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APPENDIX 4C – 31 DECEMBER 2024

QUARTERLY ACTIVITIES & CASHFLOW REPORT

Highlights:

- *Positive progress made in Argenica's Phase 2 clinical trial in acute ischaemic stroke patients during the quarter. The **completion of 74 patients dosed** during the quarter represents 80% of total patients to be dosed in the trial. Recruitment of patients into the trial is on track to complete dosing of all 92 patients in early Q2 calendar year 2025.*

- *Granted Orphan Drug and Rare Pediatric Disease Designations by the FDA for Argenica's second drug candidate, ARG-006, for the treatment of Hypoxic Ischaemic Encephalopathy (HIE) in term newborn infants. These new designations will ensure ARG-006 has the same regulatory incentives granted to ARG-007 in the event Argenica determines it is more favourable to progress ARG-006 into the clinic in HIE.*

- *Further positive results generated in early-stage preclinical studies in **Alzheimer's and Parkinson's Disease** confirm the multi-modal mechanism of action of ARG-007.*

- *Cash reserves of **$15.06 million** as at 31 December 2024. The Company was cashflow positive for the quarter following receipt of the Company's $2.75m R&D Tax Incentive claim for the year ended 30 June 2024.*

Perth, Australia; 30 JANUARY 2025 – Argenica Therapeutics Limited (ASX: AGN) ("Argenica" or the "Company"), a biotechnology company developing novel therapeutics to reduce brain tissue death after stroke and other types of brain injury, is pleased to lodge the following quarterly update and attached Appendix 4C Quarterly Cashflow Report for the 6-month period ended 31 December 2024.

Argenica's core focus is on its Phase 2 clinical trial of ARG-007 in acute ischaemic stroke patients being conducted across Australian hospitals. This proof-of-concept clinical trial will provide data on the safety and measures of preliminary efficacy of ARG-007 in acute ischaemic stroke (AIS) patients presenting to emergency departments across Australia.

In parallel, the Company is investigating the potential utility of ARG-007 in other neurological conditions. Underpinning this research, over $4 million in non-dilutive grant and philanthropic

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funding has been secured throughout the life of the projects from the Federal and Western Australian governments, the Stan Perron Charitable Foundation, the McCusker Foundation, and donors to the Perron Institute.

Key activities undertaken during the quarter are outlined below.

PHASE 2 STROKE CLINICAL TRIAL UPDATE

During the quarter, Argenica was pleased to make significant progress in patient recruitment in its Phase 2 clinical trial of ARG-007 in AIS patients.

Patient Dosing

Patient recruitment progressed well with a total of 74 patients, out of a total recruitment target of 92 patients, recruited and dosed in the trial by the end of the quarter. This represents 80% of the trial patient cohort. As of the end of January, recruitment now stands at 79 patients meaning the trial requires 13 more patients to be dosed.

Based on anticipated recruitment rates at each site, recruitment of patients into the trial is on track to complete dosing of all 92 patients in early Q2 calendar year 2025.

To date, feedback from the trial sites has been very positive, with no issues reported with regards to patient consent or the ability to recruit and dose patients.

Data Safety Monitoring Board (DSMB)

As part of the Phase 2 trial, Argenica has established an independent DSMB comprising a number of independent neurologists and a biostatistician, who are responsible for reviewing the safety data as the trial progresses. The DSMB is also be supported by an unblinded project manager and statistician.

The purpose of the DSMB is to monitor the rates of adverse events (AEs), endpoints, and study progress in the Phase 2 trial. In addition, the DSMB provides recommendations regarding the continuation, modification, or termination of the study to Argenica and will practice due diligence to ensure, given all available information, that subsequent subjects are not placed at any undue risk.

The primary purpose of the data review meeting is to allow the DSMB to review and discuss the safety data outputs in order to make recommendations on whether any variations to the study protocol may be required and to confirm that the study can continue. The outcomes of these meetings are made available to the market.

