



April 2018

Phosphagenics: Investor Presentation

www.phosphagenics.com
(ASX : POH)



Safe Harbour Statement

This presentation, and any representations made before, during or after the presentation, may include forward-looking statements that are inherently subject to risks and uncertainties. These statements relate to, but are not limited to: (1) the safety or efficacy of, or potential applications for, Phosphagenics' TPM[®] platform technology; (2) the strength of Phosphagenics' intellectual property; (3) the timelines for Phosphagenics' clinical trials and regulatory processes for its different products; (4) the scalability and efficiency of manufacturing processes; (5) revenue projections, market share expectations, share price expectations and capital requirements.

Actual results may differ from the expectations expressed in these forward-looking statements, and the differences may be material (whether positive or negative). The risks that may cause Phosphagenics' actual results, performance or achievements to be materially different from those expressed or implied by such forward-looking statements, include but are not limited to: (1) risks inherent in the development, approval and commercialization of potential products; (2) uncertainty of clinical trial results or regulatory approvals or clearances; (3) changes to market trends or government laws or regulations; (4) the potential need for future capital; (5) dependence upon collaborators; and (6) protection of intellectual property rights, among others. Accordingly, you should not place undue reliance on these forward-looking statements.

Mission

To become a leading biopharmaceutical company, utilising our TPM[®] delivery technology to develop innovative therapeutics that address unmet medical needs and enhance patients' quality of life.



A snapshot of Phosphagenics



- **TPM[®]** is a proprietary solubilisation / drug delivery technology combining multiple forms of Vitamin E (protected by **15+ patent Families**)
- Result of 15+ years R&D and over **\$100M investment**

- Pipeline of **TPM[®] injectables** with enhanced usability characteristics
- TPM[®] patch & gel products with enhanced delivery characteristics
- Additional products targeting **lucrative markets** beyond Human Health



- **\$5.4M cash** (18 Jan'18), **no debt** and **\$100M+ tax losses**
- **Recurring annual revenues** (from manufacturing): \$1M+/year
- Benefit of Australia's R&D incentive (**43% rebate**) for applicable R&D
- **Potential upside** from international arbitration with decision expected 1H 2018 (claims lodged of ~US\$300M)

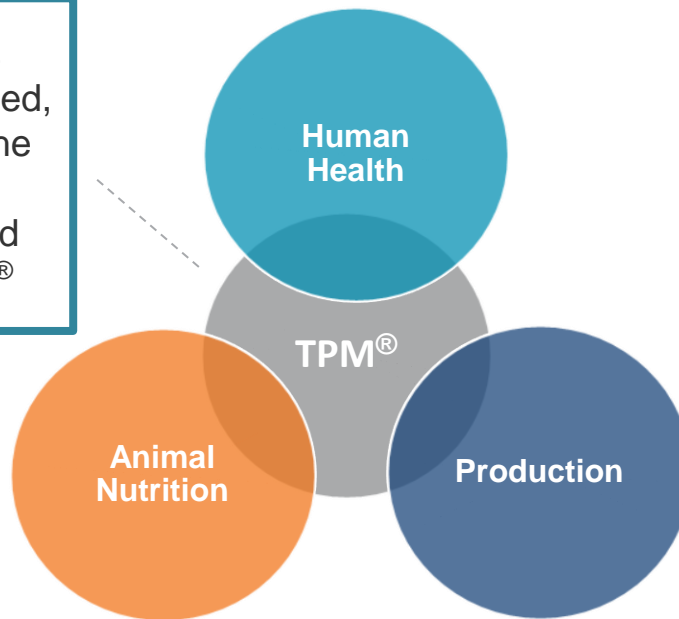
- **Experienced** international management team and Board of Directors
- Global **partnerships** providing additional funding and expertise



TPM[®] is core to Phosphagenics' portfolio

Phosphagenics leverages TPM[®]'s unique properties, data and broad patent portfolio across multiple lucrative markets

Phosphagenics invented*, developed, patented and is the sole global manufacturer and supplier of TPM[®]



