



9 July 2018

Cheng Tang

Senior Adviser, ASX Listings Compliance (Melbourne)

Dear Cheng,

In response to your questions outlined in the Letter, dated 6 July to Paradigm's Company Secretary Mr Kevin Hollingsworth, we provide the following information:

1. The Company is not aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in the Company's securities.
2. Not applicable.
3. The Company believes that a possible explanation for the recent trading in its securities is due to the following factors:
 - The ASX announcement dated the 15th June titled "PAR – 50% Reduction in Osteoarthritis Pain Maintained" which details that 75 patients over three different Therapeutics Goods Administration (TGA) Special Access Scheme (SAS) groups have reported a consistent 50% or more reduction in OA pain whilst being treated with injectable Pentosan Polysulfate Sodium (iPPS), something that the Company considers very significant in addressing Osteoarthritis (OA) pain and especially in the context of the upcoming OA Phase 2b randomised, double-blind placebo-controlled multicentred clinical trial, due to read-out result in Q4CY2018.
 - There has been significant recent press coverage on both Paradigm Biopharmaceuticals Ltd (Paradigm) and its treatment, injectable Pentosan Polysulfate Sodium (iPPS), namely:
 - o The Advertiser Sunday Mail – article published 1st July 2018 and titled "Jake Shrugs off Blues" referring to the successful treatment of a SANFL football player.
 - o Stockhead Publication – article published 3rd July 2018 and titled "Here are five biotechs that smashed the ASX200's performance in 2018".
 - o BioShares publication, edition 750, published on 29th June 2018 – detailing PAR's share price performance and upcoming clinical trial read-outs.
 - In addition, Paradigm has an ongoing investor marketing program and is starting to attract new retail and institutional investors to its share register.

Paradigm BioPharmaceuticals Ltd

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Web: <http://paradigmbiopharma.com/>

4. The Company confirms it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
5. The Company's responses to the questions above have been authorised and approved by an officer of PAR with delegated authority from the board to respond to ASX on disclosure matters.

Please do not hesitate to contact me if further information is required.

Yours sincerely



Digitally signed
by Paul Rennie
Date: 2018.07.08
23:19:53 +09'30'

Paul Rennie
Director and MD
Paradigm Biopharmaceutucials Ltd



6 July 2018

Mr Kevin Hollingsworth

Company Secretary

By email: kevin@Hollingsworthandco.com.au

Dear Mr Hollingsworth

Paradigm Biopharmaceuticals Limited (“PAR”): price query

We note the change in the price of the PAR’s securities from a low of 72.5 cents to an intraday high of 90 cents today.

We also note the elevated volumes of PAR’s securities traded today.

In light of this, ASX asks PAR to respond separately to each of the following questions and requests for information:

1. Is PAR aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?

In responding to this question, please consider in particular whether PAR is aware of any information that its earnings for the 12 month period ending on 30 June 2018:

- a) are likely to differ materially (downwards or upwards) from any earnings guidance it has given for the period; or
- b) if PAR has not given any earnings guidance for the period, are otherwise likely to come as a surprise to the market (by reference to analyst forecasts for the period or, if PAR is not covered by analysts, its earnings for the prior corresponding period)?

2. If the answer to question 1 is “yes”:

- a) Is PAR relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

Please note that the recent trading in PAR’s securities would suggest to ASX that such information may have ceased to be confidential and therefore PAR may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.

- b) Can an announcement be made immediately?

Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).

- c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?

3. If the answer to question 1 is “no”, is there any other explanation that PAR may have for the recent trading in its securities?

4. Please confirm that PAR is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

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5. Please confirm that PAR's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of PAR with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than half an hour before the start of trading (ie before 9.30 am AEST) on Monday, 9 July 2018. If we do not have your response by then, ASX will have no choice but to consider suspending trading in PAR's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, PAR's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at cheng.tang@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to PAR's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that PAR's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in PAR's securities under Listing Rule 17.1.

If you wish to request a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Kind regards

[Sent electronically without signature]

Cheng Tang

Senior Adviser, Listings Compliance (Melbourne)