Dimerix

For Immediate Release

SUCCESSFUL A$20M PLACEMENT TO FUND DIMERIX PHASE 3 TRIALS

Key Highlights

- **Dimerix raises A$20 million through two-tranche placement to new and existing institutional and sophisticated investors**
- **Placement cornerstoned by biotech Investment Manager, Merchant Funds Management and major shareholder Mr Peter Meurs for a total of $9.5m.**
- **Funds raised to fully fund the Company's Phase 3 FSGS clinical program through to interim data, and a funding pathway through to accelerated marketing approval**
- **Concurrently, two Phase 3 COVID-19 trials also underway demonstrating multiple assets in commercially attractive and growing markets**
- **Existing shareholders will be offered the opportunity to participate in a Share Purchase Plan ('SPP') to raise approximately a further A$2 million on the same terms as the Placement**

MELBOURNE, Australia, 16 August 2021: Dimerix Limited (ASX: DXB) (Dimerix or the Company), a clinical-stage biopharmaceutical company, is pleased to announce it has received firm commitments from institutional, sophisticated and professional investors via a two-tranche placement of approximately 100 million new fully paid ordinary shares in the Company (**Shares**) to raise a total of A$20 million (before costs) (**Placement**).

The Placement was led by a major institutional investor; Andrew Chapman's Merchant Fund Management (Merchant), which has subscribed for A$6.0 million. In addition, the Company's major shareholder, Mr Peter Meurs, committed A$3.5 million towards the Placement.

Tranche 1 of $9.5 million will be issued under the company's existing capacity under ASX Listing Rule 7.1 and 7.1A, whilst approval for the Tranche 2 balance of $10.5 million, including approval for Director participation, will be sought at an upcoming Annual General Meeting (**AGM**) of shareholders expected to be held in late September 2021.

In addition, Dimerix will launch a Share Purchase Plan (**SPP**) which will allow existing eligible shareholders to each apply for up to A$30,000 worth of Shares at the same issue price as offer under the Placement (A$0.20 per Share) to raise a further A$2 million (before costs) (**SPP Offer**). The SPP Offer will be made under a prospectus which is expected to be lodged with the ASX and ASIC on or around 24 August 2021 (**Prospectus**). The issue of Shares under the SPP will also be subject to shareholder approval at the AGM.

The Shares issued under the Placement and SPP will rank equally with all existing fully paid ordinary shares of the Company.

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Proceeds from the Placement and SPP is expected to fully fund the DMX-200 Phase 3 program in Focal Segmental Glomerulosclerosis (FSGS) through to first interim analysis point and a pathway to provide sufficient additional capital through to accelerated marketing approval. The Company concurrently has two key Phase 3 COVID-19 trials underway demonstrating Dimerix has multiple assets in commercially attractive markets that could materially change the valuation of the Company on success.

Participants in the Placement and eligible shareholders who subscribe for Shares under the SPP Offer will also be offered under the Prospectus, one free attaching unlisted option, each exercisable at A$0.40 (**New Options**), for every two Shares subscribed for under the Placement and SPP (**Option Offer**). The New Options will expire on the earlier of:

- 30 July 2024; or
- 20 ASX business days after the **Acceleration Trigger Date,**

(**Expiry Date**).

Acceleration Trigger Date means the date that the outcome of Part 1 of the Phase 3 FSGS interim analysis and recommendation by an independent review committee on whether to proceed with Part 2 of the Phase 3 FSGS study are announced on the ASX.

The full terms of the New Options will be set out in the Prospectus and the issue of New Options will be subject to shareholder approval at the AGM.

"We are very pleased with the outcome of what has been a highly successful, and oversubscribed, capital raising for the Company. We welcome the Merchant Group as a major shareholder, and the appreciate the strong participation from other new and existing shareholders. The interest in this raise reflects the quality of the Dimerix assets, including the exciting potential from its three Phase 3 clinical programs. We are also pleased to offer existing shareholders the opportunity to participate via the SPP."

Dr James Williams, Non-Executive Chairman, Dimerix

"The Company will emerge from this capital raise with a substantially strengthened balance sheet, putting us in a great position to deliver on the Dimerix pipeline, including the Phase 3 programs in FSGS as well as in COVID-19 patients with respiratory complications. We look forward to reporting on our progress in due course."

Dr Nina Webster, CEO & Managing Director, Dimerix

Use of Funds

The proceeds from the Placement and SPP will be used the fund the following ongoing initiatives:

- initiation pivotal Phase 3 clinical study in FSGS patients;
- manufacturing distribution and logistics of the required clinical trial material (DMX 200);
- preparation and submission of appropriate regulatory applications to conduct a clinical study; and
- repayment of debt and working capital for the Company.

Additionally, funds received by the Company from the exercise of New Options, which will be exercisable at any time prior to the Expiry Date, may provide sufficient additional capital to fund the Phase 3 program through to potential accelerated marketing approval.

Placement

The Placement is not underwritten and will be undertaken in two tranches:

- the issue of 47,624,825 Shares at an issue price of $0.20 per Share, raising a total of A$9.5 million before costs (**Tranche 1**), utilising the Company's available capacity with 27,824,895 Shares to be issued under ASX Listing Rule 7.1 and 19,799,930 Shares to be issued under ASX Listing Rule 7.1A; and
- the issue of 52,375,175 Shares at an issue price of $0.20 per Share, raising a total of A$10.5 million before costs (**Tranche 2**) will be issued subject to shareholder approval at the AGM expected to be held in September 2021.

The issue price of A$0.20 per Share under the Placement represents:

- a 14.9% discount to the last closing price of Dimerix's shares (A$0.235) on ASX on 11 August 2021 (the last day of trading before the announcement of the Placement and SPP);
- a 12.5% discount to the 5-day volume weighted average price of A$0.228; and
- a 16.7% discount to the 15-day volume weighted average price of A$0.240 per share.

