ASX Announcement
29 April 2022

HIGHLIGHTS

- NTI continued to make significant progress in its landmark study in Paediatric Autism Spectrum Disorder ('**ASD**') using NTI164.
    - Post the end of the reporting period, NTI had successful developments regarding the safety and tolerability of NTI164.
    - Preliminary data analysis of the study shows positive improvement in a number of behavioural parameters that impact ASD patients.
    - Final analysis of the Phase I/II Trial is anticipated to be completed in Q2 2022.
    - Upcoming drug registration trials due to commence in Q3 2022.
- Appointment of Chief Executive Officer - Dr. Alexandra Andrews[1].

Neurotech International Limited (ASX: NTI) ('**Neurotech**', '**NTI**' or '**the Company**') is pleased to provide an update on its activities during the quarter ended 31 March 2022.

PROGRESSION OF PAEDIATRIC ASD STUDY USING NTI164[2]

During the quarter, the Company progressed its landmark paediatric study in ASD, which led to announcing successful developments relating to safety and tolerability. Promising preliminary data was also observed for several key behavioural parameters. Further analysis of behavioural outcomes are currently being undertaken and will be completed in Q2. The study was designed to rigorously assess the safety and efficacy of NTI164 in a dose-escalation regime and to evaluate behaviours, focus and cognitive parameters using validated neuropsychological tools. The program is also designed to provide the foundation for follow-up studies in the treatment of other neurological disorders such as Cerebral Palsy.

NTI164 is a proprietary (patent pending) full spectrum medicinal cannabis strain with multiple biopharmaceutical applications. NTI164, comprises of high CBDA and an assortment of minor cannabinoids (ie. CBG, CBC, CBDP, CBDB and CBN). Latest international and national data demonstrates that 'minor' cannabinoids including CBDA, CBDP, CBDB, CBN and CBG work together to create an "entourage effect" that is more potent than CBD isolate alone[3].

Preclinical studies conducted on NTI164 to date have identified three major anti-inflammatory pathways specifically involved in cell health and protection, cell survival and neuronal cell regulation. These studies have consistently demonstrated that NTI164 is more potent than CBD and CBD+THC alone. Therefore, supporting the full "entourage effect". In addition to having high concentrations of these unique cannabinoids, NTI164 also has a key point of differentiation in that the strain contains less than 0.3% THC - which puts the Company in a unique position in respect to potential regulatory pathways[4].

EVENTS AFTER THE REPORTING PERIOD

Post the end of the reporting period, the Company announced successful developments regarding the safety and tolerability of NTI164 as well as key behavioural parameters that impact ASD patients.

---

[1] ASX Announcement 3 March 2022 - Appointment of Chief Executive Officer
[2] ASX Announcement 25 May 2021 - NTI / Dolce Strains Demonstrate Potential Benefits for Multiple Sclerosis Disease Management
[3] Cannabis constituents interact at the drug efflux pump BCRP to markedly increase plasma cannabidiolic acid concentrations. Anderson, L. et al., 2021. www.nature.com/articles/s41598-021-94212-6
[4] ASX Announcement 13 April 2022 – Q&A With Company CEO, Dr Alex Andrews

The clinical study design involves assessments and feedback from the neuropsychologist monitoring trial participants, parents/carers, and the participants themselves. Parental/carer observations have initially cited consistent improvements in trial participants' 'overall functioning' when compared to baseline at the commencement of the trial. Specific instances of markedly improved behaviours (i.e., reduction in fear, agitation, and anxiety) are being further investigated to fully assess and understand the positive neuropsychological impact of NTI164 treatment in these patients.

Study Outcomes to date:

- Demonstrated safety and tolerability across the dosing regimen.
- No serious adverse events reported.
- Patients are showing positive trends and improvements compared to their baseline assessments measured at the commencement of the trial.
- Improvements were observed with trial patients in key behavioural indicators related to irritability, social interaction, mood and communication.
- The improvements were unique to each trial participant given the complexities of how ASD affects children.

NTI's research along with further data assessment from the trial will be completed in Q2. These key areas of neuro-behavioural change will be the key focus of the upcoming drug registration trials due to commence in Q3 2022.

The only drug currently approved by the FDA for children with ASD is Risperidone. Given the NTI trial results showed positive behavioural trends (compared to their baseline) together with no serious adverse side effects and high patient compliance, the Company is well placed to make significant inroads into the ASD treatment market.

MENTE DEVICE

Neurotech has continued the development, and commercialisation of Mente, pursuing its business model including engaging with partners on sales and distribution, whilst also using Mente as part of its cannabis research to discover if a potential complimentary benefit occurs when used in conjunction with the cannabis strains. It may also be used to monitor the progress of certain subjects.

CORPORATE ACTIVITY

Appointment of Chief Executive Officer[2]

During the quarter, Neurotech appointed Dr. Alexandra Andrews as Chief Executive Officer. Dr. Andrews holds a Doctor of Philosophy (Ph.D.) in Neuroscience from the University of Western Australia and has expertise in corporate development, investor engagement, product development and commercialisation, clinical trials and regulatory environments. Dr. Andrews was previously the Director of Operations at NeuroScientific Biopharmaceuticals Ltd.