Highly versatile with an excellent stability and safety profile



Enhances injectable drug solubility, stability & utility characteristics



Enhances transdermal drug delivery and oral bioavailability

TPM[®] can overcome key challenges for injectable drugs



CHALLENGES

👍 “TPM[®] targets”

Manufacturing

- Solubilisation needs complex, toxic or allergenic excipients
- Unstable formulation needs lyophilisation
- Drug is too unstable to be an injectable

- A **safer** and more natural excipient
- **Improve stability** reducing need to lyophilise
- Allows previously unsuitable drugs to be **injectable**

Supply Chain

- ‘Cold chain’ needed to maintain stability
- Reconstitution of lyophilised powders is difficult, incomplete or time consuming

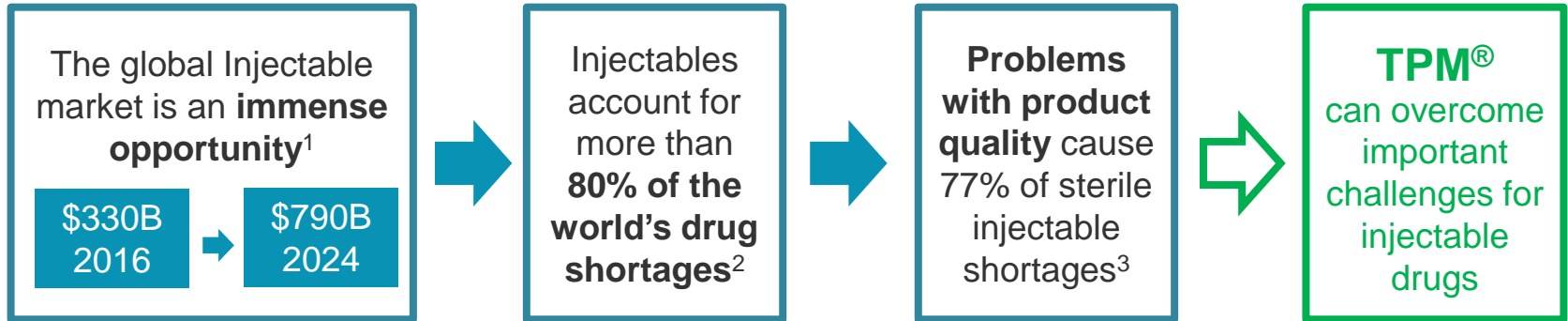
- **Reduce ‘cold chain’** by improving RT* stability
- **Speed up reconstitution** of lyophilised drugs

Clinical Use

- Excipients are allergenic or toxic to certain patients (black box warning)
- Lack of stability post reconstitution - limited to single use only
- Unmet medical need caused by inability to make an injectable formulation

- **Replace problem** excipients
- **Increase stability** of reconstituted drugs – potentially allowing multi-use products
- **Enable injectable formulation** of previously unsuitable drugs to address unmet medical need

Phosphagenics has a strong Human Health “Injectable” portfolio strengthened by the benefit of global partnerships

