AdAlta

next generation protein therapeutics

CORPORATE FACT SHEET

October 2017

AdAlta Limited
ASX: 1AD

15/2 Park Drive
Bundoora 3083 Victoria
Melbourne Australia

www.adalta.com.au
enquiries@adalta.com.au

CORPORATE FACT SHEET October 2017

Investor Highlights

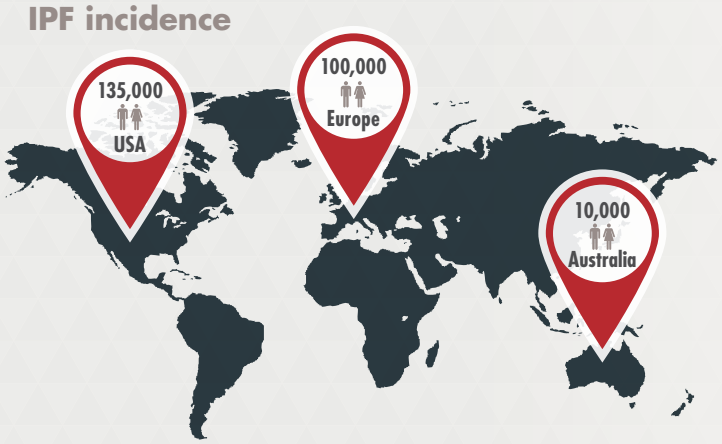
1. **Drug discovery and development company**
2. **Targeting untreated diseases, lead program for Idiopathic Pulmonary Fibrosis (IPF), obtained FDA Orphan Designation**
3. **Early transaction potential**
4. **Experienced Board and management team with world-class Scientific Advisory Board**
5. **Platform technology generating a new class of protein therapeutics called i-bodies**

Capital structure	
ASX code	1AD
Shares on issue* *24.1m shares escrowed until August 2018	101,257,434
Share price (16 October 17)	AU$0.24
Market Capitalisation	AU$24.3m
Current cash (30 September 17)	AU$6.87m
December Quarter Burn Rate	AU$1.8m
Trading Range	AU$0.325 to $0.165
Average Daily Trade Volume	32,201

Major Shareholders	%
Yuuwa Capital LP	53.39
Platinum Asset Management	8.05
Citycastle Pty Ltd	5.25
La Trobe University	3.00
National Nominees Ltd	2.14
Other shareholders	28.17
Total	**100%**

AD-114: lead program in Idiopathic Pulmonary Fibrosis (IPF)

IPF incidence



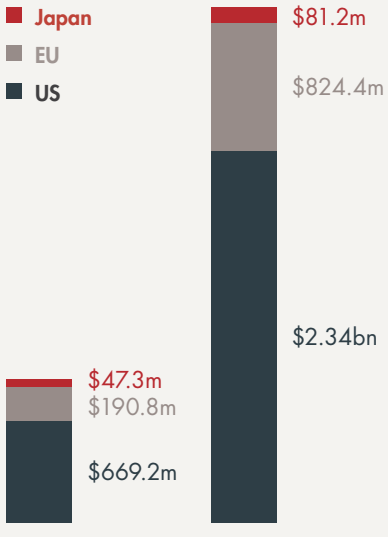
of sufferers die within 2 to 3 years following diagnosis

Current IPF treatments

Pirfenidone — Roche

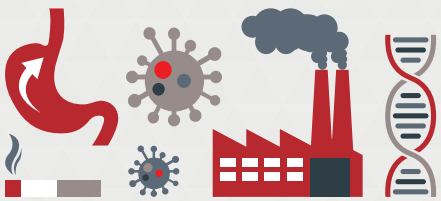
Nintedanib — Boehringer Ingelheim

IPF Therapy Sales (US$)



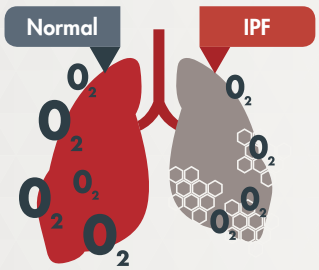
Source: GlobalData IPF Forecast 2016

Causes



The cause is unknown but risk factors may include: smoking, environmental exposures, chronic viral infections, abnormal acid reflux and family history of the disease.

Pathology



Resultant scarring/honeycombing in the lung restricts breathing and oxygen exchange.

