For Immediate Release

DIMERIX SECURES ETHICS APPROVAL, ENABLING DMX-200 PHASE 2 CLINICAL TRIALS TO COMMENCE

Highlights

- **Ethics committee approvals secured enabling commencement of the DMX-200 Phase 2 trials**
- **Lead program, DMX-200 is being progressed with two Phase 2 clinical trials to run simultaneously in patients with Focal Segmental Glomerulosclerosis (FSGS) and Diabetic Kidney Disease (DKD)**
- **First patients set to be recruited on schedule, in calendar Q3 2018**

MELBOURNE, Australia, 18 July 2018: Dimerix Limited (ASX: DXB), a clinical stage biotechnology company, is pleased to announce that it has received ethics approvals for its DMX-200 Phase 2 clinical efficacy trials, enabling notification of the study commencement to the Australian TGA and patient recruitment to commence.

Dimerix will now commence site initiation to enable recruitment of patients under the leadership of Principal Investigator, Professor Simon Roger, Director of Renal Research (private practice) in Gosford, New South Wales. Recruitment is on track to commence in Q3 2018 as forecast.

The ethics approvals allow Dimerix to undertake two separate trials for patients with two indications of Chronic Kidney Disease (CKD): Focal Segmental Glomerulosclerosis (FSGS) and Diabetic Kidney Disease (DKD*). These have been designed as **randomised, double blind placebo-controlled, crossover studies**, to maximise potential for data while being highly efficient and cost-effective.

These two DMX-200 studies have been titled **ACTION**; they will investigate the **A**T1R and **C**CR2 **T**argets for **I**nflammat**o**ry **N**ephrosis.

ACTION FOR FSGS: Phase 2a clinical trial will study the effects of DMX-200 in around 10 patients with FSGS – endpoints including safety and efficacy (proteinuria reduction).

ACTION FOR DKD: Phase 2b clinical trial will study the effects of DMX-200 in around 40 patients with DKD – primary end point change in 24hr albumin creatinine ratio (ACR) based on identified patient responses in the previously conducted 2017 Phase 2a study.

Each trial will test for safety and efficacy across the patient groups at around 10 identified clinical trial sites in Australia.

Dimerix's CEO, Kathy Harrison said, "Following the encouraging data seen in our first DMX-200 'all comers' study across a number of chronic kidney disease indications last year, we acted

swiftly to move the program back into the clinic to explore both the orphan chronic kidney disease sub indication of FSGS, and the much bigger disease area, DKD. Both indications represent areas of significant unmet medical need and, therefore, potentially valuable commercial opportunities.

"The team at Dimerix is delighted with the timeframe in which the ethics approval has been received, at the beginning of the expected timeframe of Q3 CY2018, and the overall pace with which we're advancing the ACTION trials. We are well on track to begin patient recruitment for both trials shortly and then move to start dosing patients. This is a very exciting time."

Preliminary data is expected for both the DKD and FSGS studies in H2 CY2019. For more information on the trial design, please refer to Dimerix's announcement dated 7th May 2018.

The receipt of ethics approval for these two studies demonstrates the progress of DMX-200 in two separate development pathways with separate market and commercial opportunities. As such it triggers Milestone C of the Class C Performance Shares which were issued to Dimerix Bioscience shareholder vendors on 3 July 2015. As a result, 3,750,002 Class C Performance Shares convert to 3,750,002 ordinary shares. An Appendix 3B is appended which indicates the change in status of those shares.

*DKD was formerly termed diabetic nephropathy (DN)

-END-

For further information, please visit our website at www.dimerix.com or contact the individuals outlined below.

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About Dimerix Bioscience Pty Ltd
Dimerix Limited's (ASX: DXB) wholly owned subsidiary Dimerix Bioscience Pty Ltd is a clinical-stage pharmaceutical company committed to discovering and developing new therapeutic models identified using its proprietary assay, termed Receptor-Heteromer Investigation Technology (Receptor-HIT). This assay enables the identification of pairs of receptors that function in a joint manner (interact) when ligands, small molecule drugs, peptides or antibodies, bind to them.

