

For Immediate Release

DIMERIX AWARDED SECOND INNOVATION CONNECTIONS GRANT

MELBOURNE, Australia, 23 October 2019: Dimerix Limited (ASX: DXB), a clinical-stage drug development company, announced today that it has been awarded a second Innovation Connections Grant, which is supported by the Australian Government's Department of Industry, Innovation and Science. This follows on from the initial Innovation Connections grant awarded to Dimerix in November 2018, under which DMX-700 for Chronic Obstructive Pulmonary Disease (COPD) was identified.

The grant of \$50,000, which will be matched by Dimerix, will utilise expertise at the Harry Perkins Institute of Medical Research ('Perkins') and University of Western Australia (UWA), and will fund further research on molecular pharmacology profiling of targets of interest to Dimerix, including DMX-700. The project will be overseen by Professor Kevin Pfleger, Director Biomedical Innovation at UWA and Head of Molecular Endocrinology and Pharmacology at the Perkins.

The pharmacological profiling of DMX-700 and other drug targets under the grant is aligned with Dimerix's Receptor-Heteromer Investigation Technology (Receptor-HIT) from which Dimerix development candidates (DMX-200, currently in two Phase 2 clinical trials for kidney disease, and DMX-700, for Chronic Obstructive Pulmonary Disease) were developed. Dimerix' Receptor-HIT technology platform enables understanding of receptor interactions to rapidly screen and identify new drug opportunities.

"This welcome source of non-dilutive funding provides support for our ongoing research and development activities," said Dr Nina Webster, CEO and Managing Director of Dimerix. "The project will leverage the expertise of Professor Kevin Pfleger, one of the inventors of the Receptor-HIT platform, and is well timed with our plans to diversify our drug candidate portfolio. We look forward to updating the market on these activities in due course."

For further information, please visit our website at www.dimerix.com or contact:

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About Dimerix

Dimerix (ASX: DXB) is a clinical-stage biopharmaceutical company developing innovative new therapies in areas with unmet medical needs for global markets. Dimerix is currently developing its proprietary product DMX-200 for both Diabetic Kidney Disease and Focal Segmental Glomerulosclerosis (FSGS). DMX-200 was identified using Dimerix' proprietary assay, Receptor Heteromer Investigation Technology (Receptor-HIT), which is a scalable and globally applicable technology platform enabling the understanding of receptor interactions to rapidly screen and identify new drug opportunities. Receptor-HIT is licensed non-exclusively to Excellerate Bioscience, a UK-based pharmacological assay service provider with a worldwide reputation for excellence in the field of molecular and cellular pharmacology.

About DMX-200

DMX-200 is the adjunct therapy of a chemokine receptor (CCR2) antagonist administered to patients already receiving irbesartan, an angiotensin II type I (AT1) receptor blocker and the standard of care treatment for kidney disease. DMX-200 has granted patents in various territories until 2032.

In 2017, Dimerix completed its first Phase 2a study in patients with a range of chronic kidney diseases. No significant adverse safety events were reported, and all study endpoints were achieved. In a subsequent sub-group analysis, significant clinical efficacy signals were seen in the diabetic group.

DMX-200 administered to patients already taking irbesartan reduced proteinuria levels by a further 36%. This reduction in proteinuria is highly correlated with improved renal function and delay in kidney failure and dialysis. The compelling results from this study prompted the decision to initiate two different clinical studies in 2018: one for patients with Diabetic Kidney Disease; and the second for patients with another form of kidney disease, Focal Segmental Glomerulosclerosis (FSGS).

FSGS is a serious and rare disease that attacks the kidney's filtering units (glomeruli) causing serious scarring which leads to permanent kidney damage and kidney failure and for which there is a recognised medical need for a new or improved treatment. FSGS affects both children and adults.

DMX-200 for FSGS has been granted Orphan Drug Designation by the FDA and EMA. Orphan Drug Designation is granted to support the development of products for rare diseases and qualifies Dimerix for various development incentives including: seven years (FDA) and ten years (EMA) of market exclusivity if regulatory approval is received, exemption from certain application fees, and an abbreviated regulatory pathway to approval.

About DMX-700

COPD is a progressive and life-threatening lung disease. The primary cause of COPD is exposure to tobacco smoke (either active smoking or secondary smoke), however is also caused by exposure to indoor and outdoor air pollution, occupational dusts and fumes and long-term asthma. COPD is the fourth-leading cause of death in the world and although treatments exist to improve the symptoms of COPD, there is currently no way to slow progression of the condition or cure it. Moreover, among the top five causes of death globally, this disease is the only one with increasing mortality rates. The global COPD treatment market was valued at US\$14 billion in 2017 and is projected to increase at a compound annual growth rate of 4.9% to 2026.

Initial studies have been completed, and Dimerix has completed a key step in securing ownership over what it believes is an important new drug discovery by lodging a provisional patent application for DMX-700. Over the next 12 months Dimerix will conduct further proof of concept studies to perform the value added verification in support of a robust product development pathway and patent position.