As at 31 December 2024, the DSMB had met three times to review patient safety data, being after the first 5 patients dosed, the subsequent 18 patients, and at 46 patients dosed. There

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have been no serious adverse events possibly related to administration of the drug product in the first 46 patients dosed and assessed by the DSMB (ASX announcements dated 29 April, 6 September, and 1 November 2024). The DSMB conducted its final meeting at the end of January 2025 to assess patient data from patients 47 to 76 and made a recommendation for the study to continue as per the study protocol for the remainder of the trial (ASX announcement dated 30 January 2025). This is the last DSMB to be held in Argenica's Phase 2 clinical trial of acute ischaemic stroke patients.

INVESTIGATIONAL NEW DRUG APPLICATION TO THE US FOOD & DRUG ADMINISTRATION

During the quarter, Argenica progressed the preparation of its Investigational New Drug (IND) Application. By opening an IND application with the FDA, sponsors of clinical trials receive authorisation to administer an investigational drug or biological product to humans. Any future later phase clinical trials of ARG-007 to be undertaken at sites in the US requires this authorisation from the FDA. The submission and approval of Argenica's IND has no bearing on the ability of the Company to complete its current Phase 2 clinical trial.

Preparing an IND application is a lengthy process and requires extensive data to be included on a drug's preclinical and nonclinical efficacy, safety and tolerability, as well as the drugs chemistry, manufacturing and development controls. Argenica has been working with its US based regulatory consultant to prepare the IND application for submission to the FDA, with the majority of the submission already complete.

The Company is pleased to report the IND application has now been completed; however, the Company has received regulatory advice to consider submitting a Fast Track Application at the same time as the IND application. Fast Track designation by the FDA provides the Sponsor with more frequent meetings with the FDA to discuss the drug's development plans and clinical trial design, as well as potential eligibility for Accelerated Approval and Priority Review if relevant criteria are met.

Submitting a Fast Track Application with an IND is considered more advantageous as it maximises the potential for expedited review and early communication with the FDA. Submitting the Fast Track request alongside the IND allows the agency to quickly assess if the drug qualifies for the expedited pathway and initiate early interactions with the Company.

Whilst the IND application is complete, given there is no urgency to obtaining an IND as there will not be a trial site open for ARG-007 in the US in the near term, Argenica will now prepare the Fast Track Application in consultation with the Company's regulatory advisors, and aim for IND submission with the Fast Track Application in the coming weeks.

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FDA GRANTS ORPHAN DRUG & RARE PEDIATRIC DISEASE DESIGNATIONS FOR ARGENICA'S SECOND DRUG, ARG-006, IN TREATMENT OF HIE

During the quarter, Argenica was granted Orphan Drug and Rare Pediatric Disease Designations by the FDA for its second drug candidate, ARG-006, for the treatment of Hypoxic Ischaemic Encephalopathy (HIE) in term newborn infants.

ARG-006 is a stereoisomer, or mirror image, of Argenica's lead neuroprotective drug candidate ARG-007, and because they have different biological activity, they are deemed different chemical entities and therefore different drugs. Both ARG-006 and ARG-007 are being investigated for their respective safety and efficacy profiles in neonatal term HIE, offering the Company different therapeutic options for the treatment of HIE.

These new designations will ensure ARG-006 has the same regulatory incentives granted to ARG-007 in the event Argenica determines it is more favourable to progress ARG-006 into the clinic in HIE.

ARG-007 EFFICACY IN NEURODEGENERATIVE DISEASESE - A PRECLINICAL RESEARCH UPDATE

During the quarter further data was generated on ARG-007's potential to reduce inflammation, protein aggregation, neuronal loss and ultimately cognitive decline in Alzheimer's Disease (AD) and Parkinson's Disease (PD).

Alzheimer's Disease

To answer the research question of whether ARG007 has a therapeutic effect in AD, a number of experimental studies have now been conducted both *in vitro* and *in vivo,* at a very early preclinical stage.

