September 28, 2017

DelMar Pharmaceuticals Announces Fiscal Year 2017 Financial Results

- Company will host a business update conference call and webcast on Wednesday, October 4, 2017 at 4:30 PM ET -

VANCOUVER, British Columbia and MENLO PARK, Calif., Sept. 28, 2017 /PRNewswire/ -- DelMar Pharmaceuticals, Inc. (NASDAQ: DMPI) ("DelMar" or the "Company"), a biopharmaceutical company focused on the development and commercialization of new cancer therapies, announced its financial results for the year ended June 30, 2017. DelMar executive management will host a business update conference call and live webcast for investors, analysts and other interested parties on Wednesday, October 4, 2017 at 4:30 p.m. Eastern Time.

"We are proud of the progress we have made with our research and clinical programs this past year and look forward to continuing to advance VAL-083 toward commercialization as a new treatment for cancer patients with limited or no options," said Jeffrey Bacha, DelMar's president and chief executive officer.

Due to the completion of the financing earlier in September we had cash and clinical trial deposits on hand of approximately $14.3 million (unaudited) as of the date hereof.

RECENT CORPORATE HIGHLIGHTS

- In April and September 2017, 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 its clinical trials and general corporate purposes, which may include working capital, capital expenditures, research and development and other commercial expenditures. In addition, net proceeds from these offerings may be allocated for acquisitions or investments in businesses, products or technologies that are complementary to Delmar's business.
- In July 2017, initiated patient recruitment for the STAR-3 pivotal Phase 3 clinical trial of VAL-083 in refractory GBM and expect to enroll our first patient as soon as practicable.
- In September 2017, initiated patient recruitment for an open label Phase 2 clinical trial of VAL-083 in newly diagnosed patients with MGMT-unmethylated GBM, which is being conducted with funding support through DelMar's collaboration with Guangxi Wuzhou Pharmaceutical (Group) Co. Ltd. This trial complements the Company's ongoing open label Phase 2 clinical trial in patients with MGMT-unmethylated GBM whose tumors have recurred following treatment with temozolomide (bevacizumab naïve), which is being conducted in collaboration with the University of Texas MD Anderson Cancer Center.
- In September 2017, received notice of allowance from the FDA for our Phase 1-2 VAL-

083 REPROVe clinical trial in Pt-resistant ovarian cancer. DelMar will seek to initiate the REPROVe trial as soon as practicable, subject to negotiating acceptable clinical research agreements and budgets with clinical investigators and their institutions and obtaining IRB approvals.

- Presented promising research results supporting the potential of VAL-083 in the treatment of a range of cancers for patients whose tumors exhibit features making them resistant to, or unlikely to respond to, currently available therapies. For example:
    - Presented 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 Society for NeuroOncology ("SNO");
    - Presented data supporting the effectiveness of VAL-083 in the treatment of lung cancer at the AACR Annual Meeting, the 17th World Congress on Lung Cancer and the AACR New Horizons in Cancer Research Conference;
    - Presented data supporting the activity of VAL-083 in treatment-resistant medulloblastoma both as a single agent and in combination with topoisomerase inhibitors at the SNO Pediatric Oncology Symposium and at the AACR Advances in Pediatric Research: From Mechanisms and Models to Treatment and Survivorship Conference; and
    - Presented data supporting the effectiveness of VAL-083 against chemotherapy-resistant ovarian cancers at the 11th Biennial Ovarian Cancer Research Symposium.
- Continued to strengthen and expand network of research collaborations with leading academic institutions including the announcement of a major sponsored research agreement with Duke University to evaluate VAL-083 as a front-line treatment for newly diagnosed patients with GBM.
- Continued to strengthen the Company's intellectual property portfolio. DelMar now holds eight issued US patents and eight issued patents outside of the US. We have fourteen patent families in various stages of prosecution, and over 100 patent filings in total.
- Strengthened Board of Directors and corporate governance with the addition of Saiid Zarrabian and the appointment of Dr. Erich Mohr as independent chairman.

CONFERENCE CALL DETAILS

DelMar plans to host a conference call to discuss its financial results for the year ended June 30, 2017 and provide a corporate update on Wednesday, October 4, 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 866-831-8713 (toll free) with Conference ID **DELMAR**.

Listeners can also attend the call via webcast. A link to the webcast and slides 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.