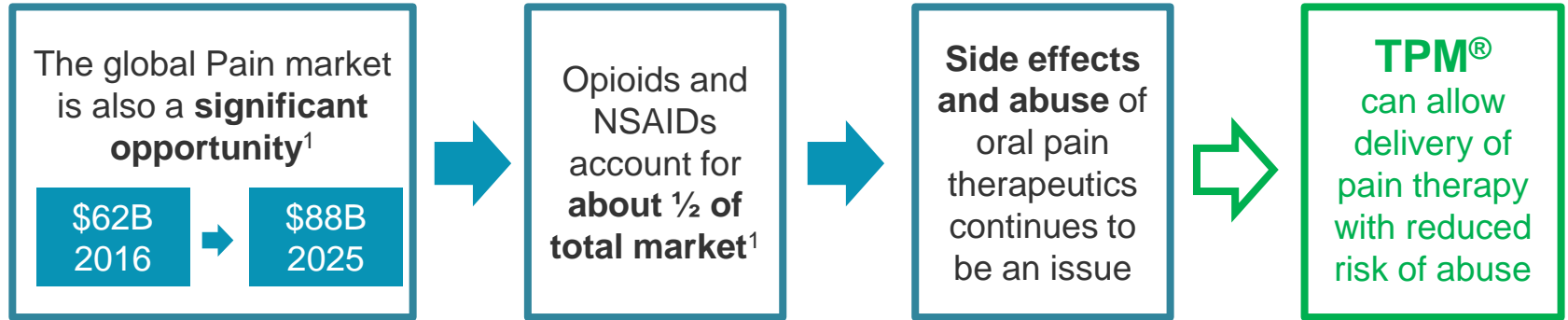


Product	TPM Advantage	Territory	Partner	Research	Development	Marketed
Injectable Products						
Daptomycin	Reconstitution speed & Stability	Global	Mylan®			
Propofol	Clarity & Excipient toxicity	Global	TERUMO®			
Other Products*	Multiple benefits	Global	Available			

Partnered Yet to Partner * Not yet publicly disclosed

1 www.researchandmarkets.com; "Global Injectable Drug Delivery Market Analysis, Companies Profiles, Size, Share, Growth, Trends and Forecast to 2024"
 2 IMS Study Reveals Drug Shortages in U.S. Disruptive Yet Narrowly Concentrated, IMS Institute for Healthcare Informatics, Nov. 14, 2011
 3 www.ncsl.org/research/health/drug-shortages-preserving-the-drug-supply.aspx

Phosphagenics has a strong Human Health “Pain Product” portfolio strengthened by the benefit of global partnerships



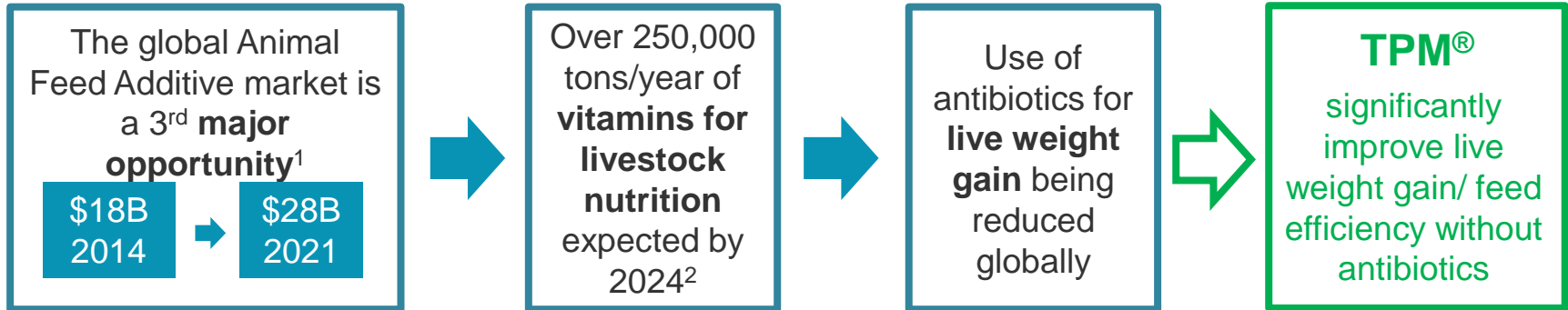
Product	TPM Advantage	Territory	Partner	Research	Development	Marketed
Pain Products						
Diclofenac Gel	Enhanced delivery	India	NOVARTIS	→		
Diclofenac Gel	Enhanced delivery	16 countries	THEMIS MEDICARE	→		
Oxycodone Patch	Transdermal Delivery & reduced abusability**	Global	Available	→		
Oxymorphone Patch	Transdermal Delivery & reduced abusability**	Global	Available	→		
Additional Products*		Global	Available	→		

Partnered

Yet to Partner

- * Including lidocaine gel; ropivacaine gel and others not disclosed
- ** compared with oral treatment

Phosphagenics has a strong “Animal Health” portfolio driven by recent strong trial data

