# IMAGION BIOSYSTEMS LIMITED

(ASX**: IBX**)

25 May 2022

**AGM – Transcript of Chairman's Address**

Dear Shareholders,

It is my pleasure to welcome all of you to Imagion Biosystems' Annual General Meeting of Shareholders for the financial year ending 31 December 2021.

I am especially delighted, finally, to return to Australia to join my fellow Directors and colleagues to host this meeting as a hybrid forum and to make ourselves available to meet face-to-face.

Before attending to the formal business of the meeting, I would like to take this opportunity to reflect on our accomplishments of 2021 and provide some insight regarding what we anticipate for the near future.

Our MagSense® technology is designed to provide non-invasive detection of cancer and other diseases without the risks associated with radiation-based imaging technologies. Additionally, by using cancer specific targeting molecules we aim to eliminate unnecessary biopsies that are performed when standard imaging identifies a suspicious lesion but can't confirm if it is a malignant or benign growth. The prospective value and benefit to patient care of our approach was recognized by the FDA with the Breakthrough Device designation in 2019 and bringing this first-of-its-kind innovation from concept to clinic has been our sole mission.

With that mission at the forefront, in 2021 the majority of our efforts were directed towards supporting the Phase I study of our MagSense® HER2 Breast Cancer imaging agent being undertaken in Australia.

While the study had officially commenced in December 2020 at Monash Hospital in Melbourne, we found it difficult to secure additional clinical sites in the first half of the year as hospitals dealt with the pandemic. Additionally, we did not anticipate the substantive and long-lasting impact the pandemic would have on clinical research at many hospitals and the reduction of patients visiting their doctors. In the second half of the year, we were able to add new sites in New South Wales and Queensland and had multiple patients enrol in the study. Enrolment continues to be challenging. As things return to normal, we anticipate that we will see an uptick in patients being screened and therefore accessible to our study investigators.

Over the course of 2021 we received many inquiries and calls for more frequent updates on the study, so I'd like to take this opportunity to clarify our view, consistent with ASX guidelines, regarding responsible reporting to shareholders. We understand completely that shareholders are anxious to know how the study is progressing, and we feel the best way to do that is when we have meaningful information to communicate such as our March announcement of interim results. We will continue to provide progress updates when we have materially relevant information to share.

Last year at this meeting I mentioned that getting the first human data from our Phase I study would be an important inflection point for the company, so we were pleased to achieve that objective and report in March the interim results from the first five patients. Even though we had every expectation that our imaging agent would be safe and well tolerated, it was great to see that borne out in the assessment from the first patients. Many new drugs fail in Phase I and even though our imaging agent is not a drug, per se, it is an injectable and subject to the same concerns as any substance injected into humans. So, indeed, the safety and tolerability observations from the first patients is a positive. Additionally, whilst results from five patients are not enough to determine the effectiveness of the nanoparticles for detecting metastatic disease, the data from these first patients has served to provide evidence that the nanoparticles are functioning as expected and has encouraged us to continue the study through this year to ensure we obtain sufficient data. From the interim assessment showing that the nanoparticles can reach the target lymph nodes we believe we are one step closer to demonstrating that targeted magnetic nanoparticles can be used to non-invasively find and detect the presence of cancer.

Having demonstrated that we could design and develop a targeted nanoparticle for breast cancer and having achieved entering the clinic, in 2021 we also began to expand our R&D efforts to look at other forms of cancer where our targeted nanoparticle technology could add clinical value.

We received a $50,000 grant from the Australian government to fund research with Monash University's Biomedicine Discovery Institute to kick-start preclinical research on a prostate cancer imaging agent. This work is ongoing and, as we noted in our most recent Quarterly Activity Report, we have made progress with a PSMA targeting nanoparticle. This imaging agent, like most radiopharmaceutical PET tracers, utilizes a molecule to target the Prostate Specific Membrane Antigen which is expressed in most forms of Prostate Cancer. But unlike PET tracers, our MagSense® technology uses our bio-safe magnetic nanoparticles instead of radioactive tracers, making it a safer alternative for imaging prostate cancer. As we continue our preclinical research this year we hope to enter 2023 with a clearer picture of the feasibility and timeline for developing a prostate cancer agent for clinical use.

Also in 2021, we formed a collaboration with Patrys Limited, an ASX listed biopharmaceutical company, to explore the possibility of developing an imaging agent for brain cancer. The collaboration pairs the targeting capabilities of Patrys' deoxymabs with the imaging capabilities of the MagSense® technology. As a result of the progress of our in-house research in 2021 we are expecting this year to expand the collaboration to include a prominent Australian educational institution that has expertise in animal models of a severe and prevalent form of brain cancer, glioblastoma, to further this research.

In addition to our R&D pipeline focused on improving diagnostic imaging of cancers, we have cultivated third party relationships where our expertise in nanoparticle technology can be leveraged to realise future revenues. We do not expect to see material changes in revenue for this year but will continue to work with our partners as they develop their biomedical products building an underlying source of revenue based on our nanoparticle manufacturing capabilities.

We ended 2021 in good financial shape with a cash balance similar to the start of the year. In part due to the strong support from our shareholders exercising their listed options and the receipt of our 2020 R&D tax credit.

Over the last two years we have made significant progress in transitioning to be a clinical stage company, something many biotech companies fail to achieve. We have shown that we can make a targeted magnetic nanoparticle imaging agent, we have dosed breast cancer patients with the imaging agent, and to-date have shown it to be safe and well tolerated. As we continue to accumulate the evidence of its effectiveness as an aid in the clinical care of breast cancer patients, we expect to further expand our pipeline to exit 2022 with a robust plan for developing molecularly targeted diagnostic imaging agents that use our magnetic particles to provide earlier detection of cancers and other diseases.

In closing, I'd like to thank all the Imagion stakeholders - shareholders, customers, collaborators, advisors, employees, and Directors - for their support and remind us all of why your support is so important. While treatments for cancer have improved over the past few decades and the pharmaceutical industry puts massive resources behind finding new treatments, we still don't have the proper tools to detect cancer early enough to enable treatments to work. The markets are large and opportunity to play a leading role in improving the way diseases like cancer are diagnosed and treated is directly in front of us. Although our first study has progressed more slowly than we would like, and it can be tempting to see the glass as half full, we view the interim results positively and believe we are on the right course and will be able to positively impact patient outcomes in the future.

**-ENDS**

**About Imagion Biosystems**
Imagion Biosystems is developing a new non-radioactive and precision diagnostic molecular imaging technology. Combining biotechnology and nanotechnology, the Company aims to detect cancer and other diseases earlier and with higher specificity than is currently possible. Imagion Biosystems listed on the Australian Securities Exchange (ASX) in June 2017.

**For further information please visit www.imagionbiosystems.com**

**Authorisation & Additional information**
This announcement was authorised by the Board of Directors of Imagion Biosystems Limited

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