ASX ANNOUNCEMENT

March quarterly business update and Appendix 4C

30 April 2024

THE WORLD RESEARCH COMMUNITY AND PROMEGA TO PROVE EXO-NET AS A PLATFORM TECHNOLOGY

In lodging the quarterly business update, new Chairman David Williams said "IIQ has a unique offering that is partly de-risked by having its technology launched in the market. Better still, starting now, our product will be in the hands of researchers around the globe and combined with great Promega technology, can be expected to yield new cancer test applications. While we are pursuing our own tests and trials in breast and ovarian cancers and neurological disorders, researchers and companies will be investigating a myriad of other uses for exosomes and we are earning revenue from it."

Mr Williams went on to say that "my experience is that a company develops and launches its test and the clinicians find new applications. The attractive position INOVIQ has is that we are developing our own tests for breast and ovarian cancers and neurological disorders, but running alongside this is the worldwide research community using (and paying for) our exosome technology to find other applications."

- Global supply and distribution agreement for EXO-NET signed with a leading US life sciences company, Promega Corporation
- Promega will quickly get our enabling technology into the hands of researchers across the globe who we expect to develop other significant uses for exosomes
- First revenues earned from Promega plus service fees from a research agreement with a European biotechnology company
- Breast Cancer **monitoring study** results demonstrate INOVIQ's neuCA15-3 test detects 19% more **breast** cancers than the leading test
- Successful completion of **analytical validation study** for INOVIQ's neuCA125 blood test for **ovarian** cancer
- Intellectual property for exosome platform expanded with new patent application protecting INOVIQ's cutting-edge technology for isolation of therapeutic exosomes
- Focus on improving shareholder communication and describing the company technology
- Cash balance of $4.51m as at 31 March 2024
- New publication on the use of extracellular vesicles for non-invasive prenatal testing to manage pregnancy complications

1 EXOSOMES

CAPTURE TECHNOLOGY

INOVIQ has developed the ability to capture exosomes in quantity and at speed, so they can be used by researchers looking to apply them to new applications

During the quarter, INOVIQ received its first order for its EXO-NET capture tool from the US based Promega Corporation, a global provider of research tools and technologies. It also received its first EXO-NET service revenue from a biotechnology company to evaluate EXO-NET for development of an exosome diagnostic.

The importance of these orders and the role Promega plays should not be underestimated. They put tools in the hands of researchers that can take the technology in many directions and prove the value of EXO-NET as a platform technology for biomarker discovery for diagnostics, monitoring and ultimately therapeutics.

INOVIQ and Promega assessed customer needs and developed, validated and promoted exosome solutions for high-throughput exosome isolation and RNA extraction for biomarker discovery. The companies have also jointly delivered several scientific posters and webinars on high-throughput exosome solutions. Mr Williams said "it is exciting to anticipate what might be coming down the track from researchers."

The distribution agreement with Promega is to sell INOVIQ's Capture products worldwide. The agreement leverages the speed and efficiency of EXO-NET but adds Promega's nucleic acid purification systems to offer world-class exosome solutions to researchers for manual, automated and high-throughput exosome isolation and nucleic acid extraction. This should lead to transformative research around the globe.

INOVIQ is active in business development with exosome key opinion leaders, core facilities for research, contract research organisations, and biotechnology/pharmaceutical companies developing exosome diagnostics. Excitingly, Promega is applying AI to this task and for marketing.

RESEARCH

Brain

INOVIQ is refining and isolating brain-derived exosomes. This uses antibodies to capture surface proteins found on exosomes released by brain cells. Brain-derived exosomes have potential applications for brain cancer, neuropsychiatric disorders and neurodegenerative diseases.

INOVIQ is progressing validation studies in Alzheimer's Disease and Parkinson's Disease blood samples. The company estimates it will report data on these studies in 2Q CY24.

Ovarian

The Ovarian Cancer Screening test is an exosome multi-marker test in development for high-risk women.

INOVIQ has an ovarian cancer sample biobank which it will use in a planned biomarker validation study estimated to start in 2H CY24.

Therapeutics

In addition to diagnostics and monitoring, INOVIQ is developing exosome therapeutics to target and kill cancer. Weaponised exosomes derived from immune cells have the potential to be cell-free therapeutics, with potential manufacturing and safety advantages over autologous cell

therapies. Immune cell-derived exosomes inherit the same tumour-targeting and cytotoxic capabilities as their parent CAR-T/CAR-NK cells, targeting and killing cancer cells.

