



APPENDIX 4C  
& QUARTERLY  
**REPORT**

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30 SEPTEMBER  
**2023**

## ASX Announcement

31 October 2023

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### Quarterly Activities Report and Appendix 4C

Antisense Therapeutics Limited [ASX:ANP | US OTC:ATHJY | FSE:AWY], a biotechnology company focused on the development of novel therapies for rare diseases, is pleased to provide an update on the Company's significant progress during the quarter ended 30 September 2023.

#### Key Points

- **Equity Placement and Share Purchase Plan Raise \$11.6 Million.** A placement to sophisticated and institutional investors, followed by a Share Purchase Plan for eligible shareholders, raised \$8.35 million and \$3.26 million respectively, leaving the Company well positioned for its ongoing phase IIb clinical trial of ATL1102 in Duchenne muscular dystrophy.
- **ATL1102 phase IIb clinical trial progressing well.** All four countries are now open to enrolment, with recruitment rate accelerating into the December quarter.
- **Preclinical data released for ATL1102 in combination with dystrophin restoration therapies, in limb girdle muscular dystrophy R2 and in 'Long COVID'.** The new data in limb girdle muscular dystrophy, and the publication of long COVID data in high-impact scientific journals, confirms the broad potential of ATL1102 across a range of potential disease areas.
- **New Chief Executive Officer Commenced.** Dr James Garner started as CEO and Managing Director in August 2023, following a 20-year career in pharmaceutical and biotechnology companies. Dr Charmaine Gittleson has resumed her role as Non-Executive Chair of the Company.

"We have made excellent progress during the last quarter," commented Antisense CEO, Dr James Garner. "In particular, the emphatic support of our shareholders in the Company's recent financing has placed us in the fortunate position of being able to focus all efforts on advancing the ATL1102 program. In respect of the latter, we have seen some important preclinical data released in recent months, which reinforces our belief in the drug's potential. The initial start-up of the phase IIb study had been slowed a little by the European summer holiday season, but we are reassured by an accelerating pace of recruitment, and we hope to substantially catch up with our forecasts now that all four countries are open to enrolment."

#### Equity Placement and Share Purchase Plan Raise \$11.6 Million

In July 2023, the Company announced completion of a placement to sophisticated and institutional investors, which raised gross proceeds of \$8.35 million<sup>1</sup>. The placement was priced at \$0.05, representing approximately a 23% discount to the last traded price of the Company's stock on ASX, and was structured as a 'common only' transaction, with no issuance of options or other accompanying derivatives. Morgans Corporate Limited were the lead managers.

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<sup>1</sup> <https://www.antisense.com.au/wp-content/uploads/2023/07/ASX-18-July-23-Placement.pdf>

The institutional placement was followed by a Share Purchase Plan (SPP), which offered eligible shareholders an opportunity to purchase up to \$30,000 of new shares in the Company at the same price as institutional participants. The SPP closed on 16 August 2023 and raised gross proceeds of \$3.26 million<sup>2</sup>.

In aggregate, the two transactions leave the Company well-funded for the ongoing international phase IIb study of ATL1102 in Duchenne muscular dystrophy. Based on the Company's forward-looking forecasts, the cash runway takes Antisense into CY2025.

### **All Four Countries Open to Recruitment in Phase IIb Study of ATL1102 in DMD**

Antisense has continued to make good progress with the deployment of an ongoing international phase IIb clinical trial of ATL1102 in Duchenne muscular dystrophy (DMD). As at 31 October 2023, all four participating countries are open to recruitment. To date, 10 patients have been randomised and are receiving study medication, with a number of additional patients currently in screening.

The independent Data Safety Monitoring Board (DSMB) has met to review emerging safety data from the study and has not at this stage identified any concerns that may require alterations to the conduct of the study. The DSMB will continue to meet at regular intervals throughout the course of the study to ensure that any emergent safety considerations are rapidly evaluated.

To date, no randomised patient has withdrawn from the study, and feedback from participating investigators has been that there is a high level of interest in the study from patients and families. Self-administration of study medication, which can be a potential concern with investigational drugs such as ATL1102, has been entirely unproblematic thus far.

The start-up phase of the study has been marginally slower than originally projected, largely as a result of the impact of the European summer holiday season, which has seen the absence of key personnel at certain sites and, in some cases, a reduced schedule for key governance and logistical activities. It appears that recruitment has accelerated significantly in the month of October, and the company is working closely with all participating sites, and with its vendors, to further accelerate recruitment.

