

DECEMBER 2023 QUARTERLY ACTIVITY REPORT

HIGHLIGHTS

- **Drafting of FDA Pre-IND Meeting Request**
- **Preclinical Study Planning in Ophthalmology**
- **Board of Directors & Management Changes**
- **Cash balance of A\$3.34M as at 31 December 2023**
- **R&D tax incentive refund of approximately A\$2.2M expected.**

NeuroScientific Biopharmaceuticals Ltd (ASX: **NSB**) (“**NeuroScientific**” or “**the Company**”) today submitted its Appendix 4C and quarterly activity report for the period ended 31 December 2023.

QUARTERLY ACTIVITY REPORT

FDA Pre-IND meeting

In the December quarter, NSB determined that it is in the best interest of the company to collate all data generated from both systemic and ophthalmology work performed to date and request a Type B, Pre-IND Meeting with the FDA.

The goal of this meeting is to confirm that the work that NSB has completed to date, along with the planned animal studies to further evaluate toxicology (to ensure ocular safety), ocular pharmacokinetics (to confirm appropriate dosing regimen), and optimisation of EmtinB formulation for ocular administration are going to directly support the entry into clinical trials.

Additionally, it will be confirmed that the planned first in human clinical trial in glaucoma patients is appropriately designed to progress the development of EmtinB, and that such a design is supported by the prior work conducted.

NSB is working with a highly experienced and qualified regulatory consultancy that holds offices in UK, EU, US and Australia, to ensure that NSB can gain as much insight from the FDA and confirm that the development plan in place for EmtinB within Ophthalmology is within the regulator's expectations to allow the initiation of a clinical trial.

It is expected that this submission will occur in Q1 2024.

R&D Planning in Ophthalmology

During the December Quarter, NSB has been working with specialist collaborators to develop the most appropriate studies to assess EmtinB in ophthalmology to allow for a study in humans to take place. These include, but are not limited to, optimisation of the EmtinB formulation for injection into the eye; safety, toxicology and pharmacokinetic studies that will provide further clarity on dose levels and dosing regimen to be taken into clinical trials and which are required by the regulators prior to the initiation of clinical trials.

Many of these planned studies are to accompany NSB's request to the FDA for a Type B Pre-IND meeting.

EmtinB™ Early Phase Clinical Study

The Company's Early Phase Clinical Study data is locked and is awaiting a finalised statistical report from its collaborator to allow for a thorough process of interpretation and reporting. The interpretation of this data is expected in Q1 2024.

New Opportunities

NeuroScientific continues to evaluate new and promising technologies to provide the Company with a pipeline of projects.

Board and Management Changes

As previously announced to shareholders, during the December 2023 quarter there were a number of changes to the Board of NSB. Directors Stephen Quantrill and Linda Friedland, in addition to Chairman Paul Rennie resigned from the Board, while Chris Ntoumenopoulos, Clarke Barlow and Tony Keating all joined the Board. The Board subsequently appointed Chris Ntoumenopoulos as Chair of the Company.

During the quarter, Steven Carter resigned as CEO of the company, effective from 31 December 2023.

Quarterly Cash Flow Summary

NeuroScientific's cash position was \$3.34 million as at 31 December 2023. The Company has maintained a strong cash position with corporate expenses continuing to be carefully managed.

NSB has lodged the FY2023 tax return, and expects an R&D tax incentive refund of approximately \$2.2M to be received in the March 2024 quarter.

Net operating cash outflows for the quarter were \$605k with research and development activities payments totalling \$183k for the period. Staff costs for the quarter were \$265k. Administration and corporate costs were \$194k.

Payments to related parties during the December 2023 quarter totalled \$109k and relate to Director fees, salaries and superannuation (\$61k) and Administration and Management fees (\$48k).

The level of net cash burn for the March 2024 quarter is expected to be at similar levels as for the December 2023 quarter, as the company continues to preserve cash in the coming months as the work towards future research and development of EmtinB™ in ophthalmology commences.

This announcement is authorised by the Board of NeuroScientific Biopharmaceuticals Ltd.

-ENDS-

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About NeuroScientific Biopharmaceuticals Ltd

NeuroScientific Biopharmaceuticals Limited (ASX: NSB) is a company developing peptide-based pharmaceutical drugs that target a number of neurodegenerative conditions with high unmet medical demand. The company's product portfolio includes EmtinB™, a therapeutic peptide initially targeting Alzheimer's disease and glaucoma, as well as other Emtin peptides (EmtinAc, EmtinAn, and EmtinBn) which have demonstrated similar therapeutic potential as EmtinB™. For more information, please visit www.neuroscientific.com

About EmtinB™

EmtinB™ is a peptide-based compound that binds to surface-based cell receptors from the LDLR family, activating intracellular signalling pathways that stimulate neuroprotection, neuroregeneration and modulate neuroinflammation. EmtinB™ is modelled on a specific active domain of the complex human protein called Metallothionein-IIA, which is produced as part of the human body's innate immune response to cell injury.

Our preclinical research has established that EmtinB™ is highly specific and selective for its target receptor, safe and well tolerated at high concentrations.

Appendix 4C

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

Name of entity

NeuroScientific Biopharmaceuticals Limited

ABN

13 102 832 995

Quarter ended ("current quarter")

31 December 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(183)	(700)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	(7)
(d) leased assets	-	-
(e) staff costs	(265)	(410)
(f) administration and corporate costs	(194)	(548)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	37	91
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(605)	(1,574)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	(2)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(0)	(2)

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

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,941	4,912
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(605)	(1,574)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(0)	(2)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,336	3,336

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	57	148
5.2	Call deposits	3,280	3,793
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,336	3,941

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	(109)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p>Item 6.1 above includes Director salaries, fees & superannuation (\$61k) and management & administration fees (\$48k)</p>		

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>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.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
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.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(605)
8.2 Cash and cash equivalents at quarter end (item 4.6)	3,336
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	3,336
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	5.5
<i>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.</i>	
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	
<i>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.</i>	

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: 31 January 2024

Authorised by: The Board of Directors