Factor Therapeutics AGM
Chair's Address and CEO Presentation

Brisbane, 16th of November 2016. Factor Therapeutics Limited (ASX : FTT) is pleased to provide the Chair's Address and CEO Presentation to the 2017 Annual General Meeting of Shareholders being held today at 9.30am (AEST) at the offices of McCullough Robertson, Level 11, 66 Eagle Street, Brisbane.

ADDRESS TO SHAREHOLDERS BY DR CHERRELL HIRST, AO, CHAIR

It gives me much pleasure to address you as Chair of Factor Therapeutics at this 2017 Annual General Meeting. Thank you for your attendance. I hope you find this meeting useful in gaining a deeper understanding of Factor's progress and the goals we have achieved over the last 12 months.

2017 has been one of real progress for Factor Therapeutics. We have built on the determined effort and streamlined operational approach adopted during 2016 and are focussed on completing our Phase IIb clinical trial of VF00102 in venous leg ulcers – an opportunity that addresses both a major clinical unmet need and significant commercial opportunity for the company .

One of the major commitments that this particular board and management team has made to you since April 2015 is open, honest and clear communications. This meeting and our continued progress updates are part of this process.

Leading the team since her appointment in June is our new CEO, Dr Rosalind Wilson. Ros is a physician and has extensive drug development experience including running clinical trials, product life cycle management and business development. We are indeed fortunate to have her expertise and experience as we continue the work of growing the Company.

I said a few minutes ago that this year had been one of significant progress. I will summarise the achievements we have made during the year and Ros and Chris will speak to them in more detail. We have:

- Completed successful deliberations with the FDA regarding our IND (Investigational New Drug) Application;
- Commenced and progressed our Phase II clinical trial of VF00102;
- Pursued early and cost-effective pipeline expansion, specifically the collaboration with Monash University and our ocular wound care program;
- Thoughtfully and patiently searched for an excellent and appropriate CEO, appointed Ros Wilson and subsequently managed the transition around changes to other roles and positions.
- And after another careful search appointed an excellent additional director.

As we have reported our clinical trial is recruiting well although somewhat slower than originally planned. Ros will provide more detail with regard to this and other operational details in her presentation and you will have time to ask questions but our goal is to achieve the high-quality data set that we feel this product deserves and we have received strong interest and support from the wound care community.

As always, we are extremely mindful of our capital position and continue to focus on managing costs in the most effective way to achieve our clinical and commercial goals. Clearly one of those goals is to complete and generate a read out of our Phase II clinical trial but also of importance is pursuing the value adding goals of undertaking further critical development of our pipeline opportunities and completing next steps for refiling with the EMA both of which of course demand capital. Hence we are closely monitoring our capital position.

I would like to pay due tribute to and express my thanks on your behalf for the work of Chris Behrenbruch and Nigel Johnson, who, with the other members of the team, led the company through FY 2017 and of course prior to that. Their commitment and willingness always to go the "extra mile" deserves our clear acknowledgement and sincere thanks. Needless to say we were delighted that they both agreed to stay on as part of the team when Ros assumed the CEO role. FTT continues to benefit from their considerable expertise:- Chris, as a Non-Executive Director and Nigel, as Chief Operations Officer.

As shareholders you should know that we are extremely pleased with our choice of CEO. Our decision to search until we found an excellent candidate was a good one and achieving the desired outcome was not an insignificant task. I want to thank Chris Behrenbruch for the considerable time and effort he dedicated to the process refusing to compromise on capability or experience in bringing forward candidates. Ros and the team have together managed the transition extremely smoothly and under Ros' leadership we have a cohesive capable and highly motivated management team.

On behalf of the board and all shareholders I want to all the team for their commitment to Factor and their dedicated service day and night - night because many of calls to the US are at very inconvenient hours. And also a special thank you to Melanie for stepping in when Saskia was on maternity leave.

The relevant skill base of the Board has been strengthened by the appointment of John Michailidis in February. John's experience and expertise in bringing products to market is extensive as is his more general business experience in this sector. An item on the agenda for the AGM is a grant of options to John. Making a one-off grant of options (which are of course subject to shareholder approval) on appointment is a practice we have put in place for new directors as we believe it aligns their interests strongly with those of shareholders from the outset. I trust you will support this practice.