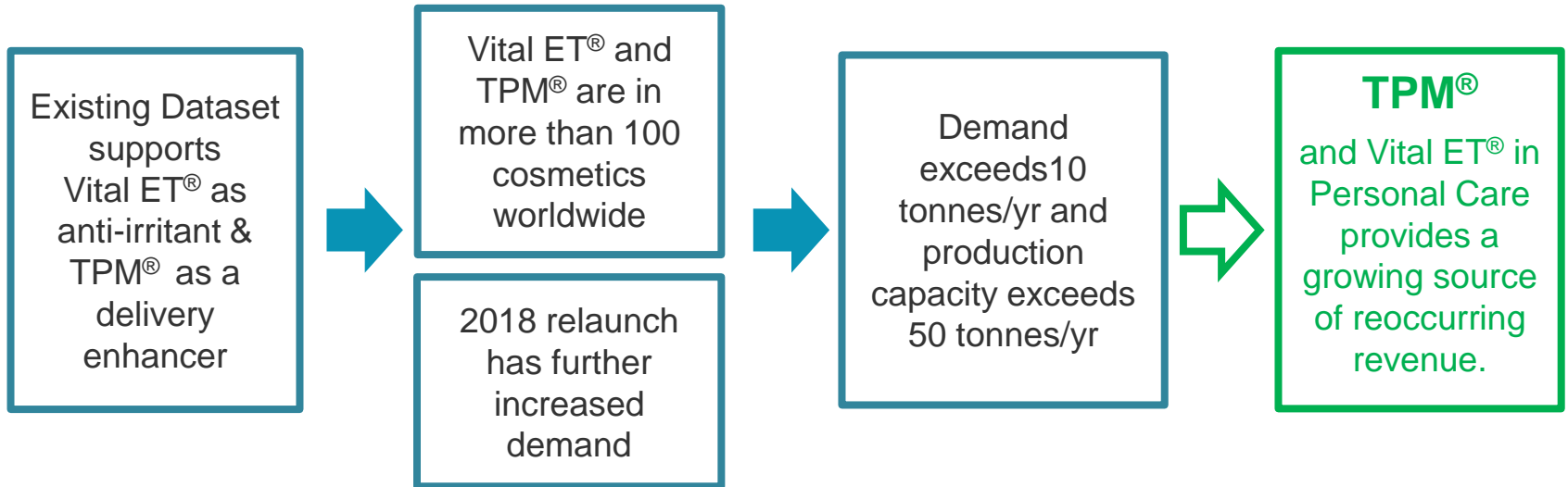


Product	TPM Advantage	Territory	Partner	Research	Development	Marketed
Animal Health & Nutrition Products						
Pig, Poultry, Feed efficiency	3%+ increase in Feed Efficiency	Global	Available	→		
Cattle mastitis & fertility	Positive data as drench treatment, more work needed as an in-feed additive	Global	Available	→		

■ Partnered
 Yet to Partner

1 “World Animal Feed Additives - Market Opportunities and Forecast, 2014-2021” - Allied Market Research
 2 www.gminsights.com/industry-analysis/animal-feed-additives-market

Phosphagenics' "Personal Care" portfolio has multiple partnerships generating growing recurring revenues



Product	Territory	Partner	Research	Development	Marketed
Personal Care					
Vital ET® (100+ Products)	Global	ASHLAND	[Solid orange arrow]		
TPM® Based Products	Global	LE MÉTIER DE BEAUTÉ RODAN+FIELDS	[Hollow orange arrow]		

Partnered

Partnered (Non-exclusive). Available for additional Non-exclusive partners.

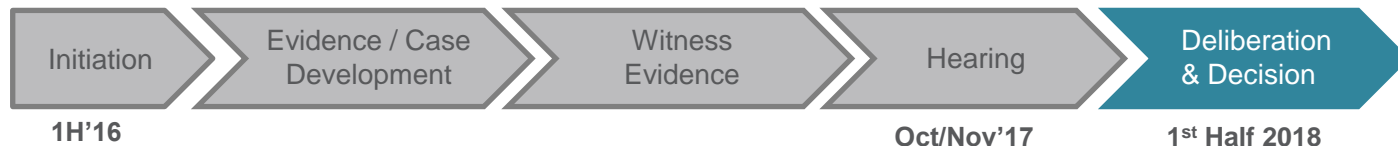
Phosphagenics' arbitration with Mylan

2011/12: Signed agreements with Agila Specialties Private Ltd to develop and market Phosphagenics' TPM®/Daptomycin injectable