The Receptor-HIT technology was used to identify DMX-200 in an internal drug development program, initially for the treatment of a subset of patients with chronic kidney disease.

For more information see www.dimerix.com

About the DMX-200 program

DMX-200, which successfully completed a Phase 2a clinical trial in humans, is being developed as an adjunct therapy, adding propagermanium to a stable dose of irbesartan. Irbesartan is an off-patent angiotensin II type I receptor blocker indicated for the treatment of hypertension and nephropathy in Type II diabetic patients. Propagermanium (PPG) is a chemokine receptor (CCR2) blocker, which has been used for the treatment of Hepatitis B in Japan and is available in the USA for its anti-inflammatory properties. DMX-200 has been shown to improve the outcome of chronic kidney disease by reducing proteinuria by more than 50 per cent in animal models [(1)].

Dimerix released the results of its Phase 2a clinical trial in humans for DMX-200 in July 2017. The trial met its primary endpoint of safety and tolerability in the participating patient group, which included patients with diabetic nephropathy (10), IgA nephropathy (6), and other proteinuric diseases (11). As a secondary endpoint, DMX-200 was shown to reduce levels of proteinuria in a number of patients. This was deemed a "clinically meaningful" result by leading clinicians. Sub set analysis released in November 2017 showed both a statistically significant and clinically meaningful reduction in proteinuria in the diabetic nephropathy cohort of patients

Dimerix intends to take DMX-200 into clinical trials to test efficacy in calendar 2018 starting with its lead program in focal segmental glomerulosclerosis (FSGS), for which it has orphan drug designation in the US as well as for diabetic kidney disease (DKD).

About Chronic Kidney Disease

Chronic Kidney Disease (CKD) is a disorder in which patients show progressive loss of renal function usually accompanied by excess protein in the urine (proteinuria). Levels of proteinuria predict rate of decline of renal function (higher levels = more rapid decline). In part this is believed to reflect direct toxicity, or damage, to the kidneys by proteinuria itself. This establishes a cycle of worsening renal function leading in turn to increasing proteinuria and further kidney damage. Many CKD patients progress to a need for renal replacement therapy or dialysis and / or experience excessive morbidity and mortality from cardiovascular-related diseases. CKD has a number of different types including Diabetic Kidney Disease (DKD), and Focal Segmental Glomerulosclerosis (FSGS).

The prevalence of CKD is rising and as such there is urgent need for treatments that can benefit CKD patients, including reducing proteinuria. In most cases of CKD residual proteinuria continues even with optimal use of existing therapies. Accordingly, therapies designed to further reduce, or abolish, proteinuria, are eagerly sought.

Focal segmental glomerulosclerosis (FSGS) is a major cause of proteinuria in children and adolescents, as well as a major cause of kidney failure in adults. FSGS is the leading primary glomerulonephritis causing end stage renal disease (ESRD) in the US. The unmet need is reinforced by Dimerix's Orphan Drug Designation.

The rationale behind the DMX-200 program is to provide patients with a therapy that can reduce proteinuria in addition to that achieved with standard best therapy.

(1) Functional interaction between angiotensin II receptor type 1 and chemokine (C-C motif) receptor 2 with implications for chronic kidney disease. Ayoub MA, Zhang Y, Kelly RS, See HB, Johnstone EK, McCall EA, Williams JH, Kelly DJ, Pfleger KD. PLoS One. 2015 Mar 25;10(3):e0119803. doi: 10.1371/journal.pone.0119803.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

DIMERIX LIMITED

ABN

18 001 285 230

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	3,750,044 fully paid ordinary shares on conversion of Class C Performance Shares expiring 30/6/2019(DXBAC)
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	3,750,044 ordinary shares
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Fully Paid Ordinary shares

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Yes
5	Issue price or consideration	Nil
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Conversion of Class C Performance Shares on achieving milestone
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	19 October 2017
6c	Number of +securities issued without security holder approval under rule 7.1	N/A

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	N/A
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of securities issued under an exception in rule 7.2	3,750,044 ordinary shares
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	7.1 17,196,398 7.1A 1,173,551
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	18 July 2018

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in section 2 if applicable)	158,799,437	Ordinary fully paid shares

+ See chapter 19 for defined terms.