As announced in the Company's September 2023 Quarterly Report, an *in vivo* mouse study in Alzheimer's disease was terminated and required to be repeated due to unforeseen animal deaths. That study has now been repeated and completed.

The results generated from both this *in vivo* study, and previously announced *in vitro* studies[1] in AD, demonstrate significant promise for ARG-007 as a therapy for AD. The *in vivo* mouse study showed preliminary positive evidence to show ARG-007 could provide some level of neuroprotection in AD. Specifically ARG-007:

1. in addition to possessing neuroprotective properties has positive effects in terms of promoting animal survival from infectious agents;

[1] ASX Announcement "Preclinical data shows ARG-007 inhibits one of the main causes of Alzheimer's Disease" dated 9 February 2023; and ASX Announcement "Preclinical data shows ARG-007 inhibits a second main cause of Alzheimer's Disease" dated 3 November 2023.

2. reduces brain injury in the AD animals;
3. reduces inflammation, which is associated with AD and can exacerbate disease progression;
4. maintains the Aβ in its normal soluble non-toxic form; and
5. reduces brain levels of pTau protein which is prone to aggregation in the AD brain.

Whilst the data is encouraging from this *in vivo* study, and ARG-007 is clearly having an impact on pathogenic processes in the AD studies, a further review of the experimental *in vivo* program revealed suboptimal dosing in the 5XFAD animal model. The choice of subcutaneous dosing in this study resulted in tissue hardening at the injection site, which is a common side effect of this type of dosing with peptide drugs. However, due to the tissue hardening, it likely reduced the amount of drug getting into the blood stream, thereby reducing the effect of ARG-007 in the brain. A review of the ARG-007 dosage and dosing route will now be undertaken to determine whether these results can be further improved. In particular, research into both oral and nasal delivery of ARG-007, to achieve greater concentrations of the peptide delivery to the brain, will be explored by Argenica's Chief Scientific Officer Prof Bruno Meloni.

Parkinson's Disease

Prof Bruno Meloni has recently published a paper on the ability of ARG-007 to reduce α-Synuclein aggregation and uptake in cortical neurons. The data presented in the Journal Biomedicines[2] builds on previously announced in vitro data[3]. In most Parkinson's Disease cases, except for some familial forms, the progressive death of dopaminergic neurons in the region of the substantia nigra in the brain is associated with the intracellular accumulation of aggregated α-synuclein (α-syn) protein.

The paper showed ARG-007 (R18D) significantly reduced both intracellular α-syn aggregation and α-syn seed uptake in neurons by 37.8% and 77.7%, respectively. Also, ARG-007 reduced the aggregation of α-syn monomers in the cell-free assay.

The ability of ARG-007 to reduce the aggregation of key proteins associated with the progression of neurodegenerative diseases such as Alzheimer's and Parkinson's disease confirms the multi-modal mechanism of action of the drug. And whilst Argenica's strategic focus is on the clinical development of ARG-007 in acute neurological conditions, including ischaemic stroke, traumatic brain injury, and HIE, the confirmation of the drug's ability to reduce protein aggregation, inflammation and promote neuroprotection is commercially valuable to the Company.

[2] Robinson, E.C.; Gorecki, A.M.; Pesce, S.R.; Bagda, V.; Anderton, R.S.; Meloni, B.P. Novel Poly-Arginine Peptide R18D Reduces α-Synuclein Aggregation and Uptake of α-Synuclein Seeds in Cortical Neurons. *Biomedicines* **2025**, *13*, 122.

[3] ASX Announcement "ARG-007 prevents uptake and aggregation of key neurodegenerative protein linked to Parkinson's and Alzheimer's Disease" dated 1 August 2023.

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BOARD AND MANAGEMENT UPDATES

Argenica was also pleased to welcome Dr Jeannie Joughin to its Board as a Non-Executive Director in December, adding to the prior appointments of Dr Mark Etherton and Mr Rob Black as Non-Executive Directors and Dr Stuart Gribble commencing as Vice President of Product Development in early October.