SUMMARY OF FINANCIAL RESULTS FOR THE FISCAL YEAR 2017 ENDED JUNE 30, 2017

At June 30, 2017, the Company had cash and clinical trial deposits on hand of approximately $7.6 million and as of the date hereof, we had cash and clinical trial deposits on hand of approximately $14.3 million (unaudited).

For the year ended June 30, 2017, the Company reported a net loss of $8,081,764 or $0.74 per share, compared to a net loss of $8,864,864, or $0.83 per share, for the year ended June 30, 2016.

The following represents selected financial information as of June 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

	June 30, 2017 $	June 30, 2016 $
Cash and cash equivalents	6,586,014	6,157,264
Working capital	6,566,371	5,692,336
Total assets	7,911,021	6,355,799
Derivative liability	61,228	693,700
Total stockholders' equity	6,578,524	4,858,778

Selected Statement of Operations Data
For the Years Ended:

	June 30, 2017 $	June 30, 2016 $
Research and development	5,003,640	3,360,878
General and administrative	3,317,189	2,853,140
Change in fair value of stock option and derivative liabilities	(245,963)	2,341,660
Change in fair value of derivative liability due to change in warrant terms	-	295,456
Foreign exchange loss	7,355	13,838
Interest income	(457)	(108)
Net and comprehensive loss for the period	8,081,764	8,864,864
Series B Preferred stock dividend	790,454	238,326
Net and comprehensive loss available to common stockholders	8,872,218	9,103,190
Basic weighted average number of shares outstanding	12,047,079	10,948,481
Basic and fully diluted loss per share	0.74	0.83

Excluding the impact of non-cash expense, research and development expenses increased to $4,900,812 during the current year from $2,831,901 for the prior year. The increase was

largely attributable to an increase in clinical costs related to the initiation of the STAR-3 trial, preclinical research, intellectual property, and personnel costs during the year ended June 30, 2017 compared to the year ended June 30, 2016.

Excluding the impact of non-cash expenses, general and administrative expenses increased in the year ended June 30, 2017 to $2,649,668 from $2,193,183 for the year ended June 30, 2016. The increase was primarily due to an increase in professional fees, office and sundry, and personnel costs partially offset by a decrease in travel.

We believe, based on our current estimates, that we will be able to fund our operations beyond the next twelve months.

About VAL-083

VAL-083 (dianhydrogalactitol) is a "first-in-class", DNA-targeting agent that introduces interstrand DNA cross-links at the N7-position of guanine leading to DNA double-strand breaks and cancer cell death. VAL-083 has demonstrated clinical activity against a range of cancers including GBM in historical clinical trials sponsored by the U.S. National Cancer Institutes (NCI).

VAL-083 has been granted an orphan drug designation by the U.S. FDA Office of Orphan Products for the treatment of glioma, medulloblastoma and ovarian cancer, and in Europe for the treatment of malignant gliomas. VAL-083 is currently being studied in multiple clinical trials as a potential new treatment for glioblastoma multiforme (GBM), the most common and aggressive form of brain cancer.

DelMar has demonstrated that VAL-083's mechanism of action is distinct from multiple chemotherapies widely used in the treatment of cancer and that this unique mechanism may offer opportunities to overcome treatment resistance thereby offering new treatment options to cancer patients. Further details regarding these studies can be found at http://www.delmarpharma.com/scientific-publications.html.

About DelMar Pharmaceuticals, Inc.

DelMar 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.

The STAR-3 trial is a multi-center, pivotal, randomized Phase 3 clinical study in

bevacizumab (Avastin®) recurrent GBM. Outcomes in DelMar's recent Phase 1-2 clinical trials suggest that VAL-083 may offer a clinically meaningful survival benefit for this patient population.

VAL-083 is also being studied in two collaborator-supported, biomarker driven, Phase 2 clinical trials for MGMT-unmethylated GBM as a potential alternative for the majority of GBM patients whose tumors exhibit high expression of MGMT, a biomarker correlated with resistance to the current standard-of-care chemotherapy. Overcoming MGMT-mediated resistance represents a significant unmet medical need in the treatment of GBM.

The VAL-083 REPROVe trial will explore VAL-083 in platinum-resistant ovarian cancer. Resistance to platinum-based chemotherapy represents a significant unmet medical need in the treatment of 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.

Connect with the Company on Twitter, LinkedIn, Facebook, and Google+.

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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