ASX ANNOUNCEMENT
27 July 2021

Quarterly Activities Report for the period ending 30 June 2021

Chimeric Therapeutics Limited ("the Company") (ASX: CHM), a clinical stage cell therapy company, is pleased to provide a summary of its activities for the quarter ended 30 June 2021.
Key highlights this quarter include:

- Successful completion of the 1st patient cohort in the CLTX CAR T phase 1 clinical trial
- Initiation of dosing in 2nd patient cohort in the CLTX CAR T phase 1 clinical trial
- Acceptance of the 1st CLTX CAR T abstract by ASCO (American Society of Clinical Oncology)
- Appointment of Dr Li Ren as VP, Technical Operations
- Healthy financial position, with $22.4 million in cash and equivalents as of 30 June 2021

CLTX CAR T Initial Dose Cohort Completed

Following on our announcement in late March that all patients in the 1st patient cohort had been dosed we were pleased to confirm that all patients dosed in the first patient cohort in the phase 1 CLTX CAR T cell clinical trial had advanced beyond the 28-day follow up period without experiencing dose-limiting toxicities.

Achievement of this safety milestone for all patients in cohort 1 enabled the trial to advance to the second dosing level, which administers CLTX CAR T cells by two routes (intratumoral (ICT) and intracranial intraventricular (ICV)) at a total dose of 88 x 106 CAR T cells without a mandated stagger.

CLTX CAR T 2nd Dose Level Initiated

In May the 1st patient in the 2nd dose cohort of the phase 1 CLTX CAR T cell clinical trial received dosing.

The treatment of the first patient in the second dose cohort marked the introduction of dual routes of administration of CLTX CAR T cells with both intracranial intratumoral (ICT) and intracranial intraventricular (ICV) dosing at a total target dose of 88 × 106 CLTX CAR T cells.

ASCO Abstract Acceptance

In May, ASCO (American Society of Clinical Oncology) selected the first CLTX CAR T abstract for presentation at the 2021 ASCO Annual Meeting, the preeminent global cancer research meeting. The abstract was presented by Dr Christine Brown in the Trials in Progress: Developmental Therapeutics—Immunotherapy section.
(Abstract #: TPS2662)

The abstract highlights the phase 1 clinical trial design and objectives for Chlorotoxin CAR T (CLTX CAR T), a first and potentially best in class CAR T cell therapy that has the potential to address the high unmet medical need of patients with recurrent or progressive glioblastoma.

The presentation can be viewed here: https://www.chimerictherapeutics.com/category/presentations/

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Appointment of Dr Li Ren

Chimeric announced the appointment of Dr Li Ren as Vice President, Technical Operations in late June. Dr Ren has nearly 20 years of experience developing and advancing cell therapy drug candidates from the preclinical stage through to commercial licensure. She has led the process and analytical development of multiple allogeneic & autologous cell therapy products over her career, including CAR T cells, TCR cells, NK cells and mesenchymal-like stem cells.

Dr Ren joined Chimeric from Bristol-Myers Squibb (BMS) where she most recently oversaw the technology transfers of Juno cell therapy pipeline products to BMS manufacturing facilities and provided technical support for both GMP manufacturing and quality control (QC) testing to enable clinical trials. Over the course of her career Dr Ren has also supported multiple IND submissions for pipeline products to enable clinical trials and designed and led process & analytical validation programs in support of commercial registration filing.

Investor presentation

During the period Chimeric Therapeutics presented at the AUSBIOTECH Investor Event. A recording of the presentation can be viewed at this link:

https://youtu.be/1DJ3kx7ZU2Y

During the period Chimeric Therapeutics presented at the FNN Online Investor Event. A recording of the presentation can be viewed at this link:

https://www.finnewsnetwork.com.au/MediaCenter/MediaCenterMobile.aspx?Site=FNN2003

Financial Update

An Appendix 4C is attached to this announcement.

As detailed in the attached ASX Appendix 4C, the Company had $22.4 million in cash and equivalents as at 30 June 2021, down from $23.6 million compared to 31 March 2021. This will support the Company's efforts to progress the development of CLTX CAR T and initiate the development of a cell therapy pipeline.

The net cash used in operating activities during the quarter was $1.1 million compared to $5.4 million for the quarter to 31 March 2021. The decrease is mainly due to the fee paid in the quarter to 31 March 2021 to the City of Hope for US$3 million (equivalent to AU$4 million) in connection to the one-off change of control fee allocated to administration and corporate costs.

The net cash used in investing activities during the quarter was nil. The decrease of $2.6 million compared to the previous quarter relates to the second instalment payment (out of six) pursuant to the City of Hope License Agreement.

In accordance with Listing Rule 4.7C, payments made to related parties and their associates included in items 6.1 of the Appendix 4C include payments for remuneration of director fees to executive and non-executive directors in the normal course of business at commercial rates, excluding reimbursements of out-of-pocket expenses.

