**Immediate Release**

# DIMERIX TO RECEIVE OVER $1 MILLION IN PREPAYMENT OF R&D TAX INCENTIVE CLAIM

MELBOURNE, Australia, 03 April 2020: Dimerix Limited (ASX: DXB), a clinical-stage drug development company, is pleased to advise that it has entered into a non-dilutive funding agreement with Radium Capital (Radium), providing early access to a part of the Research and Development (R&D) tax incentive.

In light of the COVID-19 impact on the global economy, immediate and secure access to these initial funds provides Dimerix with a significant non-diluted cash runway well past the Phase 2 clinical study data, enabling DMX-200 development and potential partnering discussions to continue post data read-out, regardless of capital market sentiment. Importantly, the two Phase 2 studies: DMX-200 in Diabetic Kidney Disease and DMX-200 in Focal Segmental Glomerulosclerosis (FSGS), both remain on budget and on track and expect to complete mid-2020.

The facility provides Dimerix with immediate funds equivalent to 80% of its accrued R&D tax incentive for the period 1 July 2019 – 29 February 2020 and allows for a second advance payment upon financial year end. The initial advance of $1,024,128 was based on eligible R&D Tax incentive expenditure that has been verified by an independent accounting firm and calculated assuming the Federal Government's changes to the R&D Tax Incentive Scheme announced in late 2019 are enacted and implemented for the 2020 financial year.

"This facility has provided Dimerix with a secure and non-dilutive cash position within a difficult and somewhat unpredictable capital market environment, affording the Company with a significant cash runway post data read-out," said Dr Nina Webster, CEO & Managing Director of Dimerix. "Our two Phase 2 clinical studies continue on track to complete mid-2020, and this cash advance provides a solid base for the company to those pursue activities beyond the current clinical trials as we continue to plan for the success of DMX-200".

The advance will be received in the next week, accruing interest at the compounded rate of 1.25% per month, and repayment is timed to coincide with receipt of the Company's 2020 R&D refund, expected by 30 September 2020. The Company reported a cash position of $3.85 million as at 31 December 2019.

For further information, please visit our website at www.dimerix.com or contact:

Dr Nina Webster, Dimerix Limited
Chief Executive Officer
Tel: 1300 813 321
E: investor@dimerix.com

*Authorised for lodgement by the Board of the Company*

**—END—**

**About Dimerix**
Dimerix (ASX: DXB) is a clinical-stage biopharmaceutical company developing innovative new therapies in areas with unmet medical needs for global markets. Dimerix is currently developing its proprietary product DMX-200 for both Diabetic Kidney Disease and Focal Segmental Glomerulosclerosis (FSGS). DMX-200 was identified using Dimerix' proprietary assay, Receptor Heteromer Investigation Technology (Receptor-HIT), which is a scalable and globally applicable technology platform enabling the understanding of receptor interactions to rapidly screen and identify new drug opportunities. Receptor-HIT is licensed non-exclusively to Excellerate Bioscience, a UK-based pharmacological assay service provider with a worldwide reputation for excellence in the field of molecular and cellular pharmacology.

**About DMX-200**
DMX-200 is the adjunct therapy of a chemokine receptor (CCR2) antagonist administered to patients already receiving irbesartan, an angiotensin II type I (AT1) receptor blocker and the standard of care treatment for kidney disease. DMX-200 has granted patents in various territories until 2032.
In 2017, Dimerix completed its first Phase 2a study in patients with a range of chronic kidney diseases. No significant adverse safety events were reported, and all study endpoints were achieved. In a subsequent sub-group analysis, significant clinical efficacy signals were seen in the diabetic group.
DMX-200 administered to patients already taking stable irbesartan reduced proteinuria levels by a further 36%. This reduction in proteinuria is highly correlated with improved renal function and delay in kidney failure and dialysis. The compelling results from this study prompted the decision to initiate two different clinical studies in 2018: one for patients with Diabetic Kidney Disease; and the second for patients with another form of kidney disease, Focal Segmental Glomerulosclerosis (FSGS).
FSGS is a serious and rare disease that attacks the kidney's filtering units (glomeruli) causing serious scarring which leads to permanent kidney damage and kidney failure and for which there is a recognised medical need for a new or improved treatment. FSGS affects both children and adults.
DMX-200 for FSGS has been granted Orphan Drug Designation by the FDA and EMA. Orphan Drug Designation is granted to support the development of products for rare diseases and qualifies Dimerix for various development incentives including: seven years (FDA) and ten years (EMA) of market exclusivity if regulatory approval is received, exemption from certain application fees, and an abbreviated regulatory pathway to approval.

**About DMX-700**
COPD is a progressive and life-threatening lung disease. The primary cause of COPD is exposure to tobacco smoke (either active smoking or secondary smoke), however is also caused by exposure to indoor and outdoor air pollution, occupational dusts and fumes and long-term asthma. COPD is the fourth-leading cause of death in the world and although treatments exist to improve the symptoms of COPD, there is currently no way to slow progression of the condition or cure it. Moreover, among the top five causes of death globally, this disease is the only one with increasing mortality rates. The global COPD treatment market was valued at US$14 billion in 2017 and is projected to increase at a compound annual growth rate of 4.9% to 2026.
Initial studies have been completed, and Dimerix has completed a key step in securing ownership over what it believes is an important new drug discovery by lodging a provisional patent application for DMX-700. Over the next 12 months Dimerix will conduct further proof of concept studies to perform the value added verification in support of a robust product development pathway and patent position.



**Dimerix HQ**
425 Smith St, Fitzroy 3065
Victoria, Australia
T. 1300 813 321
E. info@dimerix.com