Throughout her career, Dr. Andrews has worked closely with clinical researchers, investors and entrepreneurs, providing scientific and strategic input into clinical development plans and overseeing manufacturing. Dr. Andrews also brings commercial, transactional and project management experience, including a previous role at Linear Clinical Research where she focused on attracting partnerships with US biotechnology and pharmaceutical companies, as well as managing trial logistics.

Commentary in relation to Appendix 4C

As at 31 March 2022, NTI had a cash balance of $2.33 million, per the attached Appendix 4C.

During the quarter, the Company recorded gross total operating expenses (excluding revenue sources) of $786,000 which was comprised of research and development ($508,000), product manufacturing ($1,000), advertising and marketing ($1,000), staff costs ($36,000) and administrative and corporate costs ($240,000).

Further, payments to related parties and their associates as detailed in Section 6 of the Appendix 4C relate to director fees ($74,000) and corporate services, accounting and company secretarial fees ($27,000).

Authority

This announcement has been authorised for release by the Board of Neurotech International Limited.

Further Information

Dr Alexandra Andrews
CEO
aa@neurotechinternational.com
+61 (0)405 339 788

Brian Leedman
Chairman
b.leedman@neurotechinternational.com
+61 (0)41 228 1780

Media:

Amalie Schreurs
White Noise Communications
amalie@whitenoisecomms.com
+61 (0)431 636 033

About Neurotech

Neurotech International Limited is a medical device and solutions company conducting clinical studies to assess the neuro-protective, anti-inflammatory and neuro-modulatory activities of our proprietary NTI/Dolce cannabis strains.

Neurotech has submitted key provisional patents relating to the composition and use of NTI164 for the treatment of a range of neurological disorders including ASD. Neurotech is also commercialising Mente, the world's first home therapy that is clinically proven to increase engagement and improve relaxation in autistic children with elevated Delta band brain activity.

For more information about Neurotech and Mente Autism please visit http://www.neurotechinternational.com

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity	
Neurotech International Limited	
ABN	**Quarter ended ("current quarter")**
73 610 205 402	31 March 2022

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	9	38
1.2	Payments for		
	(a) research and development	(508)	(1,938)
	(b) product manufacturing and operating costs	(1)	(6)
	(c) advertising and marketing	(1)	(57)
	(d) leased assets	0	0
	(e) staff costs	(36)	(120)
	(f) administration and corporate costs	(240)	(723)
1.3	Dividends received (see note 3)	0	0
1.4	Interest received	0	0
1.5	Interest and other costs of finance paid	(1)	(3)
1.6	Income taxes paid	0	0
1.7	Government grants and tax incentives	0	0
1.8	Other (VAT and BAS Refunds)	78	305
1.9	**Net cash from / (used in) operating activities**	**(700)**	**(2,504)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	0	0
	(b) businesses	0	0
	(c) property, plant and equipment	0	(8)
	(d) investments	0	0
	(e) intellectual property	0	0
	(f) other non-current assets	0	0

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.2	Proceeds from disposal of:		
	(a) entities	0	0
	(b) businesses	0	0
	(c) property, plant and equipment	0	0
	(d) investments	0	0
	(e) intellectual property	0	0
	(f) other non-current assets	0	0
2.3	Cash flows from loans to other entities	0	0
2.4	Dividends received (see note 3)	0	0
2.5	Other (provide details if material)	0	0
2.6	**Net cash from / (used in) investing activities**	**0**	**(8)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	0	0
3.2	Proceeds from issue of convertible debt securities	0	0
3.3	Proceeds from exercise of options	15	27
3.4	Transaction costs related to issues of equity securities or convertible debt securities	0	0
3.5	Proceeds from borrowings	0	0
3.6	Repayment of borrowings	0	0
3.7	Transaction costs related to loans and borrowings	0	0
3.8	Dividends paid	0	0
3.9	Other (provide details if material)	0	0
3.10	**Net cash from / (used in) financing activities**	**15**	**27**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	3,025	4,826
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(700)	(2,504)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	0	(8)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	15	27
4.5	Effect of movement in exchange rates on cash held	(5)	(6)
4.6	**Cash and cash equivalents at end of period**	**2,335**	**2,335**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	2,335	3,025
5.2	Call deposits	0	0
5.3	Bank overdrafts	0	0
5.4	Other (provide details)	0	0
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**2,335**	**3,025**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	101
6.2	Aggregate amount of payments to related parties and their associates included in item 2	0

Payments at section 6.relate to director fees ($74,000) and corporate services, accounting and company secretarial fees ($27,000).

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	89	0
7.2	Credit standby arrangements	0	0
7.3	Other (please specify)	0	0
7.4	**Total financing facilities**	89	0

7.5	**Unused financing facilities available at quarter end**	89

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Overdraft facility with a limit of EUR 60,000. The lender is Bank of Valetta. The facility is unsecured. The interest rate is 5.65%.

The above values are stated in AUD, converted from EUR at an exchange rate of 0.6704.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(700)
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,335
8.3	Unused finance facilities available at quarter end (item 7.5)	89
8.4	Total available funding (item 8.2 + item 8.3)	2,424
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	3.46

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer: N/A	

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 29 April 2022
.....

Authorised by: The Board of Directors
.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.