November 13, 2017

DelMar Pharmaceuticals Announces First Quarter Fiscal Year 2018 Financial Results

- Company will host a business update conference call and webcast on Tuesday, November 14, 2017 at 4:30 PM EST -

VANCOUVER, British Columbia and MENLO PARK, Calif., Nov. 13, 2017 /PRNewswire/ -- DelMar Pharmaceuticals, Inc. (NASDAQ: DMPI) ("DelMar" or the "Company"), a biopharmaceutical company focused on the development of new cancer therapies, announced its financial results for the first quarter ended September 30, 2017. DelMar executive management will host a business update conference call and live webcast for investors, analysts and other interested parties on Tuesday, November 14, 2017 at 4:30 p.m. Eastern Standard Time.

KEY DEVELOPMENTS

- Initiated the STAR-3 pivotal Phase 3 clinical trial of VAL-083 in refractory GBM and enrolled its first patient.
- Initiated patient recruitment for an open label Phase 2 clinical trial of VAL-083 in newly diagnosed patients with MGMT-unmethylated GBM.
- Received a notice of allowance from the FDA to commence with a Phase 1/2 VAL-083 REPROVe clinical trial in platinum-resistant ovarian cancer.
- Presented new data and promising research results at peer-reviewed scientific meetings supporting the potential of VAL-083 in the glioblastoma and ovarian cancer treatment landscape.
- Granted a new patent from the U.S. Patent and Trademark Office covering improved analytical methods related to the manufacturing of VAL-083.
- Completed offerings of common stock and warrants for aggregate gross proceeds of approximately $19.0 million.

"I am extremely pleased with the progress achieved this past quarter across clinical and corporate development fronts. As we transition to a late stage development company with a balanced pipeline of oncology indications, including a pivotal Phase 3 study, I am looking forward to playing an integral role in guiding the company to its next phase of growth," commented Saiid Zarrabian, Interim Chief Executive Officer.

The first quarter of 2018 proved to be an important period for the clinical development of the VAL-083 pipeline of therapeutic candidates. In July, the Company initiated its pivotal Phase 3 **S**tudy in **T**emozolomide-**A**vastin **R**ecurrent GBM ("STAR-3") and during the quarter enrolled our first patient. The STAR-3 GBM trial is an adaptive design, randomized, controlled, pivotal Phase 3 clinical trial to assess the efficacy and safety of VAL-083 versus salvage therapy in patients with late-stage glioblastoma multiforme (GBM) whose disease

has progressed following prior treatment with temozolomide and Avastin, for whom there is currently no standard-of-care therapy. A total of up to 180 eligible patients will be randomized at approximately 25 centers in the United States to receive VAL-083 or "investigator's choice salvage therapy" in a 2:1 fashion. The primary endpoint of the trial is overall survival of VAL-083 versus a control arm consisting of physician's choice of temozolomide, lomustine or carboplatin chemotherapy. The statistical design between the two arms of the study is 90% power, and includes an interim analysis at 50% of events.

In September, DelMar initiated patient recruitment for an open label Phase 2 clinical trial of VAL-083 in newly diagnosed patients with MGMT-unmethylated GBM. The study will enroll 20-30 newly diagnosed GBM patients whose tumors exhibit high-expression of the DNA-repair enzyme O^6-methylguanine methyltransferase (MGMT) and will be treated with VAL-083 in combination with radiotherapy to examine the safety and efficacy of VAL-083 in this population. The primary efficacy endpoint of this trial is progression free survival (PFS). Results will be used to guide the design of global randomized studies, which if successful, will position VAL-083 as a potential replacement for the current standard-of-care (chemoradiation with temozolomide) in newly diagnosed GBM patients, particularly for the approximately 2/3 of patients whose tumors feature MGMT-unmethylated GBM. Patients with an unmethylated-MGMT promoter express high levels of MGMT, which inhibits the anti-tumor activity of temozolomide, the current standard-of-care chemotherapy used in the treatment of GBM, resulting in treatment resistance and poor patient outcomes.

