APPENDIX 4C – 31 MARCH 2024

QUARTERLY ACTIVITIES & CASHFLOW REPORT

Highlights:

- *The first patients in Argenica's Phase 2 clinical trial of ARG-007 in acute ischaemic stroke were successfully dosed following activation of initiation of initial hospital trial sites.*

- *Rare Pediatric Disease Designation status granted by U.S. Food and Drug Administration to ARG-007 for the treatment of Hypoxic Ischaemic Encephalopathy (HIE).*

- *Cash reserves of $6.6 million as at 31 March 2024.*

- *Subsequent to quarter end, successfully raised $12.0 million (before costs) via a placement to institutional and sophisticated investors. The Company is now fully funded to complete its Phase 2 trial of ARG-007 in ischaemic stroke patients, as well as progress studies in its other neurological indications such as Traumatic Brain Injury, Hypoxic Ischemic Encephalopathy, and Alzheimer's disease.*

Perth, Australia; 24 APRIL 2024 – 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 9-month period ended 31 March 2024.

Argenica's core focus is 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 patients presenting to emergency departments across Australia.

In parallel, the Company is investigating the potential utility of ARG-007 in other neurological conditions, including traumatic brain injury (TBI), hypoxic ischaemic encephalopathy (HIE) and Alzheimer's Disease. Underpinning this research, over $4 million in non-dilutive grant and philanthropic 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 CLINICAL TRIAL IN STROKE PATIENTS COMMENCED WITH FIRST PATIENTS DOSED

During the quarter, the Company commenced dosing of patients in its Phase 2 clinical trial of ARG-007 in acute ischaemic stroke patients following completion of significant preparation activities including manufacturing and initiation of initial trial sites.

Manufacturing

CordenPharma, Argenica's European based contract manufacturer, successfully completed the manufacture of the clinical trial batch of ARG-007 under GMP conditions, producing the finalised sterile vials of ARG-007 and the placebo for use in the Phase 2 trial. Following extensive testing, the vials were approved for release and delivered to Australia. Achieving successful scale up the GMP manufacturing of ARG-007 is a significant milestone for the Company.

Clinical Trial Sites

Since receiving ethics approval in September 2023, Argenica's clinical trial team has been working with a number of hospitals across Australia to establish them as clinical trial sites for the Phase 2 clinical trial. The trial will be conducted in 10 hospitals across Australia that have dedicated stroke care units capable of performing endovascular thrombectomy.

Four of the ten hospitals sites are now activated to begin patient dosing, being Royal Melbourne Hospital, Princess Alexandra Hospital, John Hunter Hospital and Liverpool Hospital. Royal Adelaide Hospital and Royal Brisbane Women's and Children's Hospital have undergone site initiation visits and will be activated imminently. The remaining four hospitals will be activated over the next three months following governance approval, these include Monash Health, Gold Coast Hospital, Fiona Stanley Hospital and Sir Charles Gairdner Hospital.

Patient Dosing

The first patient in Argenica's Phase 2 clinical trial in acute ischaemic stroke patients was successfully dosed during the quarter. In April 2024, the Company advised five patients had been dosed, representing the first cohort of patients to be reviewed by the Data Safety Monitoring Board (DSMB), highlighting a promising early recruitment response to date.

These patients, who presented to both the Royal Melbourne Hospital and Princess Alexandra Hospital emergency departments, were enrolled into the trial following meeting the inclusion criteria: a confirmed diagnosis of an acute ischaemic stoke caused by a large vessel occlusion (LVO) and were eligible for mechanical thrombectomy.

No serious adverse events or adverse events related to the dosing of patients have been reported, with a comprehensive review of the safety data by the independent DSMB to follow. The DSMB will make a recommendation as to whether the study may continue as per the study protocol. Subsequent patient safety reviews by the DSMB are also scheduled post dosing of 23 patients, 46 patients, 69 patients, and at the completion of dosing of all 92 patients.

NEUROLOGY PIPELINE RESEARCH AND DEVELOPMENT FOR ARG-007

Hypoxic Ischaemic Encephalopathy (HIE)

During the quarter, Argenica was pleased to announce that the United States Food and Drug Administration (FDA) has granted its neuroprotective drug ARG-007 Rare Pediatric Disease Designation (RPDD) for the treatment of Hypoxic Ischaemic Encephalopathy (HIE) in newborn term infants.

