



September 2017

TPM[®] : World leading delivery technology

Non-Confidential 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 commercialisation 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.



Phosphagenics strategy/mission

“To be a world leading biopharmaceutical company utilising our TPM[®] delivery technology in innovative product solutions to enhance human health and well-being.”



Phosphagenics remains a compelling investment opportunity

- ✓ ~\$5M cash and receivables (*June 17*) *Tax losses >\$100M*
- ✓ Annual revenues from deals and sales of TPM[®] and Vital ET[®]
- ✓ Significant value-adding milestones over 2017
- ✓ TPM[®] technology validated through partnerships across all three businesses
High interest in future business development opportunities
- ✓ Multiple commercialised products and a portfolio including “world first” transdermal opioid patches, gels and injectables
- ✓ Focus is on shorter-term, value-adding endpoints: partnerships and revenue
- ✓ Attractive valuation: Share price/value disparity. Substantial upside potential
Potential significant cash payout to shareholders on any successful arbitration outcome
- ✓ Experienced Management/Board with strong industry track record of success



Phosphagenics

Innovative Biopharmaceutical Company Headquartered in Australia

Board of Directors:

Dr Greg Collier (Chair & Independent Director)
Dr Ross Murdoch (CEO & Managing Director)
Mr Peter Lankau (Independent Director)
Mr David Segal (Non-Independent Director)

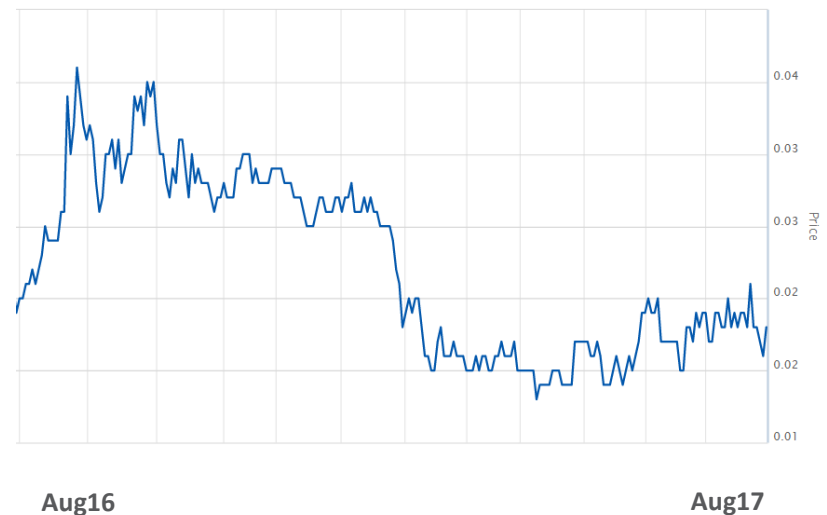
Key Management Personnel:

Dr Ross Murdoch (CEO & Managing Director)
Dr Paul Gavin (CSO & GM Human Health)
Ms Anna Legg (CFO & Co. Secretary)
Dr Alex Stojanovic (VP, BD & Commercial)
Dr Roksan Libinaki (GM, Animal Health & Nutrition)

Key Statistics:

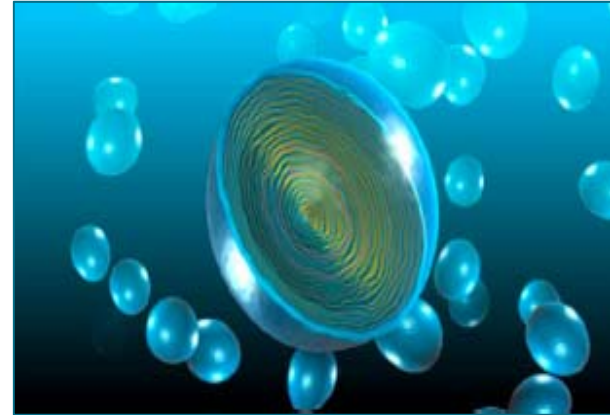
ASX/OTCQX Code	POH/PPGNY (listed 2004)
Headquarters	Melbourne, Australia
Employees	15
Shares	~1.26 billion
Cash & Rec.	~\$5M (June 2017)
Revenue	\$1.6M (2016): \$0.8m (1H 2017)
Market Cap	~\$21.5M (\$.017/share)
3 Business Units	<ul style="list-style-type: none">• Human Therapeutics• Animal Nutrition• Production & Personal Care