I sincerely thank each of you for your attendance here today. It is always good to have the opportunity to talk directly with you about your company. Please stay and converse with our directors and management team following this meeting. Thank you for your continued support and patience especially over the last two years. I look forward to sharing the next steps of the Company's journey with you.

- ENDS -

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Kyahn Williamson
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About Factor Therapeutics

Factor Therapeutics Limited ("Factor") is a biomedical technology company that is developing treatments for acute and chronic wound healing applications. Factor is a clinical stage company with its lead program (VF-001) in Phase II for the treatment of venous leg ulcers (VLUs). The company is also developing solutions for a variety of interventional wound care and serious orphan dermatology conditions. The company's platform technology originates from the Institute of Health and Biomedical Innovation at the Queensland University of Technology (QUT), Australia. Factor's shares are traded on the Australian Securities Exchange (ASX) under the ticker FTT. For more information, please visit https://factor-therapeutics.com.

CEO Report to the Annual General Meeting

November 2017

Dr. Rosalind Wilson

r.wilson@factor-therapeutics.com

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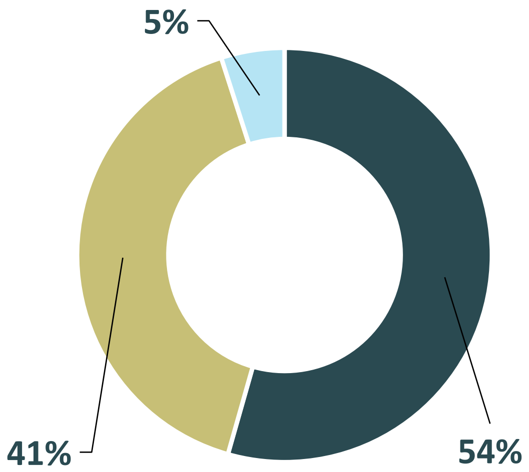
- There can be no assurance or guarantee that actual outcomes will not differ materially from these statements. The photographs of clinical subjects used in this presentation are illustrative of medical conditions associated with potential applications of VF-001.
- Actual clinical results may vary from those shown.

The Factor Therapeutics Team and Board

- Anthony Bishop
  - Project Director
- Saskia Jo
  - Director of Finance
- Nigel Johnson
  - Chief Operating Officer
- Michael Larcom
  - Director of Quality
- Gary Shooter
  - Director of Research
- Derek Van Lonkhuyzen
  - QUT
- Christian Behrenbruch
  - Director
- Melanie Farris
  - Company Secretary
- Cherrell Hirst
  - Chair
- Tim Hughes
  - Director
- John Michailidis
  - Director
- Robert Ryan
  - Director (US)

FACTOR THERAPEUTICS

Market Overview



- Insitutional Shareholders
- Private Investors
- Corporate Stakeholders and Employees

Substantial shareholders	% Issued Capital
Allan Gray Investment Management	13.3%
Acorn Capital	8.6%
Fidelity Investment Management	8.81%

▲ **$0.052**

(As of November 13, 2017)

$0.035 (Placement)

(March 18, 2017)

Mkt. Cap. A$45.26m

(As of November 13, 2017)

Focus	Advanced wound care
Clinical Stage	Phase II US Pivotal EU
Issued Shares	730,042,783
Options	9.5m
Current Cash	AUD ~$8m
Symbol	FTT
Exchange	ASX
Research coverage	Morgans and Taylor Collison

FACTOR THERAPEUTICS

FY2017 in Review

Building on the platform established throughout 2016

- Clinical execution
  - Phase 2 readout
- VF001 indication expansion
  - DFU
  - Other indications
  - Business development
- Core platform technology
  - IP extensions
- Pipeline expansion
  - Orphan opportunities

PRIORITIES

1. Deliver VF00102
2. Prepare for End of Phase 2
   - Regulatory interactions
   - Commercial/partner engagement
3. Build additional portfolio value

