



ASX Announcement | 6 October 2020
Noxopharm Limited (ASX:NOX)

Noxopharm Loan Terms Amended to Benefit Company

Sydney 6 October 2020: Australian clinical-stage drug development company Noxopharm Limited (ASX:NOX) announces changes to a Loan Agreement that is intended to allow it to retain all or most of its anticipated 2019/2020 Federal Government R&D Rebate and enable it to put those funds towards the Company's expanding clinical trial program.

The original Loan of \$4.2M was entered into in February 2020 with the Company's second-largest shareholder, Nora Goodridge Investments Pty Limited ('Goodridge Investments') for the purpose of paying down two U.S.-based Convertible Notes. A key term of the Loan Agreement was that the Loan be repaid on receipt of the R&D Rebate, currently anticipated to be at least \$4.5M and due shortly.

However, with the Company's lead pipeline prospect, Veyonda®, now emerging as a strong contender for helping meet the estimated \$multi-billion current market shortfall in immuno-oncology treatment, the directors took the view that retaining the R&D Rebate to enable the Company to expedite its clinical program was in the Company's best interests.

The lender concurred with this strategy and has agreed to amend the Loan accordingly.

Dr Graham Kelly, Noxopharm CEO and Managing Director, said, "This change in terms provides the Company with an important extension of its R&D runway. I am grateful for the cooperation of the three shareholders involved who happily share the Company's confidence in the future of Veyonda®."

Revised Loan Terms

- the Termination Date of the Loan will be extended up to 6 months to terminate 30 November 2020, with the Company having the option to extend for a further 6 months
- Goodridge Investments has agreed to assign \$1.5M of the Loan to Link Traders (Aust.) Pty Limited and \$1.5M of the Loan to Bart Superannuation Pty Limited atf 4F Investments Super Fund (a company associated with the Company Chairman, Mr Frederik Bart ('Bart Superannuation')). The assignment to Bart Superannuation is subject to shareholder approval
- the remainder of the Loan Amount is owed by the Company to Goodridge Investments
- the Loan Amount accrues interest of 10% per annum (Interest)
- the Company must:
 - repay the relevant part of the Loan Amount (plus Interest) to the relevant Lender on the Termination Date; or
 - each Lender may elect for the Company to repay the part of the Loan Amount (plus Interest) owing to that Lender by the issue of Shares in the Company to that Lender ('Conversion');



- if a Conversion occurs, the price per Share will be at a 5% discount to the price of Shares offered under the first equity raising by the Company of at least \$2,000,000, and if there is no such equity raising before the Termination Date, the price per Share will be at a 20% discount to the VWAP for the last 5 trading days on the ASX prior to the date of the Conversion; and
- on or before 30 November 2020, Goodridge Investments may:
 - offer to assign all (but not part) of the remainder of the Loan Amount owing to Goodridge Investments to Bart Superannuation and/or Link; or
 - if Goodridge Investments does not offer to assign as set out immediately above, elect that the part of the Loan Amount owing to Goodridge Investments (plus Interest) be repaid in cash on or before 30 November 2020.

Graham Kelly, Noxopharm CEO and Managing Director, has approved the release of this document to the market on behalf of the Board of Directors.

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About Noxopharm

Noxopharm Limited (ASX:NOX) is an Australian clinical-stage drug development company focused on treating cancer with Veyonda®, its first drug candidate.

Veyonda® is a dual-acting oncotoxic and immuno-oncology drug designed to enhance the effectiveness and safety of standard oncology treatments including chemotherapy, radiotherapy and immuno-oncology drugs. The drug acts by harnessing the body's immune system to inflict damage on cancer cells throughout the body and has shown promise in treating a broad spectrum of cancers.

Noxopharm also has an active research and development (R&D) program for additional drug candidates and is the major shareholder of US biotechnology company Nyrada Inc. (ASX:NYR).

To learn more, please visit: noxopharm.com

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similar expressions. Forward-looking statements are based on estimates, projections and assumptions made by Noxopharm about circumstances and events that have not yet taken place. Although Noxopharm 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.