Share Price Performance:



TPM[®] is the core of Phosphagenics

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

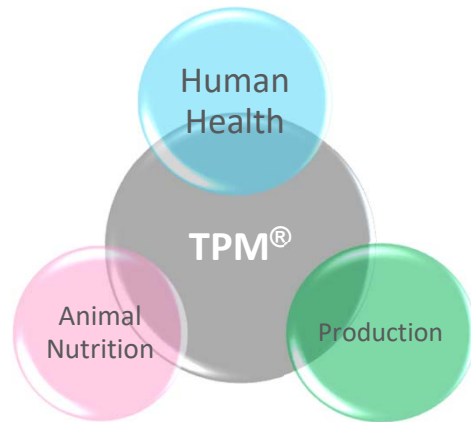


TPM[®] :

- proprietary combination of two forms of vitamin E
- highly flexible technology
- enhances transdermal drug delivery and oral bioavailability
- improves drug solubility and stability to enhance injectable products
- excellent safety profile



Phosphagenics operates three business units:



“...leveraging TPM®’s unique properties and broad patent portfolio across multiple lucrative markets.”

“...sharing knowledge, data and expertise reducing development risk, time and cost.”

In the last 12 months alone, we have strengthened TPM® and Phosphagenics through:

- ✓ multiple new partnerships
 - ✓ filing new patent applications
 - ✓ TPM® manufacturing efficiency
 - ✓ TPM® production cost
 - ✓ TPM® profit margin
- expanding validation and value to protect IP beyond 2036 to 50+ tonnes per year significantly reduced substantially improved



Phosphagenics has a strong business portfolio and multiple global partners

Product	Formulation	Territory	Partner	Research	Development	Marketed
Pain Products						
Diclofenac	Gel	India	NOVARTIS	→		
Diclofenac	Gel	16 countries	THEMIS MEDICARE	→		
Oxycodone	Patch	Global	Available	→		
Oxymorphone	Patch	Japan	TERUMO	→		
2 Additional Products*		Global	TERUMO	→		
Injectables						
Daptomycin	Injectable	Global	Mylan®	→		
Propofol	Injectable	Global	TERUMO	→		
5 Additional Products*	Injectable	Global	Available	→		
Animal Health & Nutrition Products						
Equine, Racing	Feed Additive	Global	Previously Marketed	→		
Pig, Poultry, Feed efficiency	Feed Additive	Global	Available	→		
Cattle mastitis & fertility	Feed Additive	Global	Available	→		
Personal Care						
Vital ET® (100+ Products)	Multiple	Global	ASHLAND	→		
TPM® Based Products	Multiple	Global	Pure Beauty Australia LE MÉTIER DE BEAUTÉ	→		

Partnered

Yet to Partner

* Not yet publicly disclosed



Our strategic partnerships have promising potential



Phosphagenics has a growing partnership with one of Japan's largest healthcare companies involving:

- **World first patch:** TPM[®] Oxymorphone
- **Enhanced injectable:** TPM[®] Propofol
- **Additional projects:** Multiple candidates

This partnership alone potentially provides Phosphagenics with:

- \$ millions in R&D and commercialisation support
- Substantial milestone and royalty payments ¹
- Substantial upside through products leveraged to other markets and other partners outside Japan
- Valuable validation of TPM[®] that generates many more partnerships



Our strategic partnerships have promising potential



ASX Limited
Market Announcements Office

Phosphagenics Signs Development Agreement for TPM®/Oxymorphone Patch in Japan

22 August 2017, Melbourne: Australian drug delivery company, Phosphagenics Limited (ASX: POH; OTCQX: PPGNY), is pleased to announce the signing of a development agreement with Terumo Corporation, for the TPM®/Oxymorphone patch in Japan.