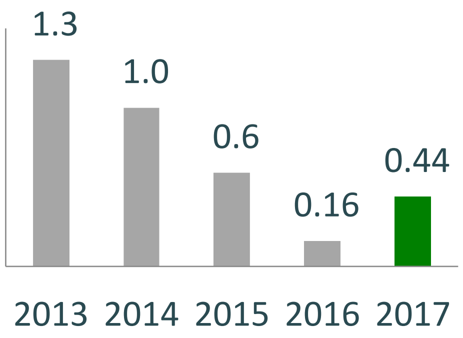
FACTOR THERAPEUTICS

Key Metrics

Expenses clearly focused on clinical execution

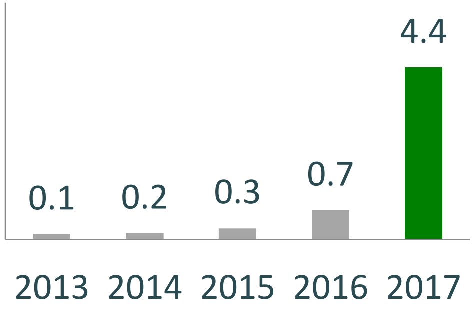
R&D expense

$0.435m



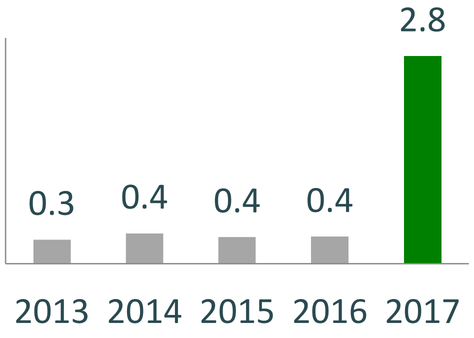
Clinical expense

$4.360m

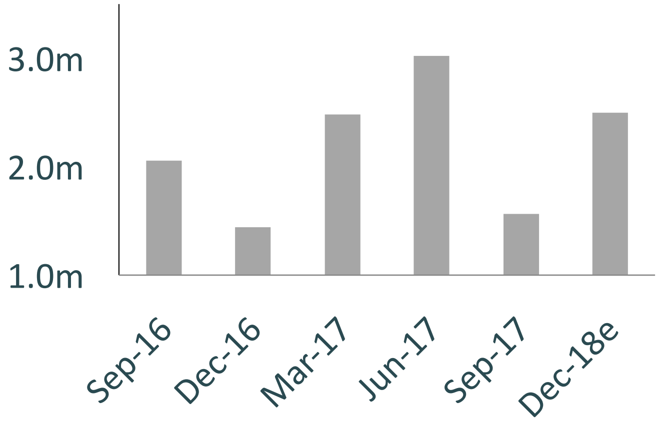


R&D tax rebate

$2.760m

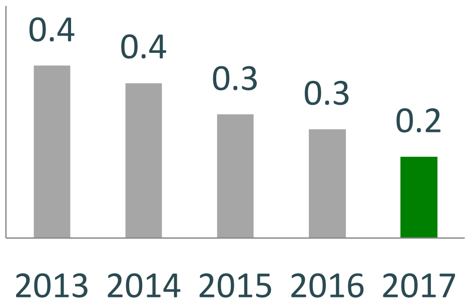


Cash used in operating activities