Also in September, the Company received a notice of allowance from the FDA to commence with a multi-center Phase 1/2 Study of VAL-083 in patients with **Re**current **P**latinum **R**esistant **Ov**arian Cancer ("VAL-083 REPROVe Trial"). Ovarian cancer remains the leading cause of death among women with gynecological cancers and the fifth most frequent cause of cancer deaths in women overall. The American Cancer Society estimates that in 2017, approximately 22,440 women in the US will be diagnosed with ovarian cancer and approximately 14,080 will die from their disease. The majority of these deaths were patients whose tumors had become resistant to platinum-based chemotherapy regimens. Currently, there are no high-efficacy therapeutic options for platinum-resistant ovarian cancer, leaving these cancer patients with very poor prognosis. DelMar plans to initiate the REPROVe trial as soon as practicable.

Throughout the period, DelMar presented new data and promising research results supporting the therapeutic potential of VAL-083 at peer-reviewed scientific conferences. Highlights included, presenting data supporting the effectiveness of VAL-083 in the treatment of GBM at the annual meetings of the American Society for Clinical Oncology ("ASCO"), the American Association of Cancer Research ("AACR"), the World Federation of NeuroOncology Societies ("WFNOS"), the European Association for NeuroOncology and the recent AACR Special Conference on Ovarian Cancer.

On the corporate development front, DelMar continued to enhance its operational capabilities and overall positioning. In September, the U.S. Patent and Trademark Office granted DelMar a new patent covering improved analytical methods related to manufacturing of VAL-083. The patent strengthens the Company's control over VAL-083's manufacturing process. VAL-083 is currently protected by eight US patents and eight patents outside of the US, with issued claims providing patent protection into 2033 in the United States.

In April and September, DelMar completed offerings of common stock and warrants for aggregate gross proceeds of approximately $19.0 million. The Company intends to use the net proceeds of these offerings for clinical trials and general corporate purposes, which may include working capital, capital expenditures, research and development and other business initiatives

SUMMARY OF FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2017

At September 30, 2017, the Company had cash and clinical trial deposits on hand of approximately $14.1 million (unaudited).

For the quarter ended September 30, 2017, the Company reported a net loss of $2,666,406 or $(0.18) per share, compared to a net loss of $2,290,339, or $(0.23) per share, for the quarter ended September 30, 2016.

The following represents selected financial information as of September 30, 2017. The Company's financial information has been prepared in accordance with U.S. GAAP and this selected information should be read in conjunction with DelMar's consolidated financial statements and management's discussion and analysis ("MD&A"), as filed.

DelMar's financial statements as filed with the U.S. Securities Exchange Commission can be viewed on the company's website at: http://ir.delmarpharma.com/all-sec-filings.

Selected Balance Sheet Data

	September 30, 2017 $	June 30, 2017 $
Cash and cash equivalents	13,156,485	6,586,014
Working capital	12,888,140	6,566,371
Total assets	14,448,163	7,911,021
Derivative liability	4,660	61,228
Total stockholders' equity	12,918,754	6,578,524

Selected Statement of Operations Data

For the three months ended:

	September 30, 2017 $	September 30, 2016 $
Research and development	1,934,643	732,729
General and administrative	744,621	1,316,639
Change in fair value of stock option and derivative liabilities	(56,568)	225,688
Foreign exchange loss	43,866	15,324
Interest income	(156)	(41)
Net and comprehensive loss for the period	2,666,406	2,290,339

Series B Preferred stock dividend	41,666	307,298
Net and comprehensive loss available to common stockholders	2,708,072	2,597,637
Basic weighted average number of shares outstanding	15,292,781	11,301,989
Basic and fully diluted loss per share	0.18	0.23

Excluding the impact of non-cash expense, research and development expenses increased to $1,939,617 during the current quarter compared to $676,892 for the same period in the prior year. The increase was largely attributable to VAL-083 clinical development and manufacturing costs related to the Company's pivotal STAR-3 refractory-GBM clinical trial and two Phase 2 clinical trials in MGMT-unmethylated GBM, all of which were initiated during the past 9 months.