In January 2017 Phosphagenics and Terumo signed a non-binding term sheet detailing the proposed terms under which Phosphagenics would grant Terumo exclusive rights to develop, market and sell a TPM® enabled Oxymorphone patch in Japan. Since then, both parties have collaborated to finalise the composition of a patch specifically focused on the Japanese market, which prefers a 1-day (24-hour) patch. The success in developing this patch has allowed further progression to a new binding agreement and has also benefited Phosphagenics' 3-day patch, which is designed around the requirements of the US market.

The agreement signed today targets progression of a 1-day TPM® enabled Oxymorphone patch into the clinic within the first 12 months followed by a formal consultation with Japanese Regulatory Authorities (PMDA) to determine the most efficient way forward to market. Phosphagenics will undertake some of the activities associated with progression of the patch and will receive up to \$2M in development milestone payments through this period.



Phosphagenics' ongoing arbitration with Mylan

Arbitration Background

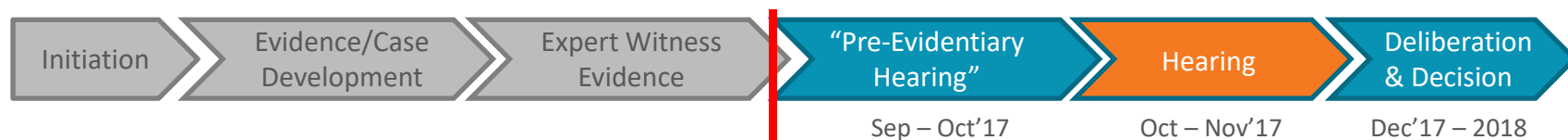
- In 2011/12, Phosphagenics signed agreements with Agila Specialties Private Ltd to develop and market Phosphagenics' TPM[®]/Daptomycin injectable
- In 2013, Strides Shasun (US\$4B – (STR:IN NATL INDIA)) sold Agila Specialties Private Ltd together with the agreements to Phosphagenics' TPM[®]/Daptomycin injectable to Mylan (US\$20B - MYL (NASDAQ, TASE)) for ~US\$1.4B
- Phosphagenics filed arbitration documents in 2016 asserting that both Agila and Mylan breached the agreements (multiple claims and causes of action)
- Phosphagenics' independent experts believe 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)



Phosphagenics' ongoing arbitration with Mylan

The Process

- The arbitration process is progressing on time
- Hearing to be conducted in Singapore, in October/November 2017
- A decision is expected 1H 2018, but exact timing is at the discretion of the Arbitrator
- Settlement discussions can occur in parallel to this timetable
- The Licensing Agreement continues in full force and effect pending the Arbitrator's decision





Phosphagenics' counsel for arbitration with Mylan

Phosphagenics is represented by:

- Mr John Rowland QC - Barrister
Leading London barrister & international arbitrator; previous Clayton Utz's Litigation & Dispute Resolution Partner
- Corrs Chambers Westgarth
 - Ms Kate Hay - Partner
 - “**Best Lawyer - Intellectual Property Law**” Best Lawyers Peer Review, 2013-2018
 - “**IP Star - Trade Mark and Patent Litigation**” Managing Intellectual Property, 2014 & 2015
 - Mr Andrew Stephenson - Partner
 - “**Best Lawyer - International Arbitration**” Best Lawyers Peer Review, 2015-2018
 - “**Best Lawyer - Construction/Infrastructure, Alternative Dispute Resolution and Litigation**” Best Lawyers Peer Review, 2008-2018

“...Corrs was voted as the number one law firm in both Australia and the APAC in the 2016 Legal 500 Client Intelligence Report...”

“...Corrs has previously successfully represented multiple clients in complex International Arbitration cases pursuant to the Arbitration Rules of the Singapore International Arbitration Centre (SIAC Rules)...”