Supporting the development and evaluation of new treatments for rare diseases in children is a key priority for the FDA. The FDA has authority to grant a RPDD to a drug or biological product that shows promise in preventing, diagnosing or treating a rare disease or condition in the pediatric population (children 18 years and younger). The granting of the RPDD provides one key substantial benefit to Argenica, being, that upon approval of a New Drug Application (NDA) for ARG-007 in HIE, the FDA may award a Priority Review Voucher (PRV) provided that HIE is the first indication for which the drug is approved. The voucher can be redeemed to accelerate the review of a subsequent marketing application or may be sold or transferred to a third party. The sale price of a PRV is often in the tens of millions of dollars.

This RPDD is in addition to the benefits granted to Argenica under the Orphan Drug Designation program, announced on 15 November 2023, in which the Company will receive greater guidance from the FDA during the clinical development of ARG-007 in HIE, as well as the potential for seven years of market exclusivity in the US following approval.

CASHFLOW COMMENTARY, CASH RESERVES OF $6.6 MILLION AS AT 31 MARCH 2024, SUCCESSFULLY COMPLETED A $12.0M PLACEMENT SUSEQUENT TO QUARTER END

The Company had net cash operating outflows for the quarter of $1.979 million and cash reserves of $6.616 million as at 31 March 2024.

During the quarter, the Company benefited from $0.077 million of non-dilutive grant funding under the federal government's Cooperative Research Centre Projects (CRC-P) program for the project "A novel therapeutic for the treatment of traumatic brain injury" and net financing cash inflow of $0.174 million from the exercise of options.

Operating cash outflows in the quarter included expenditure on research and development activities of $1.533 million (Dec23Q: $1.040 million), staff costs (including research and development employees) of $0.318 million (Dec23Q: $0.272 million) and corporate administration of $0.179 million (Dec23Q $0.183 million). Research and development expenditure included payments to third party contractors undertaking pre-clinical studies and Phase 2 clinical trial activities and drug manufacture.

Subsequent to quarter end, the Company raised $12.0 million (before costs) via a placement of 23,076,924 new fully paid ordinary shares at an issue price of $0.52. The placement was strongly supported by large existing shareholders, new institutional investors, family offices, and sophisticated high-net-worth investors. Following the placement, the Company is fully funded to complete its Phase 2 trial of ARG-007 in ischaemic stroke patients, as well as progress studies in its other neurological indications such as TBI, HIE and Alzheimer's disease.

An Advance and Overseas Finding has been approved by AusIndustry enabling both domestic and overseas expenditure on the Company's planned preclinical efficacy, nonclinical studies, manufacturing, regulatory activities and Phase 2 clinical trial activities to be included as eligible R&D expenditure for the purposes of a R&D tax incentive rebate in the 2024 & 2025 financial years.

As required by ASX Listing Rule 4.7C3, the Company notes that $0.161 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, including in TBI, HIE and Alzheimer's Disease.

Appendix 4C

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

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

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	32
1.2	Payments for		
	(a) research and development	(1,533)	(4,301)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	-	-
	(d) leased assets	-	-
	(e) staff costs	(318)	(848)
	(f) administration and corporate costs	(179)	(570)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	24	76
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives		
	- CRCP grant	77	231
	- WA Seed Innovation Grant	-	209
	- Other grants	4	4
	- R&D tax rebate	-	2,089
1.8	Other (provide details if material)		
	- Net GST (paid) / received	(54)	(45)
1.9	**Net cash from / (used in) operating activities**	**(1,979)**	**(3,123)**

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 (9months) $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	177	417
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(3)	(17)
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**	**174**	**400**

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9months) $A'000
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	8,421	9,339
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,979)	(3,123)
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)	174	400
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**6,616**	**6,616**

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	6,578	8,377
5.2	Call deposits	51	51
5.3	Bank overdrafts	(13)	(7)
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**6,616**	**8,421**

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	161
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.

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)	(1,979)
8.2	Cash and cash equivalents at quarter end (item 4.6)	6,616
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	6,616
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	3.3

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.

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: ....24 APRIL 2024.....

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.