PYC THERAPEUTICS

ASX ANNOUNCEMENT

12 October 2020

New drug for substantial unmet need added to PYC's pipeline

Highlights

PYC has again harnessed the power of the Company's approach to genetic medicine to create a potential therapy for patients suffering from Autosomal Dominant Optic Atrophy (ADOA) caused by mutations in the *OPA1* gene.

- PYC has added a **third drug development program** to the Company's pipeline after filing for intellectual property protection for a drug candidate for ADOA – a blinding eye disease affecting ~1 in every 30,000 people
- The program addresses an **unmet patient need** in a condition with **no therapies currently available** – ADOA patients will typically experience a period of rapid and significant loss of vision during childhood/adolescence leaving many patients legally blind
- ADOA caused by mutations in the *OPA1* gene arise because of an insufficient amount of protein required by cells in the eye due to a mutation in one copy of a single gene (*OPA1*)
- PYC's third drug program has demonstrated the ability to **correct this protein deficiency in cells derived from patients** with *OPA1* ADOA (to the **levels seen in healthy individuals**)
- This third drug program is again expected to have a **rapid path into clinical development** due to the synergies across PYC's drug programs (utilising the same proprietary drug delivery technology and antisense backbone chemistry as our lead program)

Announcement

PYC Therapeutics, (ASX: PYC) ('The Company' or 'PYC') is a precision medicine company developing new treatments for severe unmet patient needs. The Company advises that Vision Pharma Pty Ltd (PYC's 90% owned joint venture with the Lions Eye Institue) has filed for patent protection for a precision medicine for the treatment of Autosomal Dominant Optic Atrophy (ADOA) caused by mutations in the Optic Atrophy 1 (*OPA1*) gene. This drug will become the third program in PYC's drug development pipeline and is expected to have a rapid path into clinical development due to the ability to leverage both the Cell Penetrating Peptide (CPP) delivery technology and Antisense Oligonucleotide (ASO) backbone chemistry used in our more advanced lead drug program. This third drug program will be known as VP-002.

VP-002 benefits from the large body of work PYC has already conducted in pre-clinical development of its technology for delivering ASO drugs to the retina for blinding eye diseases. The Company has already generated evidence that:

i) PYC's proprietary drug delivery technology can successfully deliver a drug cargo into the target cell of interest in ADOA (the Retinal Ganglion Cells) in animal models; and

ii) the lead oligonucleotide sequence for this program can achieve a >100% increase in OPA1 protein levels in fibroblasts derived from patients with ADOA caused by OPA1 deficiency (see Figure 1 below).

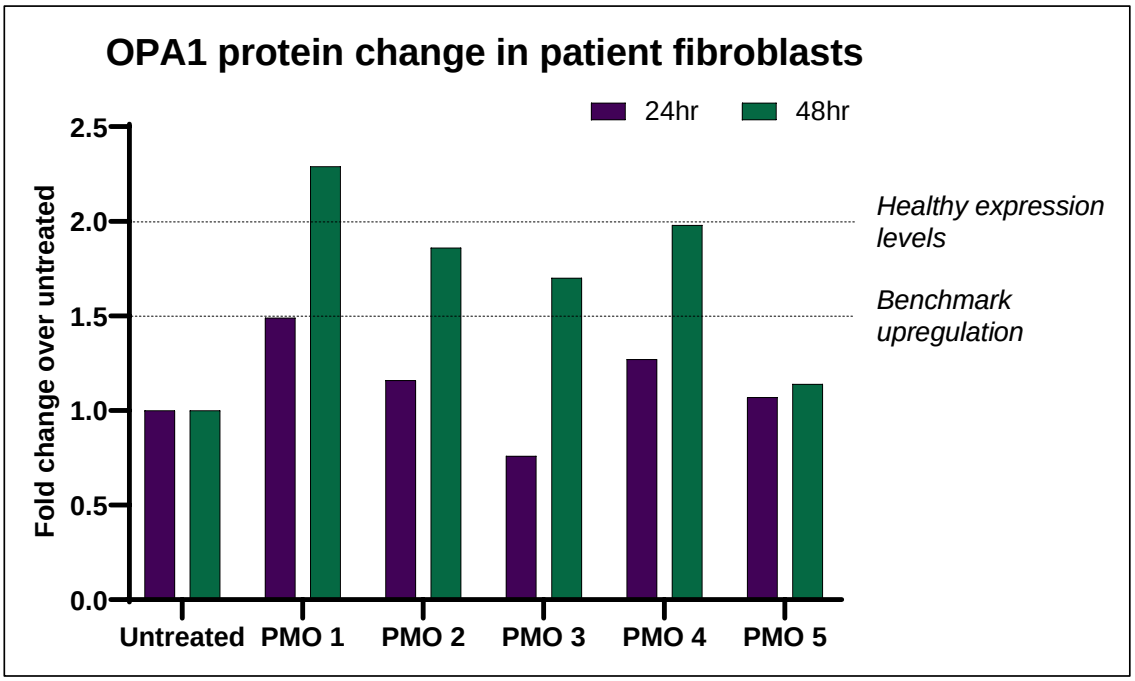

Figure 1 – OPA1 protein levels in fibroblasts from patients with OPA1 ADOA before and after treatment with a single 50µM dose of the ASO incorporated within VP-002[1]. PMO1 is the ASO selected to form the CPP-ASO (CPP-PMO) designated as VP-002 and the remaining PMOs (2 through 5) have also been protected in the intellectual property filing.

