



14 April 2020

Sydney, Australia

Nyrada Quarterly Activities Report

Highlights:

- Successful listing on the Australian Securities Exchange (ASX) in January and initial public offering (IPO) raising \$8.5 million
 - Brain Injury Program advances:
 - Pharmacokinetic study of neuroprotectant candidate showed NYX-242 readily crosses the blood-brain barrier
 - New generation of neuroprotectant compounds with even greater potency developed and currently being optimised and tested
 - Cholesterol-Lowering Program (PCSK9 inhibitor) progress:
 - Scientific peer-reviewed paper published, validating the Company's small molecule inhibits the production of PCSK9 and lowers total blood cholesterol levels
 - Overcomes longstanding pharmaceutical challenge and opens the potential to develop the first oral PCSK9 inhibitor therapy combined with a statin in a 'single pill' treatment.
 - Strong cash position, with \$6.1 million in cash as at 31 March 2020, providing cash runway until the end of 2021
-

Sydney, 14 April 2020: Nyrada, Inc (ASX: NYR), a preclinical stage, drug development company specialising in novel small molecule drugs to treat cardiovascular, neurological and chronic inflammatory diseases is pleased to provide its Appendix 4C and Quarterly Activities Report for the period ending 31 March 2020, along with an update on the ongoing development of its two lead programs in brain injury and cholesterol-lowering.

Commenting on the Company's progress and outlook, Nyrada CEO James Bonnar said:

"Nyrada has reached a number of milestones in the March quarter, including our listing on the Australian Securities Exchange in January and initial public offering successfully raising \$8.5 million."

"Our Brain Injury Program has discovered a new generation of compounds with improved potency and our Cholesterol-Lowering Program is on track to identify a lead candidate by mid-2020. With no significant impacts from COVID-19 to our development programs to date, we are entering Q4 in a strong position with cash runway to the end of 2021."



Preclinical Program Update

Brain Injury Program

The Nyrada Brain Injury Program is developing a neuroprotectant drug to reduce secondary brain injury following a primary injury, as occurs when a patient sustains a head trauma or suffers a stroke. The Company is developing novel compounds to inhibit the process of brain cell death, known as excitotoxicity, which is understood to be the key driver of secondary brain injury.

During the quarter, the preclinical team completed an exploratory pharmacokinetic study of its current lead neuroprotectant candidate, NYX-242, to evaluate a variety of routes of administration. The study demonstrated the compound has excellent drug-like properties. Importantly, it also showed NYX-242 readily crosses the blood-brain barrier and has a sufficiently long plasma half-life when administered via intravenous infusion, the desired route of administration for brain injured patients.

Nyrada also reported during the quarter that it has developed a new generation of neuroprotectant compounds with even greater potency than NYX-242. These new compounds are currently being optimised ahead of testing for efficacy in an animal model of brain injury. Nyrada continues to synthesise and test further analogues, including via a pharmacokinetic study for dose optimisation. This comprehensive compound testing strategy will enable the Company to select the best compound to take forward into clinical testing.

The Company intends to lodge a provisional patent shortly and will update the market with details of the new family of compounds thereafter.

Cholesterol-Lowering Program – PCSK9 inhibitor

The Nyrada Cholesterol-Lowering Program aims to develop a drug to help prevent cardiovascular disease by helping patients lower their LDL-cholesterol. The drug inhibits the function of a protein called PCSK9 that regulates low-density cholesterol.

During the quarter, Nyrada published a scientific peer-reviewed paper in the international journal, *Bioorganic and Medicinal Chemistry*. It outlines the successful identification of a small molecule that inhibits the production of PCSK9 *in vitro* and lowers total blood cholesterol levels in an animal model.

The paper provides proof-of-concept that a small molecule inhibitor against PCSK9 is therapeutically viable, overcoming a longstanding pharmaceutical challenge and opening the potential for Nyrada to develop the first oral PCSK9 inhibitor therapy, combined with a statin in a 'single pill' treatment.



Nyrada intends to identify a lead candidate by mid-2020 and will then advance plans towards a first-in-human clinical study.