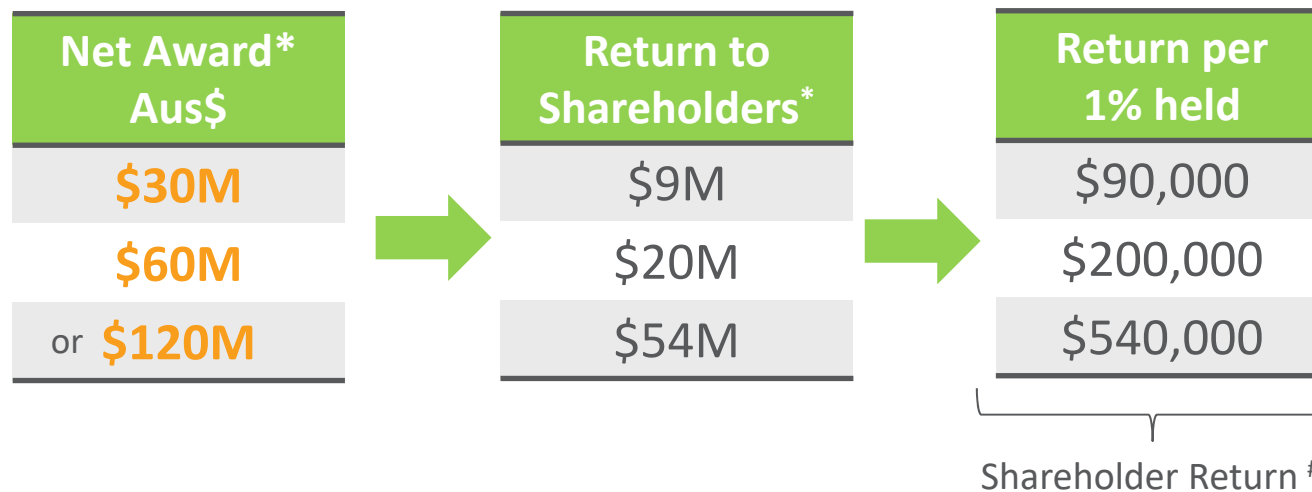
Board of Directors recommends a minimum of 30% shareholder return from any arbitration cash award*

In the event Phosphagenics is successful and receives a material payment from Mylan, at present the Board intends to recommend to shareholders for approval a return of capital* (after costs):

Calculated as:

- (i) **30% of cash proceeds up to \$50M, plus**
- (ii) **50% of cash proceeds between \$50 and \$100M, plus**
- (iii) **70% of cash proceeds greater than \$100M**

Indicative



*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 (ii) Board and shareholder approval
Return may vary due to tax status of recipient



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

2 nd Half 2016	<i>Options (2 patches) and R&D Alliance deal (3 others) with Terumo</i>	<i>Human Health</i>	Complete
	<i>R&D Feasibility Agreement completed for new projects with Terumo.</i>	<i>Human Health</i>	Complete
	<i>ProPhase Arbitration Decision</i>	<i>Personal Care</i>	Complete
1 st Half 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
2 nd Half 2017	<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>Initial TPM[®] Injectable Candidate enter development</i>	<i>Human Health</i>	<i>On track '17</i>
	<i>Results of Dairy Cattle mastitis and Fertility Feed additive program</i>	<i>Animal Health</i>	<i>On track '17</i>
	<i>Mylan Arbitration Formal Hearing</i>	<i>Human Health</i>	<i>On track '17</i>



Phosphagenics remains a compelling investment opportunity

- ✓ ~\$5M cash and receivables (*June 17*) *Tax losses >\$100M*
- ✓ Annual revenues from deals and sales of TPM[®] and Vital ET[®]
- ✓ Significant value-adding milestones over 2017
- ✓ TPM[®] technology validated through partnerships across all three businesses
High interest in future business development opportunities
- ✓ Multiple commercialised products and a portfolio including “world first” transdermal opioid patches, gels and injectables
- ✓ Focus is on shorter-term, value-adding endpoints: partnerships and revenue
- ✓ Attractive valuation: Share price/value disparity. Substantial upside potential
Potential significant cash payout to shareholders on any successful arbitration outcome
- ✓ Experienced Management/Board with strong industry track record of success

www.phosphagenics.com



Melbourne Office

Unit A8, 2A Westall Road
Hallmarc Business Park
Clayton VIC 3168
Australia
Tel: +61 3 9002 5000
Email: info@phosphagenics.com

Investor Relations Questions

Kyahn Williamson
WE Buchan
Tel: +61 3 9866 4722
Email: kwilliamson@buchanwe.com.au

Dr Ross Murdoch, CEO & Managing Director
rmurdoch@phosphagenics.com

Dr Paul Gavin, CSO
pgavin@phosphagenics.com