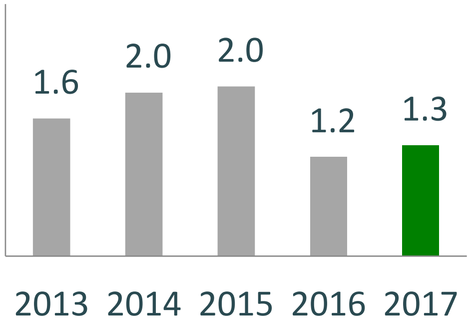
IP expense

$0.201m



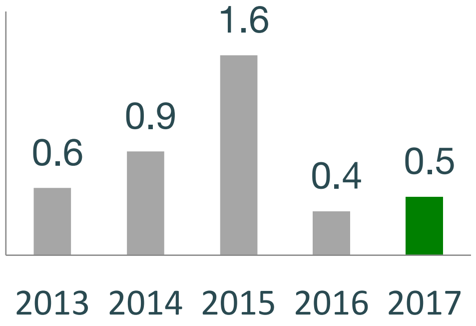
Employment expense

$1.322m



Regulatory expense

$0.482m

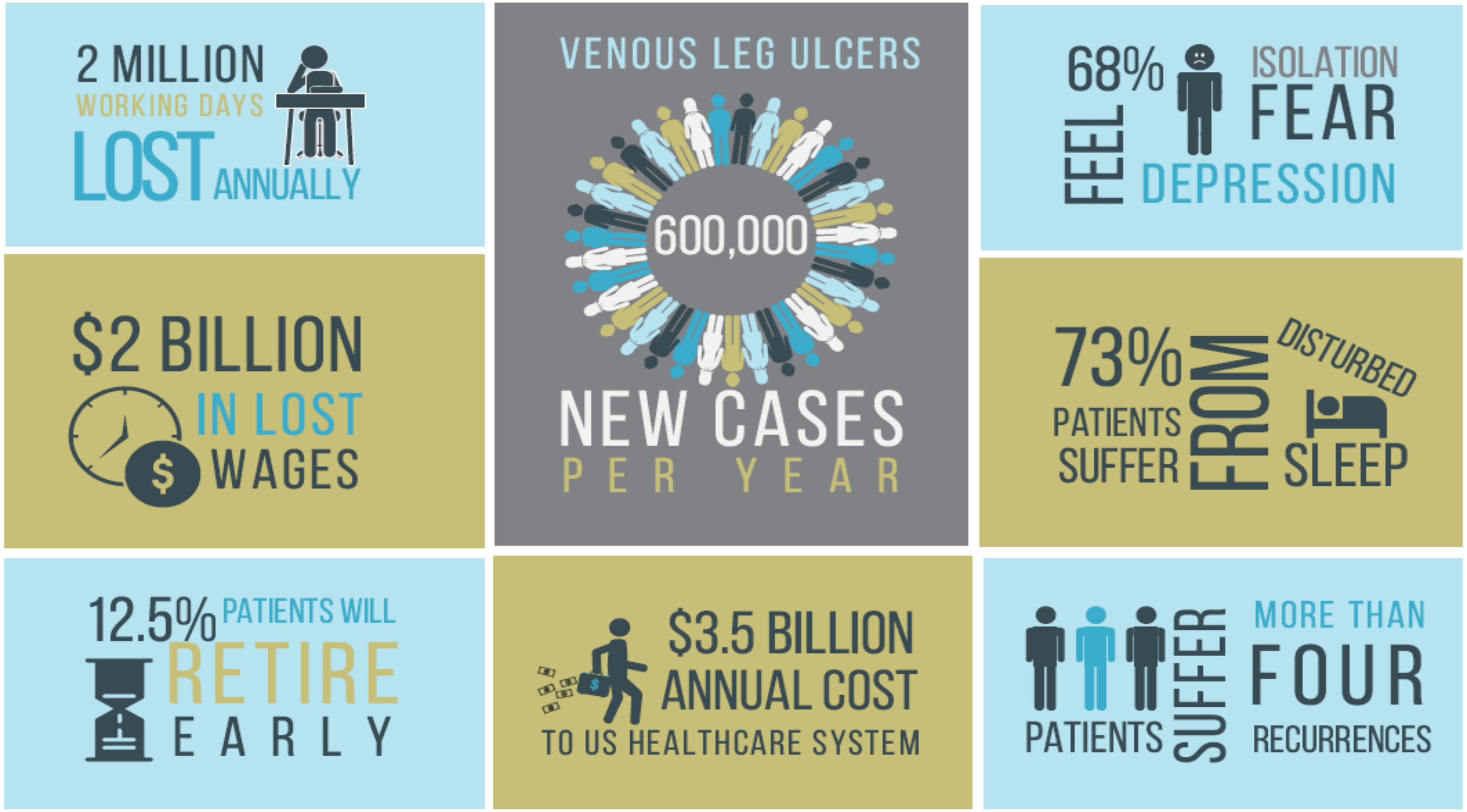


Balance Sheet Data	**End Sep-17**
Cash/cash equivalents	$5.4
Tax asset	$3.1
Debt Outstanding	$1.0
Cash Flow Data	
Ave. operating expenditure (Q)	~$2.1
Est. runway	3 to 4 Q