Participants in the Placement will be eligible to subscribe for one New Option for every two Shares issued to them in the Placement under the Prospectus. Shareholder approval will be sought at the AGM for the issue of up to approximately 50,000,000 New Options (subject to rounding) to participants in the Placement.

Canaccord Genuity (**Canaccord**) acted as Lead Manager for the Placement. A management and selling fee of 6% of the amount placed will be payable to Canaccord as well 8,500,000 options to Canaccord (or it nominee) (**Advisor Options**) are to be issued on the same terms as the New Options as part of the fees for managing the Placement. Shareholder approval will be sought for the issue of the Advisor Options at the upcoming AGM.

Share Purchase Plan

Dimerix is also pleased to announce the SPP Offer to raise A$2 million via the issue of fully paid ordinary shares at the same issue price as the Placement ($0.20 per share) to eligible shareholders, being those holders of shares with an address in Australia or New Zealand on the Dimerix share register on the Record Date, 7.00pm (AEST) on Friday, 13 August 2021 (**Eligible Shareholders**).

Eligible Shareholders will have the opportunity to apply for up to A$30,000 worth of new Shares in the Company. Eligible Shareholders under the SPP will also be offered one New Option for every two Shares subscribed for in the SPP Offer. The SPP is not underwritten, and the Company will

issue approximately 10,000,000 Shares and 5,000,000 New Options. The Company may (in its absolute discretion) scale back applications, to the extent and in the manner it sees fit, if total demand exceeds the target of A$2m.

The Company reserves the right to accept oversubscriptions for an additional A$2m under the SPP which would result in an issue of up to 20,000,000 Shares and up to approximately 10,000,000 New Options (subject to rounding) in total under the SPP. The full details of the SPP and the terms of the New Options will be set out in the Prospectus and Eligible Shareholders wishing to participate in the SPP should carefully read the Prospectus.

As the SPP includes the offer of options, the relevant ASIC Corporations Instrument relief (from the disclosure and fundraising provisions in Chapter 6D of the *Corporations Act 2001* (Cth)) and Listing Rule security purchase plan exceptions cannot be relied upon for the current SPP Offer. Accordingly, the SPP Offer will be made under a prospectus and shareholder approval will be sought for the issue of the Shares and New Options under the SPP.

It is currently proposed that the SPP will open on 24 August 2021 and close at 5.00pm (AEST) on Tuesday, 28 September 2021.

The Prospectus and the Notice of Annual General Meeting will be dispatched to shareholders as soon as possible.

Indicative Timetable*

Date	Event
7.00pm (AEST) Friday, 13 August 2021	Record Date for SPP
Monday, 16 August 2021	Announcement of Placement and SPP
Monday, 23 August 2021	Allotment date of Tranche 1 Shares
Tuesday, 24 August 2021	Tranche 1 shares commence trading Lodgement/Dispatch of Prospectus SPP and Options Offer opens Lodgement of AGM Notice of Meeting
Monday, 27 September 2021	AGM
5.00pm (AEST) Tuesday, 28 September 2021	SPP and Option Offer closes
Friday, 1 October 2021	Allotment of SPP Shares, Tranche 2 Shares and New Options
Monday, 4 October 2021	SPP Shares and Tranche 2 Shares commence trading
Tuesday, 5 October 2021	Holding statements dispatched

**Note: The dates set out in the timetable above are indicative only and are subject to change without notice at the discretion of the Company. Any change in the timetable does not affect the rights or obligations an investor or shareholder has as a result of accepting an allocation in the Placement or the SPP Offer.*

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

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Authorised for lodgement by the Board of the Company

—END—

Forward-looking Statements

This ASX-announcement contains forward-looking statements that are subject to risks and uncertainties. Such statements involve known and unknown risks and important factors that may cause the actual results, performance or achievements of Dimerix Limited to be materially different from the statements in this announcement.

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 Diabetic Kidney Disease, Focal Segmental Glomerulosclerosis (FSGS) and Acute Respiratory Distress Syndrome (ARDS), and is developing DMX-700 for Chronic Obstructive Pulmonary Disease (COPD). DMX-200 and DMX-700 were both 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-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 hypertension and kidney disease. DMX-200 is protected by 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. 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). DMX-200 is also under investigation as a potential treatment for acute respiratory distress syndrome (ARDS) in patients with COVID-19.

FSGS

FSGS is a rare disease that attacks the kidney's filtering units, where blood is cleaned (called the 'glomeruli'), causing irreversible scarring. This leads to permanent kidney damage and eventual end-stage failure of the organ, requiring dialysis or transplantation. For those diagnosed with FSGS the prognosis is not good. The average time from a diagnosis of FSGS to the onset of complete kidney failure is only five years and it affects both adults and children as young as two years old. For those who are fortunate enough to receive a kidney transplant, approximately 40% will

get re-occurring FSGS in the transplanted kidney. At this time, there are no drugs approved for FSGS anywhere in the world, so the treatment options and prognosis are poor.

FSGS is a billion-dollar plus market: the number of people with FSGS in the US alone is just over 80,000, and worldwide about 210,000. The illness has a global compound annual growth rate of 8%, with over 5,400 new cases diagnosed in the US alone each year. Because there is no effective treatment, Dimerix has received Orphan Drug Designation for DMX-200 in both the US and Europe for FSGS. This is a special status granted to a drug to treat a rare disease or condition; the designation means that DMX-200 can potentially be fast-tracked, and receive tax and other concessions to help it get to market.

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.

Dimerix reported positive Phase 2a data in FSGS patients in July 2020.