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A clinical stage biotech informed by patient experience.
Tackling unmet needs in neuroscience and mental health.

ASX Announcement | 26 October 2023

Quarterly Activities Report (September 2023)

Emyria Limited (ASX: EMD) ("Emyria", or the "Company") an integrated clinical drug development and care delivery company focussed on mental health, neuropsychiatry, and certain neurological conditions, is pleased to report highlights from activity during the quarter ending 30th Sep 2023.

Clinical Service Expansion

- Clinical billings growth: Emyria generated $1,034,172 of clinical billings for the September quarter (an increase of more than 250% compared to the previous quarter) supported by the completed acquisition of The Pax Centre
- Strengthened cash position: Emyria received firm commitments for $2m in a Placement and a further $1.15m in a Rights Issue

(See ASX releases 03 July 2023, 04 September 2023 and 13 September 2023)

Advanced Treatment & Research Programs

- Commenced active MDMA-assisted therapy: Successfully recruited first patient into Emyria's ethics-approved MDMA-assisted therapy program; Secured a local supply of MDMA to start active dosing; Developed a ketamine-assisted therapy model inspired by recent research suggesting carefully administered ketamine may help with symptoms of depression [1]
- Drug development progress: MDMA analogue program screening select candidates at the NIH in addition to University of Sydney; High dose Ultra-Pure CBD also progressing through NIH preclinical studies while stability indicating method development continues to help address batch-to-batch dissolution variations seen in low-dose CBD candidate (EMD-RX5)

(See ASX releases 10 July 2023, 08 August 2023 and 21 September 2023)

Strategic Board & Advisory Additions

- Dr. Mohit Kaushal to Non-Executive Director: Dr. Kaushal is a US-based executive with extensive experience helping grow tech-supported clinical services, notably, Oak Street Health, recently acquired by CVS Health for US$10B [2]
- Dr. Ben Sessa to Clinical Advisory: Dr. Sessa is a UK-based psychiatrist and one of the world's most experienced researchers and trainers in psychedelic-assisted therapy

(See ASX releases 08 August and 21 August 2023)

Emyria's Managing Director, Dr. Michael Winlo, reflected: *"This quarter, we've made great progress with an integrated business model that is well suited to Australia's leading regulatory environment. Our clinics are delivering solid revenues while raising the bar in mental healthcare by offering best-in-class care and innovative treatments like MDMA-assisted therapy. Meanwhile, we've attracted world-class talent to support our mission and advanced various drug development projects. Our approach allows us to make an immediate difference for patients and create value, while positioning us for long-term growth and opportunity in a growing area of need."*

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CORPORATE

Net cash used in operating activities has reduced to $1.1m for Q1 FY24 down from $1.3m in Q4 FY23 reflecting an increase in receipts from its clinics.

Received firm commitments for $2m (of which $1.5m was received during the quarter, with the remainder subject to shareholder approval) and collected a further $1.15m in a Rights Issue which was received in October. Utilised Radium facility to drawdown against FY23 R&D tax incentive claim for a further $1m in October.

Director and related party payments were $210k comprising wages, fees and superannuation. This figure includes $47k allocated to investing activities (as disclosed in section 6 of the 4C report).

OUTLOOK

Emyria is positioned to lead a global opportunity in the field of mental health and neuropsychiatry empowered by the recent rescheduling of MDMA and psilocybin in Australia. Emyria's business model integrates drug development with frontline clinical services. The Company is focussed on innovative psychological trauma care, with an aim to reimagine the treatment of PTSD, a condition that affects approximately 6% of adults every year. [3] Our mission is not just to treat, but to develop innovative care models that enhance outcomes for patients and creates value for investors.

Emyria's network of private clinics deliver compassionate and research-oriented care. By leveraging groundbreaking treatments like personalised cannabinoid therapies and MDMA-assisted therapy ('MDMA-AT'), Emyria creates revenues and robust clinical evidence that helps advance distinct drug development programs as well as improve rapport with major healthcare payers.

With an initial supply of MDMA, an ethics-approved care model and active MDMA-AT underway the Company plans to scale its impact through both strategic partnerships and the launch of new, research-focussed clinical services such as ketamine and psilocybin-assisted therapies.

Beyond MDMA, the Company's drug development pipeline is advancing. Emyria's novel MDMA analogue preclinical screening program is proceeding with involvement from the US National Institute of Health and Australia's Universities of Western Australia and Sydney. The Company's leading series of new chemical entities is a shorter-acting MDMA for drug assisted therapies and new treatments for neurological conditions such as L-DOPA induced dyskinesia ('LID'), a common side effect of Parkinson's disease treatment. A major patent family has been filed.

Emyria's commitment to quality and efficacy is evident in the ongoing work with novel Ultra-Pure CBD capsules. The Company continues to optimise its low-dose CBD capsule (EMD-RX5) in order to remedy batch-to-batch variability in dissolution. The Company has also prepared all clinical trial data collected to date and is considering a formal interim analysis to evaluate whether the 50mg arm could be dropped from the currently on-hold Phase 3 trial. Other CBD clinical trials have consistently revealed limited efficacy at 50mg/day. An adjusted clinical trial design may lead to cost-savings for the completion of the trial.

Concurrently, our prescription cannabinoid drug candidates, EMD-RX7/9, are advancing through fully funded preclinical assessments at the NIH with pharmacokinetic studies in rats to commence later this year. EMD-RX7 is also showing excellent stability with 12m results due in November.