Covid-19 Update

To date, Nyrada has not experienced any significant impacts arising from the COVID-19 situation. Its main Clinical Research Organisation vendors in China and the US are operating as usual and production has not been disrupted. The Company's drug synthesis vendor, located in India, has commenced a mandatory three-week shutdown of their facility, however Nyrada was able to implement appropriate measures to avoid any disruptions.

Corporate and Financial Summary

On 16 January 2020, Nyrada successfully completed a listing on the ASX. The IPO was fully subscribed, raising \$8.5 million and this funding has allowed Nyrada to continue its preclinical programs.

On 16 February 2020, Nyrada repaid \$0.5 million of a loan owing to Noxopharm Limited, a related party which has a 30.51% holding in Nyrada. The outstanding balance of the loan is \$342,321 repayable within 3 years of the offer.

Net cash used in operating activities for the quarter amounted to \$1.5 million, which is slightly higher than previous quarters due to higher R&D and administrative expenses for the quarter.

Total funds outflows for Q1 2020 were A\$2.4M versus forecast use of funds in the PDS of A\$2.2M, predominantly due to higher R&D and administrative expense during the quarter.

Nyrada has a strong cash position, with A\$6.1 million in cash as at 31 March 2020. Based on current forecasts this provides adequate cash to sustain operations and R&D activities until the end of 2021.

-ENDS-

About Nyrada Inc

Nyrada is a preclinical stage, drug discovery and development company, specialising in novel small molecule drugs to treat cardiovascular, neurological and inflammatory diseases. The Company has two main programs, each targeting market sectors of significant size and considerable unmet clinical need. These are a cholesterol lowering drug and a drug to treat brain injury, specifically traumatic brain injury and stroke. Nyrada Inc. ARBN 625 401 818 is a company incorporated in the state of Delaware, USA, and the liability of its stockholders is limited.

www.nyrada.com

Authorised by John Moore, Non-Executive Chairman

**Investor & Corporate Enquiries:**

Prue Kelly
T: 0459 022 445
E: info@nyrada.com

Company Secretary:

David Franks
T: 02 8072 1400
E: David.Franks@automicgroup.com.au

Media Enquiries:

Catherine Strong
Citadel-MAGNUS
T: 02 8234 0111
E: cstrong@citadelmagnus.com

Forward Looking Statements

This announcement may contain forward-looking statements. You can identify these statements by the fact they use words such as “aim”, “anticipate”, “assume”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “plan”, “predict”, “project”, “plan”, “should”, “target”, “will” or “would” or the negative of such terms or other similar expressions. Forward-looking statements are based on estimates, projections and assumptions made by Nyrada about circumstances and events that have not yet taken place. Although Nyrada believes the forward-looking statements to be reasonable, they are not certain. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond the Company’s control that could cause the actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statement.

Appendix 4C

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

Name of entity

Nyrada Inc.

ARBN

625 401 818

Quarter ended ("current quarter")

31 March 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(297)	(712)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(393)	(1,121)
(f) administration and corporate costs	(769)	(1,922)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
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	(1,459)	(3,755)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	(3)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 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	-	(3)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	8,500	8,700
3.2	Proceeds from issue of convertible debt securities	-	(515)
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(595)	(607)
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 – Proceeds/(repayment) of intercompany loans	(478)	1,205
3.10	Net cash from / (used in) financing activities	7,427	8,783

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	159	1,102
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,459)	(3,755)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(3)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	7,427	8,783
4.5	Effect of movement in exchange rates on cash held	1	1
4.6	Cash and cash equivalents at end of period	6,128	6,128

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	6,128	6,128
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)	6,128	6,128

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
163
-

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 amount at 6.1 includes Director fees and salary (including superannuation) for executive director and related parties.

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

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.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(1,459)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	6,128
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	6,128
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	4.2

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

- 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: Q1 2020 has higher cash outflows due to costs associated with the IPO. Based on forecast cash burn rates and cash on hand at the end of Q1 2020, there should be adequate cash to fund operations until the end of 2021.

- 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:

- Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

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.

14 April 2020

Date:

By the board

Authorised by:
(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.