These results hold significant promise for *OPA1* ADOA patients and the program will now be progressed into advanced pre-clinical models to evaluate the efficacy of the candidate in complex patient-derived and/or animal models.

[1] See poster 'Antisense oligonucleotide mediated increase of OPA1 expression using TANGO technology for treatment of autosomal dominant optic atrophy' Fig.6 at *https://www.stoketherapeutics.com/wp-content/uploads/ASGCT2020_final.pdf*

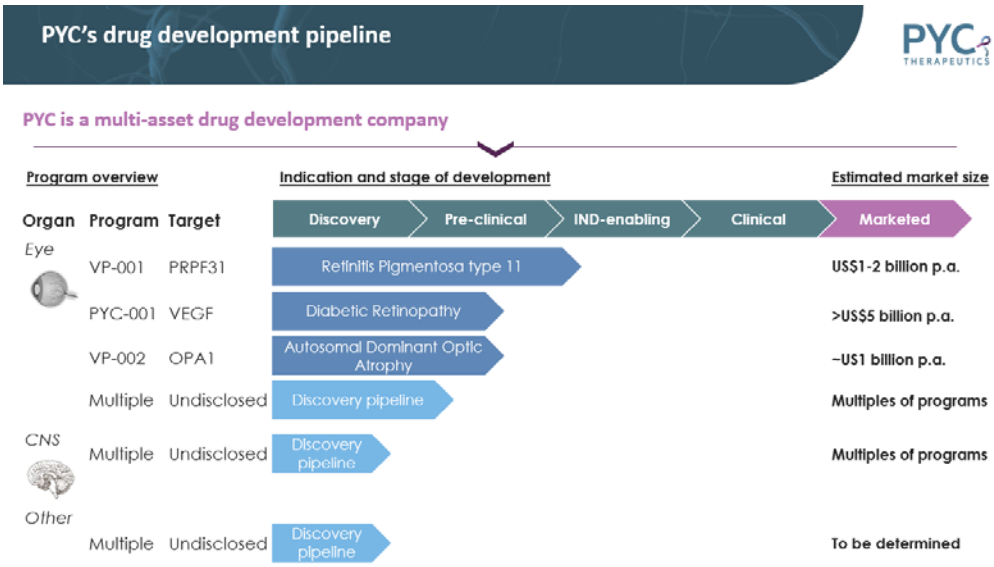

Fig 2 – Overview of PYC's drug development pipeline.

PYC's Chief Business Officer, Kaggen Ausma, commented on the development: *'PYC has now demonstrated the ability to scale its technology across multiple severe ocular indications in areas of unmet patient need. Importantly, this new asset shows that PYC can apply precision RNA therapeutic approaches to treat a broad range of diseases with the same attractive economics as VP-001. PYC has matured from a drug discovery company to a multi-asset drug developer on the verge of entering the clinic – all in a very short space of time'.*

This ASX announcement was approved and authorised for release by the Board of PYC Therapeutics Limited

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About PYC Therapeutics

PYC Therapeutics (ASX: PYC) is a drug development company solving a major challenge in the development of a revolutionary new class of drugs – delivering large drugs into cells. Cell Penetrating Peptides (CPPs) can overcome 'the delivery challenge' and provide access for a wide range of potent and precise drug 'cargoes' to the 'undruggable genome' – the highest value drug targets that exist inside cells. PYC Therapeutics is using its CPP platform to develop a pipeline of novel therapies with an initial focus on inherited retinal diseases.

Forward looking statements

Any forward-looking statements in this ASX announcement have been prepared on the basis of a number of assumptions which may prove incorrect and the current intentions, plans, expectations and beliefs about future events are subject to risks, uncertainties and other factors, many of which are outside the Company's control. Important factors that could cause actual results to differ materially from assumptions or expectations expressed or implied in this ASX announcement include known and unknown risks. Because actual results could differ materially to assumptions made and the Company's current intentions, plans, expectations and beliefs about the future, you are urged to view all forward-looking statements contained in this ASX announcement with caution. The Company undertakes no obligation to publicly update any forward-looking statement whether as a result of new information, future events or otherwise.

This ASX announcement should not be relied on as a recommendation or forecast by the Company. Nothing in this ASX announcement should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.

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