Out of an abundance of caution, the Company has revised its guidance regarding last patient in (LPI) to the study from December 2023 to 1Q CY2024. This change has no material impact on the Company's ability to fund the study and has marginal impact on broader timelines for reporting trial outcomes and for potential registration.

Despite all best efforts in planning and conduct, more than 80% of clinical trials do not recruit according to the timelines originally envisaged<sup>3</sup>, and industry sponsors are often required to adapt to the complex dynamics of clinical trial site management.

"The team will be working a to complete recruitment in as close as possible to the original timeframe," commented Antisense CEO, Dr James Garner. "However, we want to be transparent with our stakeholders, and in general to err on the side of caution with our guidance to the market, so we are reflecting this

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<sup>2</sup> [https://www.antisense.com.au/wp-content/uploads/2023/09/ASX-24\\_21-Aug\\_SPP.pdf](https://www.antisense.com.au/wp-content/uploads/2023/09/ASX-24_21-Aug_SPP.pdf)

<sup>3</sup> [Huang GD et al. \(2018\). \*Contemporary Clinical Trials\* 66:74-79](#)

proactive approach here. Clinical trials do not recruit in a linear fashion and the majority of patients usually come late in the recruitment period, so we are not greatly concerned at this stage by the slightly slower start-up period. I have spoken personally to many of our investigators, and they are highly engaged. We are assured that there are eligible patients available, so we expect to see acceleration in recruitment over the next few months. We will of course continue to keep the market closely apprised of progress.”

### **Preclinical Data in Combination with Dystrophin Restoration Therapies Identifies Potential Clinical Combination Opportunities**

In July 2023, the Company released new preclinical data from experiments combining a murine version of ATL1102 with several ‘exon skipping therapies’ or dystrophin restoration therapies. The data showed evidence of synergistic activity, including changes in the activity of the immune system, reduction in fibrosis, and changes in muscle function. These findings open up valuable potential future opportunities for clinical combination of ATL1102 with approved dystrophin restoration therapies<sup>4</sup>.

### **Preclinical Data Shows Potential Activity in Limb Girdle Muscular Dystrophy R2**

In September 2023, Antisense released new data from a preclinical collaboration with the Murdoch Children’s Research Institute (MCRI) and the Jain Foundation to examine the potential for ATL1102 to be used in Limb Girdle Muscular Dystrophy R2, also known as dysferlinopathy<sup>5</sup>.

In a mouse model of the disease, a murine version of ATL1102 appeared to partially normalise the function and physiology of the calf muscles, with effects on levels of fat in quadriceps remaining under investigation. The Company expects to submit the data for presentation at a future scientific conference, or for publication in a peer-reviewed scientific journal.

### **Long COVID Project Concludes with Publications in High-Impact Journals**

In September 2023, the Company also recognised the publication of final data from a collaboration with Dr Igor Koralnik at the Northwestern Medicine Neuro-COVID Clinic in Chicago, IL, examining the potential use of ATL1102 as a diagnostic and therapeutic in patients with ‘long COVID’.

The work had previously identified inflammatory signatures associated with the neurological sequelae of COVID, and this work has now been published in two high-impact, peer-reviewed journals<sup>6</sup>. An international patent has been filed.

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<sup>4</sup> [https://www.antisense.com.au/wp-content/uploads/2023/07/ASX-26\\_July-Combination-Study-Dystrophin-Transcriptomics.pdf](https://www.antisense.com.au/wp-content/uploads/2023/07/ASX-26_July-Combination-Study-Dystrophin-Transcriptomics.pdf)

<sup>5</sup> <https://www.antisense.com.au/wp-content/uploads/2023/09/ANP-230926-LGMDR2-data-final-FYI-451310623.pdf>

<sup>6</sup> <https://www.antisense.com.au/wp-content/uploads/2023/09/ANP-230928-Long-COVID-final-data-final-FYI-453547447.pdf>



## **New Chief Executive Officer Commenced; Restructuring of Senior Management Team**

In August 2023, Dr James Garner commenced as Chief Executive Officer and Managing Director of Antisense Therapeutics. Dr Charmaine Gittleson stepped back from executive responsibilities and resumed her role as Non-Executive Chair of the Company<sup>7</sup>.

Dr Garner is a medical doctor by training. Following his MBA, he worked for several years as a management consultant before entering the pharmaceutical industry. He has worked internationally with several large pharmaceutical companies, including Biogen, Takeda, and Sanofi. Prior to joining Antisense, he was Chief Executive Officer and Managing Director of Kazia Therapeutics (NASDAQ: KZIA), an oncology-focused biotech company based in Sydney, Australia, and New York, NY.