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the securities in section 2 if applicable)	500,000	$0.40 unlisted Options expiring 30/6/2019(DXBAD)
		500,000	$0.40 unlisted options, expiring 31 March 2020 pursuant to ESOP(DXBAE)
		1,829,948	Unlisted options exercisable at $0.40 per option, vesting in 30 equal monthly instalments commencing 1 February 2018 and expiring 1 February 2022
		90,515	$0.286 unlisted options, expiring 13 November 2020 pursuant to ESOP
		550,000	$0.40 unlisted options, expiring 20 April 2021

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	

+ See chapter 19 for defined terms.

17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	

+ See chapter 19 for defined terms.

29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements *in full* through a broker?	
31	How do +security holders sell *part* of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	
33	+Despatch date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) [X] Securities described in Part 1

(b) [ ] All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 [ ] If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 [ ] If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000

+ See chapter 19 for defined terms.

100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought	
39	Class of +securities for which quotation is sought	
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	

		Number	+Class
42	Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Print name: Ian Hobson (Company secretary) Date: 18 July 2018

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	91,498,156
Add the following: • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period *Note:* • *Include only ordinary securities here – other classes of equity securities cannot be added* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	446,429 ordinary shares on exercise of options – 10 November 2017 25,467,633 ordinary shares pursuant to rights issue – 25 January 2018 20,573,247 ordinary shares pursuant to placement of rights issue shortfall – 28 February 2018 3,750,044 ordinary shares on conversion of Class c performance shares
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	
"A"	141,735,509

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of "A"	
"B"	0.15 *[Note: this value cannot be changed]*
Multiply "A" by 0.15	21,260,326
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period *not counting* those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	137,175 ordinary shares - Placement (10 November 2017) 3,926,753 ordinary shares - Placement (28 February 2018)
"C"	**4,063,928**
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 *Note: number must be same as shown in Step 2*	21,260,326
Subtract "C" *Note: number must be same as shown in Step 3*	4,063,928
Total ["A" x 0.15] – "C"	*17,196,398* *[Note: this is the remaining placement capacity under rule 7.1]*

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
"A" *Note: number must be same as shown in Step 1 of Part 1*	141,735,509
Step 2: Calculate 10% of "A"	
"D"	0.10 *Note: this value cannot be changed*
Multiply "A" by 0.10	14,173,551
Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A *Notes:* • *This applies to equity securities – not just ordinary securities* • *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed* • *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained* • *It may be useful to set out issues of securities on different dates as separate line items*	13,000,000 ordinary shares - Placement (28 February 2018)
"E"	13,000,000

+ See chapter 19 for defined terms.

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 *Note: number must be same as shown in Step 2*	14,173,551
Subtract "E" *Note: number must be same as shown in Step 3*	13,000,000 ordinary shares - Placement (28 February 2018)
Total ["A" x 0.10] – "E"	1,173,551 *Note: this is the remaining placement capacity under rule 7.1A*

+ See chapter 19 for defined terms.

18 July 2018

Cleansing Statement

Notice under Section 708A(5)(e) Corporations Act

Dimerix Limited (ASX: DXB) issued 3,750,044 fully paid ordinary shares on conversion of Class C Performance Shares (see ASX announcement 18 July 2018).

Accordingly, the Company gives notice under section 708A(5)(e) of the *Corporations Act 2001* (Cth) (the "Corporations Act") that:

1. the shares will be issued without disclosure to investors under Part 6D.2 of the *Corporations Act*;

2. as at the date of this notice the Company has complied with:
   (a) the provisions of Chapter 2M *Corporations Act* as they apply to the Company; and
   (b) section 674 *Corporations Act*; and

3. as at the date of this notice there is no "excluded information" (as defined in subsection 708A(7) of the *Corporations Act*) which is required to be disclosed by the Company.

Yours faithfully

Ian Hobson
Company Secretary