Excluding the impact of non-cash expenses, general and administrative expenses decreased in the quarter ended September 30, 2017 to $676,258 compared to $726,414 for the quarter ended September 30, 2016.

Based on current estimates, the Company believes that it will be able to fund operations beyond the next 12 months.

CONFERENCE CALL DETAILS

DelMar plans to host a conference call to discuss its financial results for the quarter ended September 30, 2017 and provide a corporate update on Tuesday, November 14, 2017, at 4:30 p.m. Eastern Time. For both "listen-only" participants and those who wish to take part in the question and answer portion of the call, the telephone Dial-in Number is **1 866 831 8713** (toll free) with Conference ID **DELMAR**.

A replay of the conference call will be available on the IR Calendar of the Investors section of the Company's website at www.delmarpharma.com and will be archived for 30 days.

About DelMar Pharmaceuticals, Inc.

DelMar Pharmaceuticals is focused on the development and commercialization of new therapies for cancer patients who have limited or no treatment options. By focusing on understanding tumor biology and mechanisms of treatment resistance, the Company identifies biomarkers to personalize new therapies in indications where patients are failing, or have become intolerable to modern targeted or biologic treatments.

The Company's current pipeline is based around VAL-083, a "first-in-class," small-molecule chemotherapeutic with a novel mechanism of action that has demonstrated clinical activity against a range of cancers including central nervous system, ovarian and other solid tumors (e.g. NSCLC, bladder cancer, head & neck) in U.S. clinical trials sponsored by the NCI. Based on DelMar's internal research programs and these prior NCI-sponsored clinical studies, the Company is conducting clinical trials to support the development and commercialization of VAL-083 across multiple oncology indications to solve significant unmet medical needs.

VAL-083 is also being studied in two collaborator-supported, biomarker driven, Phase 2 clinical trials for MGMT-unmethylated GBM. Overcoming MGMT-mediated resistance represents a significant unmet medical need in the treatment of GBM. DelMar also recently

announced the allowance of a separate IND for VAL-083 as a potential treatment for platinum-resistant ovarian cancer.

Further information on DelMar's clinical trials can be found on clinicaltrials.gov: https://www.clinicaltrials.gov/ct2/results?cond=&term=val-083&cntry1=&state1=&recrs

For further information, please visit http://delmarpharma.com/; or contact DelMar Pharmaceuticals Investor Relations: ir@delmarpharma.com / (604) 629-5989.

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Safe Harbor Statement

Any statements contained in this press release that do not describe historical facts may constitute forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Any forward-looking statements contained herein are based on current expectations, but are subject to a number of risks and uncertainties. The factors that could cause actual future results to differ materially from current expectations include, but are not limited to, risks and uncertainties relating to the Company's ability to develop, market and sell products based on its technology; the expected benefits and efficacy of the Company's products and technology; the availability of substantial additional funding for the Company to continue its operations and to conduct research and development, clinical studies and future product commercialization; and, the Company's business, research, product development, regulatory approval, marketing and distribution plans and strategies. These and other factors are identified and described in more detail in our filings with the SEC, including, our current reports on Form 8-K.