Following Dr Garner's appointment, the Company undertook a restructuring of the senior management team. Dr Anthony Filippis was promoted to Chief Operating Officer. His role will continue to focus on building awareness and relationships with potential licensing partners, but Dr Filippis will also take on certain additional operational responsibilities in the organisation. Dr George Tachas has assumed a new role as Principal Scientist, where he continues to provide scientific leadership to the development of Antisense's pipeline assets, as well as managing the Company's intellectual property estate.

## **Shareholder 'Open House' Meetings Held in Sydney and Melbourne**

In August and September 2023, the Company undertook 'Open House' meetings in Sydney and Melbourne, whereby shareholders were invited to attend a presentation by Antisense CEO, Dr James Garner, and to ask questions of the management team.

For shareholders who were unable to attend the live events, a video recording of the Melbourne event is available via the company website at the following link:

<https://www.antisense.com.au/presentations/>

## **Antisense Presents at BIO Investor Forum in San Francisco, CA**

Post reporting period, in October 2023, Antisense CEO, Dr James Garner, presented the Company to US investors at the BIO Investor Forum in San Francisco, CA.

BIO is the key industry body for life sciences companies in the United States, and the Investor Forum is an important event in the corporate calendar for US companies and their investors. Antisense's participation illustrates the company's strategic focus on proactive engagement with potential investors and partners in Australia and the United States.

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<sup>7</sup> [https://www.antisense.com.au/wp-content/uploads/2023/08/ASX-24\\_7-Aug\\_CEO-Commencement.pdf](https://www.antisense.com.au/wp-content/uploads/2023/08/ASX-24_7-Aug_CEO-Commencement.pdf)

## Launch of 'Unmarketable Parcels' Facility

Post reporting period, in October 2023, the Company announced the launch of an 'unmarketable parcels' facility, whereby parcels of shares worth less than \$500 in value will be sold by the Company on behalf of shareholders at nil cost, and the proceeds remitted to the original holders. Shareholders who hold 'unmarketable parcels' are advised to carefully review the documentation that has been sent. If they wish to retain their shares, it is necessary to opt out prior to Friday 24 November 2023<sup>8</sup>.

## Financial Position

As noted in the accompanying unaudited quarterly cashflow report, the Company closed the September quarter with a cash balance of \$19 million, versus \$11 million at the end of the previous quarter.

During the quarter the Company made payments to related parties of the entity and their associates as disclosed in Item 6 of the Appendix 4C amounting to \$142 thousand. The payments are related to salaries, directors' fees and consulting fees on normal commercial terms.

Based on a forward-looking cashflow forecast, the Company projects cash runway into CY2025.

~ ENDS ~

*This announcement has been authorised for release by the Board.*

**About Antisense Therapeutics Limited** [ASX: ANP | US OTC: ATHJY | FSE: AWY] is a publicly listed biotechnology company developing and commercializing antisense pharmaceuticals for rare diseases with significant unmet medical need. The company's lead program is ATL1102, an antisense inhibitor of the CD49d receptor, which is currently the subject of an ongoing international Phase IIb trial for non-ambulant subjects with Duchenne Muscular Dystrophy. The drug previously reported highly promising results from an exploratory Phase II trial in non-ambulant subjects with DMD.

For more information, please contact [info@antisense.com.au](mailto:info@antisense.com.au)

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<sup>8</sup> <https://www.antisense.com.au/wp-content/uploads/2023/10/ANP-231009-Launch-of-Share-Sale-Facility-for-Unmarketable-Parcels.pdf>

## Appendix 4C

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

**Name of entity**

Antisense Therapeutics Limited

**ABN**

41 095 060 745

**Quarter ended ("current quarter")**

30 September 2023

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(1,843)	(1,843)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(46)	(46)
(d) leased assets	(27)	(27)
(e) staff costs	(486)	(486)
(f) administration and corporate costs	(559)	(559)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	108	108
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	45	45
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(2,808)</b>	<b>(2,808)</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	-	-

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	11,612	11,612
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	(547)	(547)
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>11,065</b>	<b>11,065</b>



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	10,967	10,967
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,808)	(2,808)
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)	11,065	11,065
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>19,224</b>	<b>19,224</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> 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	224	467
5.2	Call deposits	19,000	10,500
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>19,224</b>	<b>10,967</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	142
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
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.		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	<b>(2,808)</b>
8.2	Cash and cash equivalents at quarter end (item 4.6)	<b>19,224</b>
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	19,224
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	7
<i>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.</i>		
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	
<i>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.</i>		

## 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: 31 October 2023

Authorised by: By the Board  
(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.