FACTOR
THERAPEUTICS

The Silent Epidemic

VLUs cause significant individual and community cost



FACTOR THERAPEUTICS

*__Exclude "placebo responders"__ who will heal with standard care alone**

Screening*
2 weeks

Treatment*
12 weeks

Follow-up*
12 weeks

- 168 patients
- Moderately severe (Margolis 1) ulcers

Randomisation
- VF001 - low or high dose
- Matching placebo

Primary endpoint
- Reduction in ulcer size (% area)

Secondary endpoints
- Wound closure (% patients)
- Time to wound closure
- Quality of Life
- Pain
- Safety

VF00102

Precision Medicine for VLUs

Clearly defined target population *population*

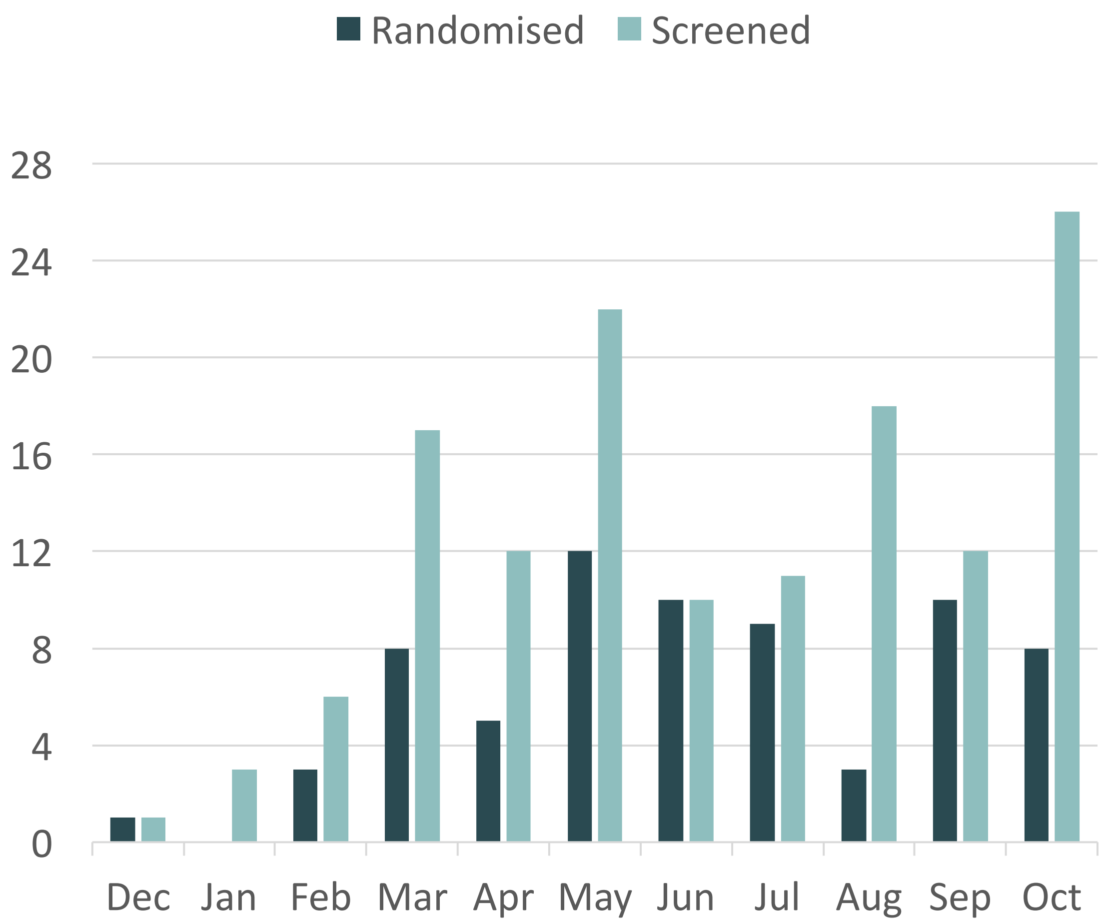
- *2.5-5 cm^2 ≥ 6 mths OR 5-15 cm^2 < 6 mths*
- *People most likely to benefit from additional treatment*