DelMar Pharmaceuticals, Inc.
Consolidated Balance Sheet

(in US dollars unless otherwise noted)

	Note	June 30, 2017 $	June 30, 2016 $
Assets			
Current assets			
Cash		6,586,014	6,157,264
Prepaid expenses and deposits	8	1,208,122	144,131
Taxes and other receivables		76,595	18,387
		7,870,731	6,319,782
Intangible assets - net		40,290	36,017
		7,911,021	6,355,799
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		1,182,312	584,002
Related party payables	6	88,957	43,444
Current portion of derivative liability	4	33,091	-

		1,304,360	627,446
Stock option liability	5	-	175,875
Derivative liability	4	28,137	693,700
		1,332,497	1,497,021
Stockholders' accumulated equity			
Preferred stock			
Authorized			
5,000,000 shares, $0.001 par value			
Issued and outstanding			
278,530 Series A shares at June 30, 2017 (June 30, 2016 – 278,530)	3,5	278,530	278,530
881,113 Series B shares at June 30, 2017 (June 30, 2016 – 902,238)	5	6,146,880	6,294,255
1 special voting share at June 30, 2017 (June 30, 2016 – 1)		-	-
Common stock			
Authorized			
50,000,000 shares, $0.001 par value 14,509,633 issued at June 30, 2017 (June 30, 2016 – 11,187,023)	5	14,510	11,187
Additional paid-in capital	5	36,665,285	28,833,105
Warrants	5	4,570,574	1,658,382
Accumulated deficit		(41,118,433)	(32,237,859)
Accumulated other comprehensive income		21,178	21,178
		6,578,524	4,858,778
		7,911,021	6,355,799

DelMar Pharmaceuticals, Inc.
Consolidated Statement of Operations and Comprehensive Loss

(in US dollars unless otherwise noted)

	Note	Year ended June 30, 2017 $	Year ended June 30, 2016 $
Expenses			

Research and development	6	5,003,640	3,360,878
General and administrative	6	3,317,189	2,853,140
		8,320,829	6,214,018
Other loss (income)			
Change in fair value of stock option and derivative liabilities	4,5	(245,963)	2,341,660
Change in fair value of derivative liability due to change in warrant terms	4,5	-	295,456
Foreign exchange loss		7,355	13,838
Interest income		(457)	(108)
		(239,065)	2,650,846
Net and comprehensive loss for the year		8,081,764	8,864,864
Computation of basic loss per share			
Net and comprehensive loss for the year		8,081,764	8,864,864
Series B Preferred stock dividend	5	790,454	238,326
		8,872,218	9,103,190
Basic and fully diluted loss per share		0.74	0.83
Basic weighted average number of shares		12,047,079	10,948,481

The accompanying notes are an integral part of these consolidated financial statements.

DelMar Pharmaceuticals, Inc.
Consolidated Statement of Cash Flows

(in US dollars unless otherwise noted)

		Years ended June 30,	
		2017	2016
	Note	$	$
Cash flows from operating activities			
Loss for the period		(8,081,764)	(8,864,864)
Items not affecting cash			
Amortization of intangible assets		16,683	10,288
Change in fair value of stock option and derivative liabilities	4,5	(245,963)	2,341,660
Change in fair value of derivative liability due change in warrant terms	4,5	-	295,456
Shares issued for services	5	564,000	146,900
Warrants issued for services	5	81,602	647,902
Stock option expense	5	124,747	394,132
Changes in non-cash working capital			
Prepaid expenses and deposits	8	(1,063,991)	100,907
Taxes and other receivables		(58,208)	7,444

Accounts payable and accrued liabilities		598,310	(178,263)
Related party payables	6	45,513	(47,376)
		(8,019,071)	(5,145,814)
Cash flows from investing activities			
Intangible assets - website development costs		(20,956)	(16,762)
		(20,956)	(16,762)
Cash flows from financing activities			
Net proceeds from the issuance of shares and warrants	5	7,932,107	2,453,633
Net proceeds from the issuance of Series B Preferred Stock	5	-	6,540,821
Proceeds from the exercise of warrants	5	545,026	579,309
Series A preferred stock dividend	5	(8,356)	(8,356)
		8,468,777	9,565,407
Increase in cash and cash equivalents		428,750	4,402,831
Cash – beginning of year		6,157,264	1,754,433
Cash – end of year		6,586,014	6,157,264

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