The new Directors bring significant industry-based skills and experience in neurology drug development, commercialisation strategy including in and out licensing of products and financial markets acumen to support the transition and growth of Argenica into a pharmaceutical development company. Whilst Stuart is a highly experienced biotechnology executive with an extensive background in drug development across large pharmaceutical companies and ASX listed biotechnology companies.

CASHFLOW COMMENTARY, CASH RESERVES OF $15.06 MILLION AS AT 31 DECEMBER 2024

The Company had positive net cashflows for the quarter following receipt of a $2.75m R&D Tax Incentive claim for the year ended 30 June 2024 and interest income of $0.138m.

With cash reserves of $15.06 million as at 31 December 2024, the Company is funded to complete its Phase 2 clinical trial in stroke, progress non-clinical activities in other indications and initiate long lead items required for a Phase 3 trial in stroke including regulatory and manufacturing.

The Company had net operating cash inflows of $1.149 million for the quarter ended 31 December 2024. Operating cashflows in the quarter included expenditure on research and development activities of $1.212 million (Sep24Q: $1.858 million), staff costs (including research and development employees) of $0.366 million (Sep24Q: $0.402 million) and corporate administration of $0.263 million (Sep24Q $0.288 million). Research and development expenditure included payments to third party contractors undertaking pre-clinical and non-clinical studies, Phase 2 clinical trial activities including drug manufacture, CRO costs and hospital site fees, and regulatory consultants.

As required by ASX Listing Rule 4.7C3, the Company notes that $0.174 million was paid to related parties during the quarter (as noted in section 6 of the attached Appendix 4C) and these payments included salary and superannuation paid to Executive Directors and Directors fees and superannuation paid to Non-Executive Directors.

This announcement has been approved for release by the Board of Argenica.

For more information please contact: info@argenica.com.au

ABOUT ARGENICA

Argenica (ASX: AGN) is developing novel therapeutics to reduce brain tissue death after stroke and other types of brain injury and neurodegenerative diseases to improve patient outcomes. Our lead neuroprotective peptide candidate, ARG-007, has been successfully demonstrated to improve outcomes in pre-clinical stroke models, traumatic brain injury (TBI) and hypoxic ischaemic encephalopathy (HIE). The Company has completed a Phase 1 clinical trial in healthy human volunteers to assess the safety and tolerability of a single dose of ARG-007. Argenica has now initiated a Phase 2 clinical trial in ischaemic stroke patients, as well as continuing to generate preclinical data in other neurological conditions.

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Appendix 4C

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

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Name of entity	
ARGENICA THERAPEUTICS LIMITED	
ABN	**Quarter ended ("current quarter")**
78 637 578 753	31 DEC 2024

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) research and development	(1,212)	(3,070)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	-	-
	(d) leased assets	-	-
	(e) staff costs	(366)	(768)
	(f) administration and corporate costs	(263)	(551)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	138	288
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives		
	- CRCP grant	-	76
	- WA Seed Innovation Grant	-	-
	- Other grants	32	32
	- R&D tax rebate	2,757	2,757
1.8	Other (provide details if material)		
	- Net GST (paid) / received	63	55
1.9	**Net cash from / (used in) operating activities**	**1,149**	**(1,181)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6months) $A'000
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
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**	**0**	**0**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	363
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(3)	(22)
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 (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**(3)**	**341**

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (6months) $A'000
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	13,914	15,900
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1,149	(1,181)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(3)	341
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**15,060**	**15,060**

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	3,026	1,874
5.2	Call deposits	12,050	12,050
5.3	Bank overdrafts	(16)	(10)
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**15,060**	**13,914**

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	174
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.

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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)	1,149
8.2	Cash and cash equivalents at quarter end (item 4.6)	15,060
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	15,060
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	N/A

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.

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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: ....30 January 2025.....

Authorised by: ....By the Board of the Company.....
(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.

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