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ASX: NOX

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Limited**

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NOXOPHARM CLOSES \$4M CAPITAL RAISING FOR US SUBSIDIARY, NYRADA, INC

- **AUD\$4M raised**
- **3 first-in-class drugs identified**
- **each drug targeting major community unmet need.**

Sydney, 16 February 2018: Noxopharm (NOX: ASX) is pleased to announce that it has raised A\$4M (before costs) for its US-based subsidiary, Nyrada Inc. The funds were raised by the issuance of convertible notes to 40 Australian investors. The Notes have a maturity date of July 2019 and automatically convert to Nyrada shares at the time of a public listing prior to maturity. The Nyrada Board has flagged to Note holders its objective of seeking a listing on the ASX in the form of CHESS Depository Interests during 2018 in association with an Initial Public Offering. A local listing is planned to precede an application in 2019 to list on a US exchange. Both listings will require the Company meeting a range of statutory conditions.

The funds are to be applied to the development of 3 drug assets:

NYX-104. A first-in-class neuroprotectant drug designed to minimise brain damage following stroke and traumatic brain injury such as concussion (e.g. sporting injuries);

NYX-205. A first-in-class anti-inflammatory drug designed to treat the condition of peripheral neuropathy, a painful condition affecting about 40% of cancer patients receiving certain common chemotherapies;

NYX-330. A first-in-class small molecule PCSK9-inhibitor intended to treat high blood LDL cholesterol levels.

Each of these 3 drugs currently is in pre-clinical development. The respective clinical indications have been identified and the first Phase 1 study is targeted to commence in about mid-2019. The funds are designed to take each drug asset through a number of key development milestones over the next 12 months, having the potential to re-rate the Company's market value prior to conducting an IPO.

The Company has attracted the interest of international researchers in the fields of neurology and cardiovascular health, with a number of these in the process of being recruited to the Company's Scientific Advisory Board. This Board will play a key role in guiding the Company's R&D and clinical programs and commercial strategies. It will be chaired by Professor Gary Housley* who holds the Chair of Physiology and is Director of the Translational Neuroscience Facility at the University of NSW (Sydney). Professor Housley is an international authority in the protection and repair of the nervous system.

The Company's R&D program is led by experienced neuroscientist, James Bonnar, Vice-President, Research and Development. He leads a group of Australian scientists who will oversee the pre-clinical programs, currently centred around Australian university and hospital research groups. The recently raised funds give the Company the ability now to expand those collaborations offshore and to begin the process of raising the Company's profile internationally.

Graham Kelly will act as President and CEO of the Company in his capacity as Noxopharm Group CEO, in anticipation of appointing a full-time Nyrada CEO by 2020 when the Company is expected to relocate its headquarters to the US.

Dr Kelly said, "Professor Housley and I have been talking about this opportunity for 2 years, so this moment represents an important development. Gary's team of neuroscientists at UNSW are conducting ground-breaking research in understanding how to protect the brain from injury. But that knowledge still left them with the challenge of identifying effective drugs and then being able to get those drugs into the brain. Meanwhile, Noxopharm coincidentally had the drug technology and the ability to enable the drugs to penetrate the blood-brain barrier. That remarkable confluence of two Australian technologies was pivotal in establishing Nyrada and its neurotherapeutic focus."

NYX-104 and NYX-205 target the two fundamental pathologies - *excitotoxicity* and *inflammation* - which underlie almost all neurodegenerative injuries and diseases (traumatic injury, Alzheimer's, Parkinson's, Huntington's, multiple sclerosis, motor neurone disease, noise-induced hearing loss, etc.). Having found itself in the unique position of having drugs with the potential to treat neuropathologies massively underserved by current drug programs, the Company believes it now has the opportunity to build an international neurotherapeutics company. Rather than looking to treating the symptoms of neurodegenerative disease, Nyrada will be aiming to treat the underlying disease processes.

The third drug asset, NYX-330, was acquired by Nyrada from a private Australian biotech group, Altnia Holdings. NYX-330 is a small molecule inhibitor of the plasma protein, PCSK9, a key player in cholesterol metabolism. The Company's aim is to develop an oral drug to meet the blood lipid-lowering needs of the approximately 50% of patients who either cannot be given the standard statin drugs because of unwanted side-effects or in whom the statin drugs fail to deliver the target clinical outcome. High blood LDL levels are associated with increased risk of cardiovascular disease including stroke and transient ischaemic attacks. The catastrophic effect of reduced blood flow on brain function marks NYX-330 as a potentially important preventative medicine in neurotherapeutics.

Noxopharm currently owns 66.7% of Nyrada as a result of the sale of NYX-104 and NYX-205. Altnia currently owns 33.3% of Nyrada as a result of the sale of NYX-330. Following conversion of the notes to Nyrada securities, Noxopharm and Altnia will own approximately 60% and 27% respectively of Nyrada.

* Professor Housley is a Nyrada shareholder.

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About Noxopharm

Noxopharm is an Australian drug development company with offices in Sydney and Hong Kong. The Company has a primary focus on the development of drugs to address the problem of radio- and drug-resistance in cancer cells, the major hurdle facing improved survival prospects for cancer patients. NOX66 is the first pipeline product, with later generation drug candidates under development.

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Forward Looking Statements

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