During the quarter, multiple in-house studies were performed including evaluation of various immune cell lines that release exosomes, design and testing of proprietary cancer antigens to target solid tumours, assessment of the purity and yield of exosomes isolated, and *in vitro* efficacy studies to evaluate killing activity of weaponised exosomes in various cancer cell lines. The Company expects to start to report data on its therapeutics program, starting in circa 2Q CY24.

Presentations and publications

On 14 March 2024, INOVIQ CSO Professor Greg Rice delivered a Promega hosted webinar presentation entitled *New Advances in Extracellular Vesicle miRNA Research Using High-Throughput Affinity Capture*. A recording of the webinar is available here.

On 19 March 2024, INOVIQ announced a paper, co-authored by Professor Rice, entitled *IFPA Joan Hunt senior award in placentology lecture: Extracellular vesicle signalling and pregnancy* had been published online in *Placenta* and is available here. The paper highlights the use of extracellular vesicles for non-invasive prenatal testing to manage pregnancy complications and the critical need for specific and scalable exosome isolation methods.

INOVIQ also submitted a paper on its exosome isolation product entitled *High-Throughput Surface Epitope Immunoaffinity Isolation of Extracellular Vesicles and Downstream Analysis* to a leading peer-reviewed journal and is expected to be online in May. The paper provides analytical and clinical data demonstrating that **EXO-NET is a fast, efficient and scalable method for isolating enriched populations of EVs for biomarker discovery and the development of diagnostics**.

There are a number of abstracts about INOVIQ's next-generation exosome isolation technology with presentations by INOVIQ, Promega and key research collaborators (WEHI and University of Queensland) at upcoming conferences. INOVIQ expects its research to provide ideas for researchers around the globe but expects research to start flowing the other way as researchers employ our technology.

2 SUBB2M TECHNOLOGY

TEST FOR BREAST CANCER MONITORING

A simple, accurate and affordable blood test for monitoring breast cancer in women. The immunoassay has been designed using a CA15-3 capture antibody combined with INOVIQ's proprietary detection reagent that ensures the test detects CA15-3 produced by cancer cells, resulting in improved specificity for cancer and potentially less false positives.

During the quarter, INOVIQ announced the successful completion of its breast cancer **monitoring study** (n=277). The aim of the study was to demonstrate the performance of INOVIQ's test for detection of breast cancer subtypes and post-treatment monitoring compared with an FDA cleared test (Roche Elecys). The subtype arm evaluated 159 pre-treatment serum samples across three subtypes and was shown to detect all breast cancer subtypes. The monitoring arm measured CA15-3 concentrations obtained from 12 women before treatment and up to 5 timepoints post-treatment and showed equivalence between INOVIQ's test and the comparator test for monitoring breast cancer. Overall, the test outperformed the FDA approved test by correctly identifying 19% more histologically-confirmed breast cancers.

The test has been clinically validated to detect breast cancer across all stages, key breast cancer types and subtypes, and is effective for breast cancer monitoring. INOVIQ is finalising its data package to present to potential partners and key opinion leaders to secure a laboratory partner in the US for

commercialisation of the test. The Company will also sponsor an in-clinic study of the test for monitoring treatment response.

TEST FOR OVARIAN CANCER MONITORING

This test is a simple, accurate and affordable blood test developed for monitoring ovarian cancer. The immunoassay has been designed using a CA125 capture antibody combined with INOVIQ's proprietary SubB2M detection reagent that ensures the test detects CA125 produced by cancer cells, resulting in improved specificity for cancer and potentially less false positives.

On 19 April 2024, INOVIQ announced the successful completion of an **analytical validation study** for its SubB2M blood test for ovarian cancer. Overall, the test correctly identified 85% of all samples tested including 76% of the cancer samples and 94% of the cancer free samples.

Analytical validation confirms that the test is working properly and can reliably detect women with ovarian cancer. Pleasingly, the test performed equivalent to a comparator FDA approved test using all-stage ovarian cancer and healthy control samples, demonstrating discrimination between case and control samples.

