ASX ANNOUNCEMENT

Positive PLEXOVAL II Phase 1 Clinical Trial Results with Off-the-Shelf Plexaris™

- Final independent report from PLEXOVAL II phase 1 human safety study highlights safety of off-the-shelf (allogeneic) Plexaris in healthy volunteers
- Results further demonstrate a favourable safety profile of LEAP processing and of EVs from platelets
- Dr Ian Dixon, Exopharm Founder and Managing Director, to discuss the study results on webinar, open to all – 9:30AM Tuesday 6 April at http://exo.ph/AprilWebinar.

6 April 2021, Melbourne, Australia: Exopharm Limited (ASX:EX1) announces that the results from its PLEXOVAL II phase I safety study with the company's off-the-shelf (allogeneic) platelet-derived EV product, Plexaris, found there were no untoward or unexpected safety events reported during the study with all 11 enrolled participants remaining healthy throughout and after their 30-day follow-up period.

"These results confirm Exopharm as a leader in EV medicine manufacture and further validate our LEAP manufacturing technology. Forty clinical-grade doses of Plexaris were made within eight hours by two staff. If the study had been 100 times larger, it still would have taken the same amount of time and labour, only larger equipment. This is what we mean when we say LEAP is the only fully-scalable process for exosome purification that has been developed. This manufacturing capability is fully applicable to our engineered EV program, as this manufacturing process and the safety of product coming out of it is applicable to all EV medicines processed with LEAP," said Dr Ian Dixon, Founder and Managing Director.

All induced wounds successfully healed without skin defects, abnormal scarring or abnormal cosmetic appearance. Due to the small numbers involved in the study there are no significant efficacy signals.

The phase 1 study demonstrated the safety of off-the-shelf Plexaris in a cutaneous wound healing condition, concluding that there are no safety risks associated with the use of the product or the injection of the product.

The first-in-human study of Plexaris was a prospective randomised double-blind, placebo-controlled study aimed at demonstrating the safety of the product administered to healthy adult volunteers as a single dose subcutaneously at the site of a skin punch biopsy-induced wound.

Dr Angus Tester, Exopharm's Head of Product Evaluation said, "The results from this study are very encouraging and are consistent with preclinical testing and the expected safety profile of a purified platelet product. This is an important

milestone proving Exopharm's manufacturing capability of a medical-grade product."

The clinical-grade doses of the Plexaris EV product were produced using Exopharm's LEAP technology and purification process, demonstrating and further credentialing the company's technical and manufacturing capabilities. These doses also included our new formulation IP, giving a 12-month shelf-life under -80°C storage conditions.

Traditional therapeutics derived from human blood and plasma already play a critical role in health care worldwide and represent over US$30 billion per annum in sales. With Exopharm's EV purification technology, blood service organisations and blood plasma companies could add high-value products to their distribution channels and help thousands of patients.

"Platelets (the starting material for Plexaris) are derived from blood donors every day around the world and are used as an unmatched product with a strong safety record. Commercialising Plexaris through blood services organisations will enable the future exploration of its efficacy for a variety of medical conditions. We look forward to advancing the use of blood-derived EVs globally in the coming years," said Aislinn Treloar, one of Exopharm's Business Development Managers.

Webinar Invitation

Exopharm Founder and Managing Director, Dr Ian Dixon, will discuss the study results during a webinar on Tuesday, 6 April at 9:30AM (AEDT). Join at http://exo.ph/AprilWebinar. Shareholders and other interested people are invited to join, as well as to submit their questions to investors@exopharm.com. The webinar will be recorded and posted to the Exopharm website (www.exopharm.com) under "News & Articles".

By the Board - this announcement has been authorised for release by the board.

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ABOUT EXOPHARM

Exopharm (ASX:EX1) is a clinical stage biopharmaceutical company using exosomes (extracellular vesicles (EVs)) from cells to generate a new class of transformative medicines.

Various Exopharm EV products harness the powerful natural ability of EVs to efficiently target cells and transfer selected materials into cells and across barriers. Exopharm has two exclusive proprietary technologies that extend the utility of EVs into engineered EV medicines (EEVs): the LOAD technology improves loading of nucleic medicines into EVs, and the EVPS technology allows EVs to be directed towards selected cell types. Exopharm uses combinations of LOAD and EVPS to develop a pipeline of EEV products aimed at treating a wide scope of medical problems including neurological diseases, infectious diseases, cancer, and fibrosis.

Exopharm's LEAP technology solves the challenge of purifying EVs at large scale. With LEAP, Exopharm is also developing naïve (or natural) EVs (NEVs) from adult stem cells and platelets as regenerative medicine products. NEVs have the potential to deliver the regenerative benefits of cells without the challenges of administering cells to patients. NEV products target a broad range of medical problems including osteoarthritis, autoimmune conditions, acute injury and chronic injury.

FORWARD LOOKING STATEMENTS

This announcement contains forward-looking statements which incorporate an element of uncertainty or risk, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets', 'aims', 'plans' or 'expects'. These statements are based on an evaluation of current corporate estimates, economic and operating conditions, as well as assumptions regarding future events. These events are, as at the date of this announcement, expected to take place, but there cannot be any guarantee that such events will occur as anticipated or at all given that many of the events are outside of Exopharm's control or subject to the success of the Development Program. Furthermore, the Company is subject to several risks as disclosed in the Prospectus dated 6 November 2018.

INHERENT RISKS OF INVESTMENT IN BIOTECHNOLOGY COMPANIES

There are a number of inherent risks associated with the development of biopharmaceutical products to a marketable stage. The lengthy clinical trial process is designed to assess the safety and efficacy of a drug prior to commercialisation and a significant proportion of drugs fail one or both of these criteria. Other risks include uncertainty of patent protection and proprietary rights, whether patent applications and issued patents will offer adequate protection to enable product development, the obtaining of necessary drug regulatory authority approvals and difficulties caused by the rapid advancements in technology. Companies such as Exopharm are dependent on the success of their research and development projects and on the ability to attract funding to support these activities. Investment in research and development projects cannot be assessed on the same fundamentals as trading and manufacturing enterprises. Therefore, investment in companies specialising in drug

development must be regarded as highly speculative. Exopharm strongly recommends that professional investment advice be sought prior to such investments.