2013: Strides Shasun (STR:IN NATL INDIA) sold Agila to Mylan (MYL (NASDAQ, TASE)) for ~US\$1.4B

2016: Phosphagenics filed arbitration in Singapore asserting Agila and Mylan breached agreements (multiple claims and causes of action)

Hearing: **Completed** Nov' 2017 Phosphagenics represented by Mr J Rowlands and Corrs Chambers Westgarth (voted #1 law firm in Australia & APAC by The Legal 500)



Decision: **Expected 1H 2018** (exact timing at the discretion of the Arbitrator)

- Licensing Agreement continues in full force, (pending the Arbitrator's decision)
- Settlement discussions can occur in parallel

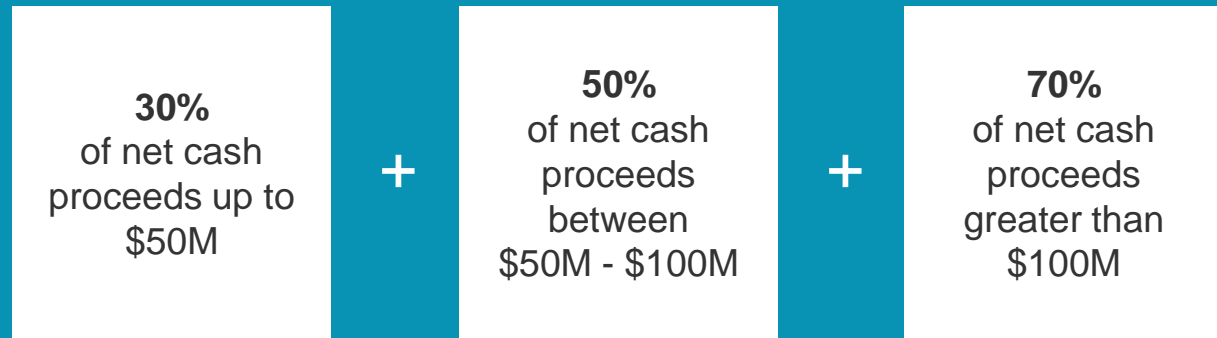
Damages: Maximum total damages could approach **US\$300M***

*Phosphagenics' independent experts opinion if successful on all claims and causes of action, aggregate of all claims, recognising a probability of success from zero to maximum calculated by the experts

Board of Directors recommends shareholder return*

If Phosphagenics is successful and receives a material payment from Mylan, the Board intends to recommend a return of capital* (after costs):

Calculation:



Illustrative Example

Net Award* Aus\$	Return to Shareholders*	Shareholder Return Per 1% Held #
\$30M	\$9M	\$90,000
\$60M	\$20M	\$200,000
or \$120M	\$54M	\$540,000

* Actual amount and timing of shareholders return will be dependent on (i) financial position of the company at the time of decision, (ii) Actual Cash Award received by POH less estimated costs, (iii) number of shares on issue and (iv) Board and shareholder approval



We have delivered consistent substantial news flow and target valuable newsflow over the next 12 months