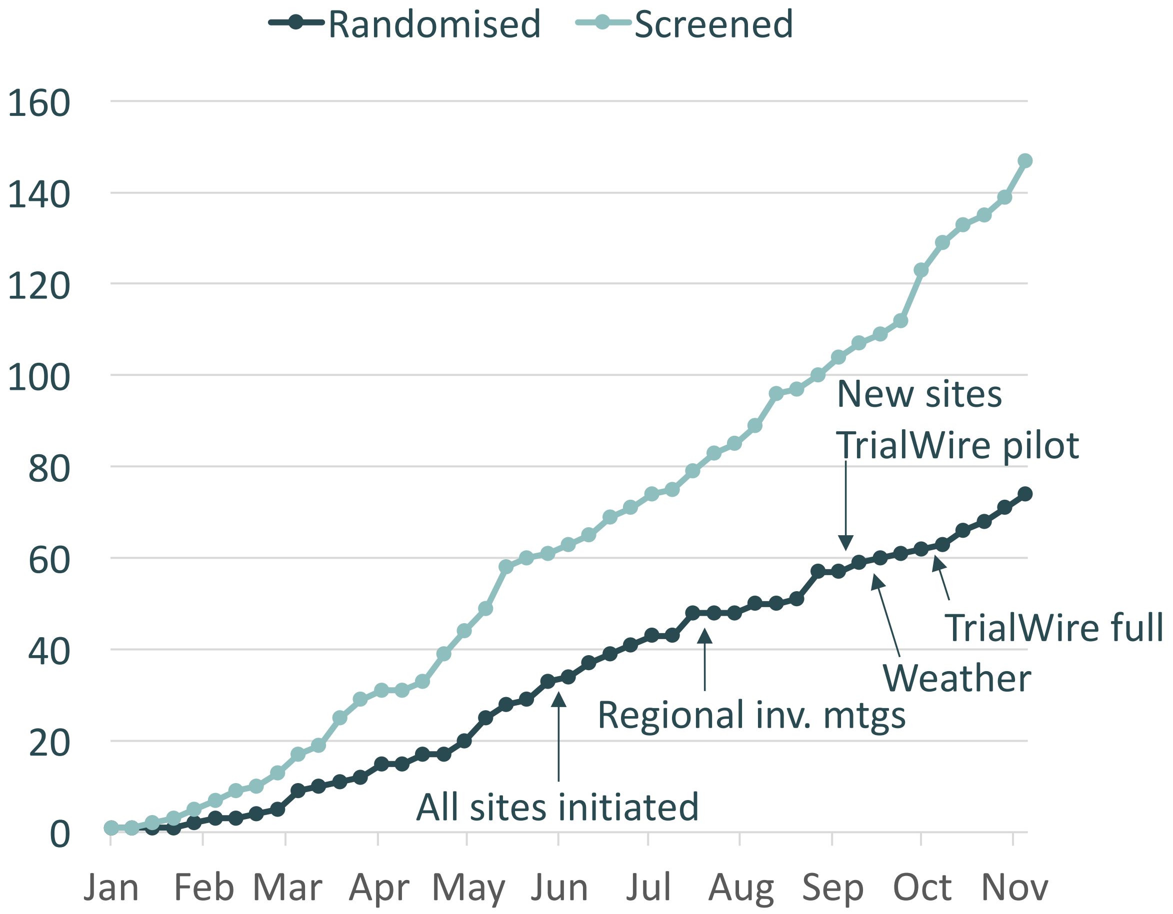
Gold-standard comparative approach *to clearly define the added benefit of VF001*

Endpoints that are meaningful *to regulators, clinicians and commercial partners*

