

31 October 2024

Argent BioPharma Ltd.
(Argent BioPharma or the Company)

September 2024 Quarter Activity Report and Cash Flow Statement

Argent BioPharma, an innovative multidisciplinary drug discovery company within the biopharmaceutical sector, is pleased to provide its Quarterly Activity Report for the three months ending 30th September 2024.

Key Company Activities

Collaboration with SINTIF for Advanced Chronic Wound Management

During the Quarter, Argent BioPharma collaborated with SINTEF, one of Europe's largest independent research organisations, to address the critical and unmet clinical challenge of chronic wound management, through nano-formulations as part of the Company's ongoing expansion into new therapeutic areas. The collaboration is targeting chronic wound infections with an array of various nano-encapsulated active ingredients. The precise selection and dosing of these active ingredients are being methodically evaluated. The greater part of the ingredients have not served previously as designated anti-microbial agents, thus aligning with antimicrobial stewardship.

A significant aspect of this project is the design of nano-formulations for the selected agents which are intended to be identified in the initial screening experiments. Nano-formulation is expected to enhance the pharmacological characteristics and efficacy of the resulting preparation via improved drug delivery, increased penetration through biofilms, and sustained release of active compounds, thereby addressing the challenges posed by antibiotic resistance and local tissue health deterioration.

Voluntary Delisting From ASX

During the quarter, the Company received formal approval from the ASX and its shareholders for the Company to delisting from the official list of the ASX subject to a number of conditions. In conjunction, the Company is actively working to move its listing category from Equity Shares (International Commercial Companies Secondary Listing) to Equity Shares (Commercial Companies) category (**ESCC**) of the FCA's Official List. The Company is in advanced discussions with the Financial Conduct Authority (**FCA**) relating to the transfer of listing categories and will provide shareholders with an updated outlook on the delisting as soon as its able to.

Corporate and Commercial News

Completion of Placement

During the quarter, the Company raised US\$2,000,000 by ways of a private placement, issuing 2,500,000 new ordinary shares at an issue price of US\$0.80 (~A\$1.20) with a 1 for 2 attaching option exercisable at US\$1.20

(~A\$1.80). The subscription price of US\$0.80 represented approximately a 400% premium to the 15-day VWAP of the Company's securities.

Funding and Cashflow Reporting

Subsequent to the Quarter, an agreement was reached with Mercer Street Capital Partners LLC to refinance 300,000 from the 2020 Convertible Notes facility, resulting in the minimum conversion price being amended to not less than A\$0.30, after which, those the refinanced notes were converted into ordinary shares.

At the end of the September, the Company has A\$311k of cash on hand.

Accompanying this Activity Report is a Cash Flow Report for the Quarter ending 30 September 2024.

In accordance with ASX Listing Rule 4.7C.3 the Company advises that during the September 2024 quarter, payments to related parties totalled A\$107k, which consisted of fees paid to executive and non-executive directors of the Company. As detailed in the accompanying Appendix 4C (Quarterly Cashflow Report), cashflows during the quarter included A\$6k in cash outflows associated with cost of sales and inventory production and A\$471k for Research and development costs.

Activities Post Quarter End

Argent BioPharma successfully raised an additional A\$200,000 by ways of a private placement, issuing 666,667 new ordinary shares at an issue price of A\$0.30. the shares were issued under the Company's existing Placement capacity in accordance with Listing Rule 7.1.

-ENDS-

Authorised for release by the board of directors, for further information please contact:

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About Argent BioPharma

Argent BioPharma Limited (the "**Company**") (ASX: RGT; LSE: RGT; OTCQB: RGTLF) an innovative multidisciplinary drug development Company within the biopharmaceutical sector. The Company focuses on multidisciplinary methods with Nanotechnology, developing multi-target therapies for comprehensive disease management, especially concerning the Central nervous system ("CNS") and Immunology treatments.

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Appendix 4C

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

Name of entity

Argent BioPharma Limited

ABN

30 116 800 269

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	99	99
1.2	Payments for		
	(a) research and development	(471)	(471)
	(b) product manufacturing and operating costs		
	i) cost of sales / inventory	(6)	(6)
	ii) operating costs	(226)	(226)
	(c) advertising and marketing	(55)	(55)
	(d) leased assets		
	(e) staff costs	(575)	(575)
	(f) administration and corporate costs (including product registrations)	(2,098)	(2,098)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	10	10
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (GST/VAT refund)	11	11
1.9	Net cash from / (used in) operating activities	(3,311)	3,311

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:	-	-
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(2)	(2)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
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 (cash acquired through assets acquisition)	-	-
2.6	Net cash from / (used in) investing activities	(2)	(2)

3.	Cash flows from financing activities	Current quarter \$A'000	Year to date (3 months) \$SA'000
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,975	2,975
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	(49)	(49)
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 (loan entity which where control was gained after quarter-end)	-	-
3.10	Net cash from / (used in) financing activities	2,926	2,926

4.	Net increase / (decrease) in cash and cash equivalents for the period	Current quarter \$A'000	Year to date (3 months) \$A'000
4.1	Cash and cash equivalents at beginning of period	703	703
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,311)	(3,311)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2)	(2)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,926	2,926
4.5	Effect of movement in exchange rates on cash held	(4)	(4)
4.6	Cash and cash equivalents at end of quarter	311	311

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	285	676
5.2	Call deposits	27	27
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)	311	703

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	107
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
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.		

The payments in 6.1 are payments to directors of the company for their service during the quarter .

7.	Financing facilities available <i>Note: the term “facility” includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A’000	Amount drawn at quarter end \$A’000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	14,600	6,948
7.4	Total financing facilities	14,600	6,948
7.5	Unused financing facilities available at quarter end	-	7,652
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.		
\$14.6M Convertible note facility with Mercer Street Opportunity Fund LLC. Refer to ASX announcement on 29 July 2022 for further information.			

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(3,311)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	311
8.3	Unused finance facilities available at quarter end (Item 7.5)	7,652
8.4	Total available funding (Item 8.2 + Item 8.3)	7,963
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	2.4
	<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:	
	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	
	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	
	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.

31 October 2024

Date:

[lodge electronically without signature]

Authorised by:

Roby Zomer – Managing Director

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.