

MARCH 2024 QUARTERLY ACTIVITY REPORT

HIGHLIGHTS

- **Submission filed with US FDA for pre-IND meeting**
- **Appointment of Executive Director and management changes**
- **R&D tax incentive refund of A\$2.2M received**
- **Cash balance of A\$5.23M as at 31 March 2024**

NeuroScientific Biopharmaceuticals Ltd (ASX: NSB) (“**NeuroScientific**” or “**the Company**”) today submitted its Appendix 4C and quarterly activity report for the period ended 31 March 2024.

QUARTERLY ACTIVITY REPORT

FDA Pre-IND Meeting for Treatment of Glaucoma

In April, NeuroScientific filed a Pre-Investigational New Drug Application (‘pre-IND’) meeting request with the US Food and Drug Administration (‘FDA’) to discuss the proposed drug development program for EmtinB targeting the treatment of advanced glaucoma in adults.

The goal of this pre-IND meeting is to confirm that the work NeuroScientific has completed to date, along with planned IND-enabling studies to further evaluate toxicology, ocular pharmacokinetics and optimisation of the EmtinB formulation for ocular administration, would support submission of an Investigational New Drug Application (IND) for commencement of first-in-human phase 1 trials. NeuroScientific will also present its design for a first-in-human phase 1 trial in patients with advanced glaucoma at the pre-IND meeting.

The pre-IND meeting is scheduled to be held in June 2024.

EmtinB Early Phase Clinical Study

A finalised statistical report has been received for the Company’s Early Phase Clinical Study. The study aimed to assess several biomarkers in human blood samples from healthy participants to indicate proof of mechanism of activity of EmtinB to support NeuroScientific’s Multiple Sclerosis (MS) program (ref ASX announcement 11 May 2022). Blood samples were ex-vivo stimulated and inflammatory biomarkers were measured with and without treatment with EmtinB. While some reduction in inflammatory biomarkers was observed, due to the small number of patients in the study the overall results were inconclusive.

Based on the Company's revised strategy of pursuing EmtinB for glaucoma and the Alzheimer's and MS programs being placed on hold (ref ASX announcement 31 October 2023), the Company confirms it does not plan to pursue this study further.

New Opportunities

NeuroScientific continues to evaluate a number of new and promising technologies to provide the Company with a pipeline of projects. The company plans to review its glaucoma drug development program following the pre-IND meeting with the FDA which is scheduled for June 2024. This review will have a strong bearing on the Company's next steps and future strategy, in the following quarters.

Board and Management Changes

During the quarter, Dr Tony Keating was appointed as an Executive Director of the Company on a part-time basis (commencing initially at one day per week), which followed the resignation of Dougal Thring as chief operating officer. Dr Keating was first appointed as a Director of the Company on 5 December 2023 and is an experienced entrepreneur and CEO.

In February, Chris Achurch was appointed Company Secretary, following the resignation of Abby Macnish Niven.

Quarterly Cash Flow Summary

In March, NeuroScientific received an R&D tax incentive refund of \$2.21 million for its research and development (R&D) tax incentive claim for the 2022/2023 financial year.

NeuroScientific's cash position was \$5.23 million as at 31 March 2024. The Company has maintained a strong cash position with expenses continuing to be carefully managed.

The Company saw a net operating cash inflow for the quarter of \$1.9 million, primarily due to the R&D tax incentive refund of \$2.2 million. Payments during the quarter were reduced from the previous quarter as the Company conserves cash prior to the finalisation of the design of its glaucoma drug development program which is reliant on its pre-IND meeting with the US FDA. Research and development activities payments were \$97k. Staff costs for the quarter were \$160k. Administration and corporate costs were \$95k.

Payments to related parties during the March 2024 quarter totalled \$115k and relate to Director fees, salaries and superannuation (\$80k) and Administration and Management fees (\$35k).

The level of net cash burn for the June 2024 quarter is expected to be at similar levels as for the March 2024 quarter, as the Company continues to preserve cash in the coming months as it finalises its planned glaucoma drug development program.

This announcement is authorised by the Board of NeuroScientific Biopharmaceuticals Ltd.

-ENDS-

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About NeuroScientific Biopharmaceuticals Ltd

NeuroScientific Biopharmaceuticals Limited (ASX: NSB) is a company developing peptide-based pharmaceutical drugs that target a number of neurodegenerative conditions with high unmet medical demand. The company's product portfolio includes EmtinB™, a therapeutic peptide initially targeting glaucoma, as well as other Emtin peptides (EmtinAc, EmtinAn, and EmtinBn) which have demonstrated similar therapeutic potential as EmtinB™. For more information, please visit www.neuroscientific.com

About EmtinB™

EmtinB™ is a peptide-based compound that binds to surface-based cell receptors from the LDLR family, activating intracellular signalling pathways that stimulate neuroprotection, neuroregeneration and modulate neuroinflammation. EmtinB™ is modelled on a specific active domain of the complex human protein called Metallothionein-IIA, which is produced as part of the human body's innate immune response to cell injury.

Our preclinical research has established that EmtinB™ is highly specific and selective for its target receptor, safe and well tolerated at high concentrations.

Appendix 4C

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

Name of entity

NeuroScientific Biopharmaceuticals Limited

ABN

13 102 832 995

Quarter ended ("current quarter")

31 March 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(97)	(797)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	(7)
(d) leased assets	-	-
(e) staff costs	(160)	(570)
(f) administration and corporate costs	(95)	(643)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	35	126
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	2,212	2,212
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	1,895	321

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

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 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	(0)	(2)

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	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
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	(0)	(0)

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	3,336	4,912
4.2 Net cash from / (used in) operating activities (item 1.9 above)	1,895	321
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	(2)

Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	5,231	5,231

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	5,231	56
5.2	Call deposits	-	3,280
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)	5,231	3,336

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	(115)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><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></p> <p>Item 6.1 above includes Director salaries, fees & superannuation (\$80k) and management & administration fees (\$35k)</p>		

7. Financing facilities <i>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.</i>	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)	1,895
8.2 Cash and cash equivalents at quarter end (item 4.6)	5,231
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	5,231
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<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: 29 April 2024

Authorised by: The Board of Directors