*Standard care = dressings & compression bandaging; healing rates ~30-70%

Pipeline of Patients to be Randomised is Growing



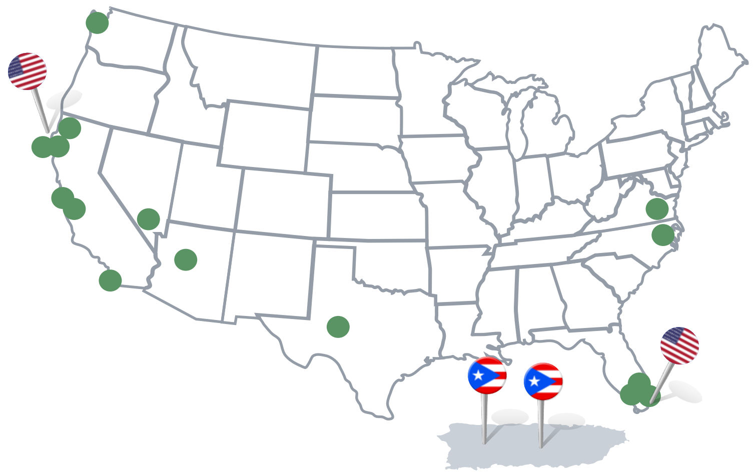


FACTOR THERAPEUTICS

Active Management Strategy

Delivering recruitment AND a high quality dataset

- Site configuration: ~20 active sites
  - Close monitoring and closure of non-contributing sites
  - Wound care or podiatry clinics in best performing regions (CA and FL)
  - New sites added with strong recruitment potential and untapped patient potential (PR)
- Marketing support
  - Advertising (TV, radio, online, social media)
  - Media coverage
  - Investigator meetings and networking
- Main efficacy analysis brought forward
  - Readout three months before full safety and quality of life



- ~45 patients completed treatment
- Excellent compliance – low withdrawal rate (3%)
- New sites fully operational
  - Strongest start-up performance to date in PR

FACTOR THERAPEUTICS

Successful Readout from VF00102 is a Key Event

Potential to trigger multiple opportunities

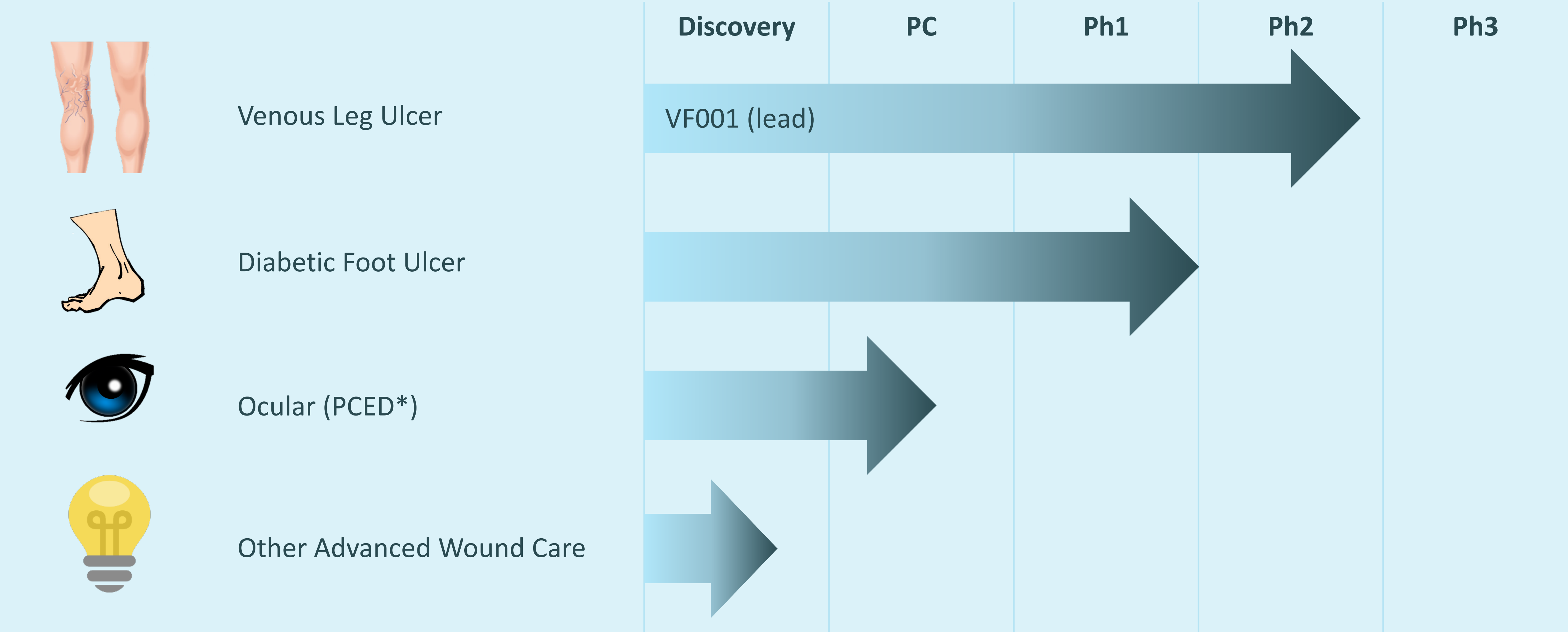
Increases likelihood of a partnering deal