INOVIQ intends to refine the test design and to move to clinical validation for monitoring ovarian cancer treatment response. Further information on the SubB2M cancer monitoring program and the difference between **analytical** and **clinical validation** is available at SubB2M CA125 | INOVIQ.

3 INTELLECTUAL PROPERTY

During the quarter, INOVIQ announced it had expanded its exosome intellectual property (IP) portfolio by filing an Australian Provisional Patent Application entitled *Resin compositions and methods of use* protecting its cutting-edge EXO-ACE technology for large scale isolation of exosomes for therapeutic use.

4 FINANCIAL UPDATE

INOVIQ held $4.510m in cash as at 31 March 2024 to support its strategic and operational requirements.

Operating cash receipts during the quarter included:

- $119k of receipts from customers during the quarter (December quarter - $188k); and
- Received $64k of bank interest (December 2023 quarter - $77k).

Net cash used in operating activities for the quarter was $1,443k with the main outflows being:

- Research and Development (R&D) expenditure of $638k (December 2023 quarter - $604k);
- Non-R&D staff costs of $424k (December 2023 quarter - $442k); and
- Administration, corporate and leased asset costs of $424k (December 2023 quarter - $445k).

5 CORPORATE UPDATE

Investor Events

On 12 April 2024, Dr Leearne Hinch delivered an investor presentation at the *ShareCafe - Hidden Gems* webinar. A recording of the presentation is available here.

On 18 April 2024, David Williams hosted an *Investor Update webinar* with INOVIQ executives and VIP guests from Promega (Sara Mann, VP Commercial Excellence) and Cartherics (Alan Trounson, CEO & Executive Director). A recording of the presentation is available here.

- ENDS -

Authorised for release by the INOVIQ Limited Board of Directors.

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ABOUT INOVIQ LTD

INOVIQ Ltd (ASX:IIQ) is a biotechnology company developing next-generation diagnostics and therapeutics for cancer. INOVIQ has commercialised its fast, efficient and scalable EXO-NET exosome isolation technology for biomarker discovery and diagnostics development, and the hTERT test as an adjunct test for bladder cancer. The company is advancing clinical-stage diagnostics for detection and monitoring of ovarian and breast cancers, and early-stage exosome therapeutics for solid tumours. Learn more about INOVIQ at www.inoviq.com.

Appendix 4C

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

Name of entity	
INOVIQ LIMITED	
ABN	**Quarter ended ("current quarter")**
58 009 070 384	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	119	399
1.2	Payments for		
	(a) research and development (*including allocated staff costs)*	(638)	(1,821)
	(b) advertising and marketing	(67)	(180)
	(c) product manufacturing and operating costs	(63)	(76)
	(d) staff costs (*other than R&D staff)*	(424)	(1,258)
	(e) administration and corporate costs	(341)	(1,099)
	(f) leased assets	(83)	(242)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	64	224
1.5	Interest and other costs of finance paid	(10)	(33)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	949
1.8	Other	-	-
1.9	**Net cash from / (used in) operating activities**	**(1,443)**	**(3,137)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(g) entities	-	-
	(h) businesses	-	-
	(i) property, plant and equipment	(23)	(153)
	(j) investments	-	-
	(k) intellectual property	-	(14)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
	(l) 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	-	-
2.6	**Net cash from / (used in) investing activities**	**(23)**	**(167)**

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**	**-**	**-**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	5,974	7,813
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,443)	(3,137)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(23)	(167)
4.4	Net cash from capital raising (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	2	1
4.6	**Cash and cash equivalents at end of period**	**4,510**	**4,510**

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	689	953
5.2	Call deposits	3,821	5,021
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)**	**4,510**	**5,974**

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	75
6.2	Aggregate amount of payments to related parties and their associates included in item 2	40

Payments in 6.1 relate to Director fees and superannuation paid during the quarter.

Payments in 6.2 relate to payment of advisory fees during the quarter to Kidder Williams, a related party of Company Chair, David Williams.

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	20	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	20

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.

Relates to the corporate credit card facility with the National Australia Bank.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(1,443)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	4,510
8.3	Unused finance facilities available at quarter end (Item 7.5)	20
8.4	Total available funding (Item 8.2 + Item 8.3)	4,530
8.5	**Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**	3.1

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: 30 April 2024

Authorised by: By the Board of Directors

Authorised for release by Company Secretary – Mark Edwards
(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.