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Pursuant to Listing Rule 4.7C.2, the Company confirms that, in the 5.5 months since listing on the ASX, it has incurred expenditure largely in line with the Use of Proceeds set out in its Prospectus, as detailed below.

Use of Funds under Prospectus	**Funds allocated under Prospectus**	**Funds expected allocation between admission and 30 June 2021**	**Funds expended between admission and 30 June 2021**	**Actual funds expended against Expected use of Funds period to date %**
Offer Costs	$2,918,758	$2,918,758	$2,663,979*	91%
Admin, Corporate and general working capital	$5,454,318	$4,650,867	$4,897,222*	105%
Employment	$5,714,163	$1,538,785	$1,609,396*	105%
Licence Fees to City of Hope	$6,966,611	$2,777,778	$2,587,322*	93%
Research and Development on other cancer targets	$5,601,101	$2,652,776	$281,331**	11%
Phase 1 clinical trial and manufacturing	$1,875,006	$625,002	$0**	0%
Opening new additional Phase 1 sites	$5,000,000	$0	$0*	0%
Other commercial and academic collaborations	$5,000,000	$0	$0*	0%
Total	**$38,529,957**	**$15,163,965**	**$12,039,250**	**79%**

*Costs remain largely In line with expected use of funds.
**Costs incurred are lower than forecast. Delays in R&D due to staffing challenges during the pandemic.

Authorised on behalf of the Chimeric Therapeutics board of directors by Chairman Paul Hopper.

ABOUT CHLOROTOXIN CAR T

Chlorotoxin CAR T (CLTX CAR T) cell therapy is a first and potentially best in class CAR T cell therapy that has the potential to address the high unmet medical need of patients with recurrent / progressive glioblastoma (GBM). Research to develop the intellectual property covering this CAR T cell therapy took place at City of Hope.

CLTX CAR T cell therapy uniquely utilizes chlorotoxin (CLTX), a peptide derived from scorpion toxin, as the tumour-targeting component of the chimeric antigen receptor (CAR). CLTX and CLTX CAR T cells have been shown in preclinical models to bind more broadly and specifically to GBM cells than other targeting domains like EGFR, HER-2 or IL-13.

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In preclinical models, CLTX CAR T cells also demonstrated potent antitumor activity against GBM while not exhibiting any off-tumor recognition of normal human cells and tissues, indicating a potentially optimal safety and efficacy profile.

ABOUT CHIMERIC THERAPEUTICS

Chimeric Therapeutics is a clinical stage cell therapy company focused on bringing the promise of cell therapy to life for more patients with cancer.

Chimeric believes that cellular therapies have the potential to cure cancer and that by combining their expertise in the development and commercialization of cell therapies with the world's most innovative scientists and science, they will be able to bring the promise of cell therapy to life for more patients.

Chimeric Therapeutics has licensed the exclusive global rights to CLTX CAR T cell therapy which is currently in development for patients with progressive and recurrent glioblastoma and is also being investigated for development in patients with other solid tumors such as melanoma, small cell lung cancer, prostate cancer and colorectal cancer.

Chimeric Therapeutics is also currently actively engaged in enhancing their pipeline with innovative cell therapies for patients with cancer.

CONTACT

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Appendix 4C

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

Name of entity	
Chimeric Therapeutics Limited	
ABN	**Quarter ended ("current quarter")**
68 638 835 828	30 June 2021

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) research and development	(267)	(975)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	-	-
	(d) leased assets	-	-
	(e) staff costs	(693)	(2,471)
	(f) administration and corporate costs	(372)	(5,256)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	(10)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	196	249
1.9	**Net cash from / (used in) operating activities**	**(1,136)**	**(8,463)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	(11)
	(d) investments	-	-
	(e) intellectual property	-	(5,343)
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 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**	**-**	**(5,354)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	35,000
3.2	Proceeds from issue of convertible debt securities	-	4,300
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(61)	(3,034)
3.5	Proceeds from borrowings	-	853
3.6	Repayment of borrowings	-	(892)
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**	**(61)**	**36,227**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	23,607	-
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,136)	(8,463)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(5,354)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(61)	36,227
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**22,410**	**22,410**

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	22,410	23,607
5.2	Call deposits	-	-
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)**	**22,410**	**23,607**

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	106
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.

Item 6.1 – Include payments for remuneration of director fees to executive and non-executive directors in the normal course of business at commercial rates, excluding reimbursements of out-of-pocket expenses.

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	-	-
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.

N/A

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,136)
8.2	Cash and cash equivalents at quarter end (item 4.6)	22,410
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	22,410
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	19.7

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: .....27 July 2021.....

Authorised by: .....The Board.....
(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.