2nd pivotal study for potential CE Mark resubmission

Decision to move into Phase 3 studies

Robust Pipeline

Based Around Our Technology Platform and Advanced Wound Care Focus



**Persistent corneal epithelial defect*

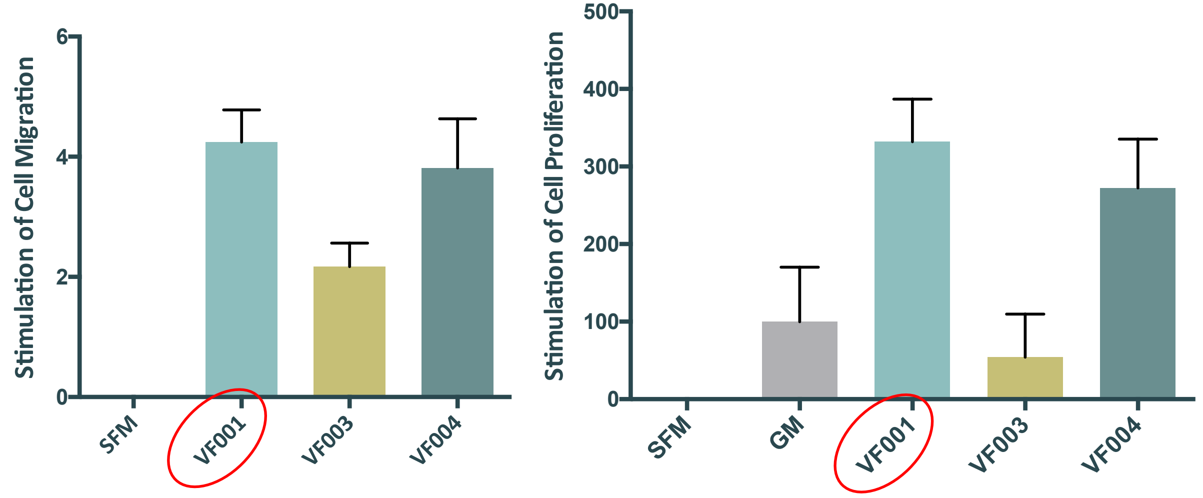
Pipeline
Progressing in the background

Diabetic Foot Ulcer (DFU)

- IND essentially ready to submit
  - Clinical protocol to be finalised
- Approach as for VLU, i.e.
  - Clearly define the target population
  - Explore cost-effective de-risking

Harlequin Ichthyosis (HI)

- Two-year collaboration with mid-way decision point
  - Year 1 work almost complete



SFM = serum-free media (control); GM = growth media (comparator)

Ocular

- Corneal epithelial cells move and multiply in response to our technology i.e. VF001 and VF004
- Provisional patent filed
- Potential orphan drug designation (PCED)
- Rapid transition into clinical testing possible with VF001
  - Established manufacturing
  - Safety database

FACTOR THERAPEUTICS

Progress Across All Areas of the Company

	Q1FY17	Q2FY17	Q3FY17	Q4FY17
CLINICAL	• PAREXEL selected • Manufacturing complete	• Protocol complete • IND resubmitted • Off clinical hold • First Patient In		• All sites initiated • Trial fully operational
PEOPLE	• MAB established • M Farris Co Sec • R Ryan NED		• J Michailidis NED	• R Wilson CEO • C Behrenbruch NED • N Johnson COO
PORTFOLIO		• Ocular research start • Monash collaboration	• DFU IND prepared	• Ocular first results

FACTOR THERAPEUTICS

The Investor Perspective

Clear priorities for FY18 – and beyond

Clear Mission

To develop and commercialise a portfolio of advanced wound care products

- Lead programme VF001 in Venous Leg Ulcers

Progress

VF00102

Growth

Near-term value

- Data readout VF00102
- Regulatory interactions
- Business development

Long-term opportunites

- VF001 in other indications
- Portfolio in wound care
- Vitronectin-based platform