PROMOTIONS DURING QUARTER

Next Investors Company Profile

https://nextinvestors.com/company/asx-emd/

The Watchlist Webinar (19 Sep 2023)

https://www.youtube.com/watch?v=3gpo5uWctSE

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RECENT TRACTION & UPCOMING MILESTONES

CLINICAL DELIVERY

Advanced mental health care	
Acquisition of leading psychological trauma service	✓
Commencement of MDMA-assisted therapy	✓
Ethics approval for psilocybin therapy	
Expansion of treatment offerings	
Expansion of clinical footprint	
Engagement with payers	
Leverage data platform	

THERAPY DEVELOPMENT

MDMA-inspired Medicines	
First patent family filed	✓
US-focused preclinical program	✓
Metabolic studies	✓
Preclinical animal models	✓
Lead selection	
Phase 1 trials	
Global commercial strategy	

Ultra-Pure Cannabinoids	
Preclinical Screening Program for Pain (RX7)	✓
Formulation optimisation (RX7 > RX9)	✓
AUS Commercial partner (RX5)	✓
US Commercial partners	
Phase 3 conclusion (RX5)	
Phase 1 (RX7 & RX9)	
FDA Pre-IND (RX7 & RX9)	

References:

1. https://www.nejm.org/doi/full/10.1056/NEJMoa2302399
2. https://www.cvshealth.com/news/company-news/cvs-health-completes-acquisition-of-oak-street-health.html
3. See Emyria Company Update 06 September 2023

This release has been approved by the Managing Director of Emyria.

FOR FURTHER INFORMATION

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Emyria Limited is a clinical services and drug development company focused on revolutionising patient outcomes in neuroscience and mental health via a unique business model:

Emyria Clinics: Deliver evidence-based and emerging therapies for mental health and other unmet needs across multiple sites (Emerald Clinics and The Pax Centre)

generates

Emyria Data: Robust and ethically-sourced Real-World Data gathered with patients and integrated into an advanced data platform powered by Palantir. Emyria data is used to improve Emyria's distinct therapy and drug development programs.

informs

Emyria Drug Discovery: One of the world's largest libraries of unique MDMA-like compounds developed in partnership with the University of Western Australia seeking new psychedelic-assisted therapies and treatments for neuropsychiatric disease.
Emyria Drug Development: A suite of unique, highly potent dose forms of Ultra-Pure cannabinoids seeking registration for a range of mental health and neuroscience indications.

EMYRIA'S INTERACTIVE INVESTOR HUB

Investorhub.emyria.com Interact with Emyria's announcements and updates by asking questions and comments, which our team can respond to where possible.

PaxCentre **paxcentre.com.au**

The Pax Centre specialises in treating individuals grappling with the psychological impacts of traumatic experiences. Our treatment approach is highly personalised, addressing a wide range of mental health issues, from PTSD and depression to anxiety disorders and substance abuse, often stemming from various life traumas.

Complex trauma, characterised by repeated, relational traumatic events often occurring during developmental stages, requires specialised attention due to its pervasive and lasting impact. In these cases, The Pax Centre prioritises early diagnosis and evidence-based treatments.

We also focus on proactive strategies for health expansion and personal growth, empowering our clients with skills and tools to improve wellbeing and performance. At the Pax Centre, we believe in transforming lives through focused, evidence-based mental health care.

emerald clinics **emeraldclinics.com.au**

Emerald Clinics is an Australian-based, patient-centric clinical service specialising in providing treatments for patients with complex and chronic conditions, where traditional therapies might not have yielded satisfactory results.

Leveraging our deep expertise with unregistered medicines, such as cannabinoids, we strive to pioneer and personalise care for our patients. Our robust, ethically-sourced data collection methods underpin our commitment to improving patient outcomes and advancing healthcare innovation.

Appendix 4C

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

Name of entity

EMYRIA LIMITED

ABN	**Quarter ended ("current quarter")**
96 625 085 734	30 September 2023

Consolidated statement of cash flows			**Current quarter $A'000**	**Year to date (3 months) $A'000**
1.	**Cash flows from operating activities**			
1.1	Receipts from customers		792	792
1.2	Payments for			
	(a)	research and development	(371)	(371)
	(b)	product manufacturing and operating costs	(549)	(549)
	(c)	advertising and marketing	(16)	(16)
	(d)	leased assets	(86)	(86)
	(e)	staff costs	(370)	(370)
	(f)	administration and corporate costs	(461)	(461)
1.3	Dividends received (see note 3)		-	-
1.4	Interest received		6	6
1.5	Interest and other costs of finance paid		(2)	(2)
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**		**(1,057)**	**(1,057)**

2.	**Cash flows from investing activities**			
2.1	Payments to acquire or for:			
	(a)	entities	-	-
	(b)	businesses	-	-
	(c)	property, plant and equipment	(1)	(1)
	(d)	investments	-	-
	(e)	intellectual property	(918)	(918)
	(f)	other non-current assets	-	-

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 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**	**(919)**	**(919)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,500	1,500
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(105)	(105)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(9)	(9)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – net payments from cash backed guarantees	-	-
3.10	**Net cash from / (used in) financing activities**	**1,386**	**1,386**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	2.734	3,879
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,057)	(4,013)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(919)	(3,233)

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,386	
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**2,144**	

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	2,144	2,734
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)**	**2,144**	**2,734**

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	210
6.2	Aggregate amount of payments to related parties and their associates included in item 2	47

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.

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	920	920
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	920	920

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.

In April 2023, Emyria secured a loan facility with Radium Capital for $920,000 with an interest rate of 15% pa, maturity date of 31 December 2023 and secured against the R&D tax rebate.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,057)
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,144
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	2,144
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	2.03

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:

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:

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:

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.

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: 26 October 2023

Authorised by: By the Board

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.