expenditure over the 2020-2022 period both in Australia and overseas will be eligible for the AusIndustry R&D tax incentive program, returning 43% of approved funding back to the Company.

The tax incentive program is intended for funds expended within Australia. The eligibility of any overseas expenditure requires special pre-approval and is granted only in exceptional circumstances.

The Company's 3-year R&D program is designed to provide definitive clinical evidence of the potential of Veyonda® both as a major new immuno-oncology drug and as a treatment for cytokine release syndrome/septic shock, with the bulk of the program involving off-shore clinical trials.

Veyonda is emerging as an exciting new anti-cancer drug prospect based on its first-in-class action of restoring immune function to tumours (so-called 'COLD to HOT' conversion), a function increasingly being seen as a fundamental step in allowing all standard cancer therapies to reach their full potential. The 3-year program is looking at the ability of Veyonda to boost response rates to the Bristol Myers Squibb checkpoint inhibitor, Opdivo® (IONIC Program), the Novartis radiopharmaceutical, ^{177}Lu-PSMA-617 (LuPIN Program), and to external beam radiotherapy (DARRT Program).

Veyonda also is being investigated as a treatment for cytokine release syndrome/septic shock, based on a first-in-class anti-inflammatory action involving blocking of the STING signaling pathway. The Company's NOXCOVID European study is continuing to proceed as planned, with the Company announcing the encouraging initial safety data review of the first two dosages (*ASX announcement 5 November 2020*). Cohorts 3 and 4 are now fully enrolled and the Company anticipates issuing the next data review in early January 2021. With the pandemic reaching new heights in Europe, other hospitals in other European countries are now preparing to join the NOXCOVID trial.

Noxopharm CEO, Dr Graham Kelly, said, "This decision provides a very welcome non-dilutionary form of funding in the quest to see Veyonda become a standard of care treatment across most forms of cancer. We also have growing confidence in Veyonda proving to be a safe and effective preventative of septic shock, a major community problem highlighted by the current pandemic, but separately responsible for some ten million deaths per annum. We thank the Australian Government for sharing that vision."

Graham Kelly, CEO and Executive Chairman of Noxopharm, has approved the release of this document to the market on behalf of the Board of Directors.

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About Noxopharm
Noxopharm Limited (ASX:NOX) is an Australian clinical-stage drug development company focused on the treatment of cancer and cytokine release syndrome/septic shock.

Veyonda® is the Company's first pipe-line drug candidate currently in Phase 2 clinical trialling. Veyonda® has two main drug actions – inhibition of sphingosine kinase and inhibition of STING signalling. Activity against the former target contributes to its dual-acting oncotoxic and immuno-oncology functions designed to enhance the effectiveness and safety of standard oncology treatments, i.e., chemotherapies, radiotherapy and immune checkpoint inhibitors. Activity against the latter target provides an anti-inflammatory effect, also contributing to an anti-cancer action, but also potentially blocking sepsis.

Noxopharm also is the major shareholder of US biotechnology company Nyrada Inc (ASX:NYR).

To learn more, please visit: noxopharm.com

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