2H 2016	<i>Patch options (2) and R&D Alliance deal (3) with Terumo</i>	<i>Human Health</i>	Complete
	<i>R&D Agreement for new projects with Terumo.</i>	<i>Human Health</i>	Complete
	<i>ProPhase Arbitration Decision</i>	<i>Personal Care</i>	Complete
1H 2017	<i>Commercial reformulation of TPM®/Oxymorphone Patch</i>	<i>Human Health</i>	Complete
	<i>Successful Results for Swine Feed Efficiency Program</i>	<i>Animal Health</i>	Complete
	<i>Successful results for Poultry Feed Efficiency Program</i>	<i>Animal Health</i>	Complete
2H 2017/ 1H 2018	<i>Sale of BioElixia® brand</i>	<i>Personal Care</i>	Completed Aug '17
	<i>Terumo Agreement signed for "TPM®/Oxymorphone Patch"</i>	<i>Human Health</i>	Completed Aug '17
	<i>Credit Pharma Term Sheet for "TPM®/Diclofenac Gel"</i>	<i>Human Health</i>	Completed Sep '17
	<i>Rights Issue raised over \$3.3M (+\$1.3M Jan'18)</i>	<i>Corporate</i>	Completed Oct '17
	<i>Mylan Arbitration Formal Hearing</i>	<i>Human Health</i>	Completed Nov '17
	<i>Results of Dairy Cattle Feed additive program</i>	<i>Animal Health</i>	Completed Dec '17
	<i>Initial TPM® Injectable Candidate enter development</i>	<i>Human Health</i>	<i>On track 1H '18</i>
	<i>Outcome of Mylan Arbitration</i>	<i>Human Health</i>	<i>Targeted 1H '18</i>



Experienced Management & Board with strong track record of success



Greg Collier, Chairman & Independent Director

- 20+ years experience; current CEO of Invion (ASX: IVX)
- Previous: CEO of ChemGenex (sold to Cephalon for \$200M+)
- 150 peer reviewed publications, 33 patents, Roche Award for Excellence



Ross Murdoch, CEO & Managing Director

- 25+ years experience; joined Phosphagenics in 2015
- Previous: SVP of Shire Pharmaceuticals, President & COO of Prana Biotechnology
- PhD in Clinical Pharmacology, University of Melbourne



Peter Lankau, Independent Director

- 30+ years experience; currently on Boards of ANI Pharmaceuticals & Cipla
- Previous: Executive Chairman of Nautilus Pharmaceuticals, Chairman & CEO of Logical Therapeutics, CEO & Director of Endo, VP of Alharma



David Segal, Non-Independent Director

- 30+ years experience as a stockbroker
- Shareholder of Phosphagenics since 1999 (when known as Vital Capital)
- Previous: Investor Relations manager of Phosphagenics



Experienced Management & Board with strong track record of success



Anna Legg, CFO & Company Secretary

- 20+ years financial experience; joined Phosphagenics in 2013
- Experience with establishment of international entities, statutory reporting, system development and financial modeling



Paul Gavin, CSO

- 15+ years with Phosphagenics; an inventor of the TPM[®] platform technology
- Responsible for all Research & Development at Phosphagenics
- PhD in Biochemistry & Molecular Biology, Monash University



Alex Stojanovic, VP Business Development & Commercial

- 14 years experience; joined Phosphagenics in 2014
- Previous: Sr Director of Grunenthal, Strategy Consultant of ZS Associates
- PhD in Pharmacology & Toxicology, Dartmouth College



Roksan Libinaki, GM Animal Health & Nutrition

- 15+ years with Phosphagenics, during which time she has managed R&D programs focused on improved oral bioavailability and/or efficacy of nutrients and drugs
- PhD in Biochemistry & Molecular Biology, Monash University



Phosphagenics is a exciting investment opportunity



Experienced Management / Board with strong track record of success



Validated TPM[®] Technology through all three businesses

- Portfolio including “world first” transdermal opioid patches, gels & injectables



Multiple Commercialised Products and consistent annual revenues from partnerships and sales of TPM[®] & Vital ET[®]



Strong Track record of delivering milestones with significant value-adding milestones targeted over the next 12 months



Attractive valuation: Share price/value disparity. Substantial upside potential and potential capital return from any net cash received from Mylan Arbitration



A\$5.4M cash (18 Jan'18); No Debt; Tax losses >A\$100M



Phosphagenics

Innovative Biopharmaceutical Company Headquartered in Australia

Key Statistics:

ASX/OTCQX Code	POH/PPGNY (listed 2004)
Headquarters	Melbourne, Australia
Employees	12
Shares	~1.5 billion
Cash	\$5.4M (18 Jan 2018)
Revenue	~\$1.2M (2017)
Market Cap	~\$20M (at \$.012/share)
3 Business Units	<ul style="list-style-type: none">• Human Therapeutics• Animal Nutrition• Production & Personal Care



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