ASX & Media Release

Patrys Announces Oversubscribed Capital Raising of AU$3.4 Million

Melbourne, Australia; 2 December, 2011: Patrys Limited (ASX: PAB**;** Company) is pleased to announce the successful completion of an AU$3.4 million capital raising to institutional and sophisticated investors.

The private placement of approximately 113.5 million new shares at an issue price of AU$0.03 per share will rank equally with existing shares, and will be conducted in two tranches. A total of 37 million new shares are to be issued under the 15% placement capacity of Patrys, with settlement expected to occur on 7 December 2011. The balance of new shares to be issued will be subject to shareholder approval at an Extraordinary General Meeting (EGM) to be convened on or about 11 January 2011 (in accordance with ASX Listing Rule 7.1).

The capital raising was conducted by Lodge Corporate as Lead Manager, and the Company is pleased to advise that the offer was oversubscribed and supported by domestic and international institutions and sophisticated investors as well as the Company's Board and Management.

Proceeds from the placement, together with existing finances, will be used to:

- Conclude the PAT-SM6 Phase I melanoma trial
- Support a PAT-SM6 Phase I/IIa open label multi-dose clinical trial in multiple myeloma
- Further prepare PAT-LM1 for clinical trial and/or partnering
- Support business development and licensing activities in respect of PAT-SC1
- Expand the pipeline through internal R&D

Further detail of the status of the key activities outlined above is provided as follows:

Development Programmes

The Company is currently recruiting the final group of patients for its Phase I clinical trial of anti-cancer antibody PAT-SM6 for the treatment of melanoma. Significantly, no safety issues have been observed or reported for any patients treated, to date, with PAT-SM6. Additionally, recent analysis of tumour samples from two patients treated with PAT-SM6 found that the antibody had penetrated into the tumour biopsies, even though the doses were substantially below the anticipated therapeutic levels.

The trial is being conducted at the Royal Adelaide Hospital and Princess Alexandra Hospital, Brisbane. With two centres actively recruiting it is envisaged that the trial will be completed soon with full data released during the first quarter of 2012.

The next phase of the clinical programme for PAT-SM6 is a phase I/II open label multi-dose clinical trial in multiple myeloma. It is planned to conduct the trial at the University of Würzburg (Germany) Surgical Clinic. It is envisaged that this trial will commence in March/April 2012 and run for approximately 12 months. The initiation of this trial follows on from preclinical studies that have shown significant activity of PAT-SM6 in multiple myeloma.

Multiple myeloma is a type of bone marrow cancer arising from plasma cells, and new therapies are desperately needed to treat patients who become resistant to established chemotherapeutics.

A trial in patients with this disease is attractive from a development perspective as it is possible to determine very quickly whether the product is working by assessing routine blood counts and bone marrow samples. There is also a substantial population of patients with resistant multiple myeloma, so recruitment for this trial should not be an issue. PAT-SM6 continues to demonstrate broad activity in a wide range of cancer models.

The Company also plans to continue its preclinical programme in respect of PAT-LM1 in preparation for a human clinical trial. Completion of this work will allow Patrys to either conduct a phase I/II open label, multi-dose trial in stage IV patients with solid tumours or make the product more attractive as a licensing candidate.

Business Development and Licensing Activities

The Company has recently completed the conversion of PAT-SC1 to its proprietary manufactuirng production system. PAT-SC1 is now ready for out licensing.

PAT-SC1 has been shown to significantly improve survival when used in patients with gastric cancer. Gastic cancer is relatively rare in the major western markets but has a significant incidence in Asian populations. Consequently, Patrys is planning to commence a licensing campaign for PAT-SC1 in Asia next year (2012).

Internal R&D

The Company will maintain its research in Germany, although on a reduced basis, with the aim of moving 2-3 discovery stage antibodies through preclinical development each year.

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About Patrys Limited:
Based in Melbourne, Australia, Patrys (ASX: PAB) is focused on the development of natural human antibody therapies for cancer. More information can be found at www.patrys.com.

About PAT-SM6:
The natural human antibody PAT-SM6 has been shown to have potent anti-cancer properties in a large number of laboratory and animal studies. More specifically, Patrys has now screened PAT-SM6 against more than 200 tumours from individual patients with various cancers, and the product binds to over 90% of the tumours screened regardless of cancer type or patient age, gender or disease stage. With respect to melanoma, PAT-SM6 has shown particularly strong promise. In October 2010, Patrys initiated a human clinical trial to evaluate PAT-SM6 as a therapy for melanoma. To date, the second group of patients has been treated and Patrys received approval to progress the clinical trial. Significantly, no safety issues have been observed or reported for any patients treated, to date, with PAT-SM6. Additionally, recent analysis of tumour samples from two patients treated with PAT-SM6 found that the antibody had penetrated into the tumour biopsies, even though the doses were substantially below the anticipated therapeutic levels. The clinical trial is taking place at the Royal Adelaide Hospital Cancer Centre and associated Pain and Anaesthesia Research Clinic and the Princess Alexandra Hospital, Brisbane. Patrys has filed patent applications to cover the PAT-SM6 antibody molecule, disease target, and the mechanism of action.

About Multiple Myeloma:
Of the approximately 1,200 Australians who are diagnosed with multiple myeloma each year, almost all are older than 40 years. Multiple myeloma is most common in people aged 60 years and older, and men are affected more often than women. In the United States, an estimated 20,520 adults will be diagnosed annually with multiple myeloma. It is estimated that 10,610 deaths from this disease will occur this year. The five-year survival rate (percentage of people who survive at least five years after the cancer is detected, excluding those who die from other diseases) of people with multiple myeloma is about 39%. However, several factors affect an individual's survival, such as the person's age and overall health.

About PAT-SC1:
PAT-SC1 is a natural human IgM antibody that acts by binding to a special form of a protein, called CD55 that appears on the surface of gastric cancer cells but not on the surface of healthy cells, thereby permitting PAT-SC1 to kill the cancer cells while sparing the healthy cells. PAT-SC1 was evaluated in an investigator led human clinical trial, at the University of Würzburg (Germany) Surgical Clinic, under which treated patients were dosed with PAT-SC1 48 hours prior to a surgical procedure that involved the removal of the primary tumour (surgical removal of the tumour is currently the standard treatment). Patrys recently announced ten year follow-up data on 30 of the PAT-SC1 treated patients. Fifty-five per cent of those patients are still alive whilst only 30% of the control group have survived, indicating that the treatment of gastric cancer patients with PAT-SC1 confers a significant survival benefit.

About PAT-LM1:
PAT-LM1 is a natural human antibody that has been shown to have potent anti-cancer properties in a large number of laboratory and animal studies. This lead product binds to a proprietary disease target that is expressed on the surface of cancer cells, but not on the surface of the healthy tissues screened. With over 200 individual patient tumours screened, covering several different cancers, PAT-LM1 binds to nearly 98% of those tumours regardless of cancer type, age, gender or disease stage. Patrys has filed patent applications to cover the PAT-LM1 molecule, its disease target and the target epitope.