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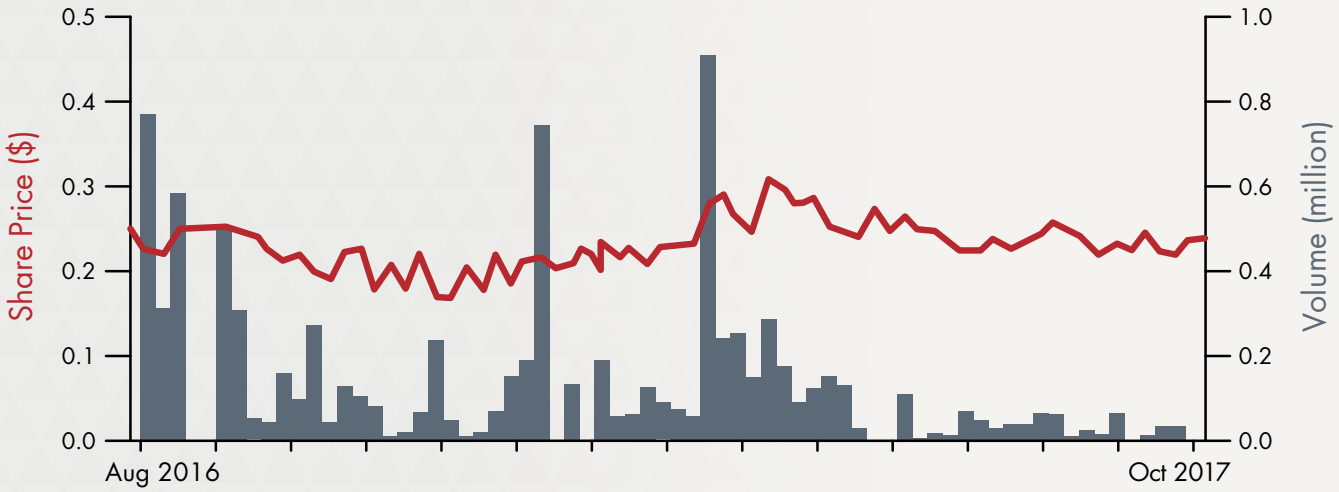
Commercialisation and Long-term Growth Strategy

- Complete the first clinical trial with lead i-body candidate, AD-114, including the required manufacturing
- Partner and license the lead fibrosis candidate and i-body platform through business development activities
- Progress research and development activities in other therapeutics areas with the i-body platform

Share Price Performance since IPO



Therapeutic Focus: Fibrosis

- Fibrosis is the stiffening and scarring of tissue caused by inflammation and collagen deposition
- AdAlta is developing i-body AD-114 as an improved therapy for the treatment of fibrosis
- Fibrosis is prevalent in 45-50% of all diseases
- Initial focus is on lung fibrosis, with AD-114 granted FDA Orphan Drug Designation in January 2017

Big Pharma are actively acquiring fibrosis assets at an early stage

Fibrosis represents a large, unmet clinical need

Global market interest in fibrosis treatments

Date	Company	Target	Acquired by	Deal value (US$)	Deal commentary
SEP – 15	Adheron Therapeutics	SDP051	Roche	$105M upfront, plus $475M in milestones	SDP-51 at end of Phase I for IPF
AUG – 15	Promedior	PRM-151	BMS	$150m upfront + $1.25B	Phase II IPF and myelofibrosis
NOV – 14	Galecto Biotech AB	TD139	BMS	$444M	Option to acquire at end of clinical POC (no later than 60 days following Ph 1b for IPF completion)
AUG – 14	Intermune	Esbriet / Pirfenidone	Roche	$8.3B	Approval in Europe / Japan, phase III in the US
JUN – 13	MicroDose Therapeutx	MMI0100	Teva Pharmaceuticals	$40M upfront $125M milestones	MMI0100 was in pre-clinical development
MAR – 12	Stromedix	STX100	Biogen Idec	$75M upfront $487.5M milestones	End of phase I for IPF
JUL – 11	Amira / BMS	BMS-986020	BMS	$325M upfront $150M milestones	End of phase I for IPF

CORPORATE FACT SHEET October 2017

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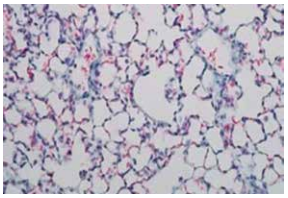
AD-114 makes encouraging progress towards the clinic

- Lead i-body candidate has broad anti-fibrotic preclinical package demonstrated in various *in vitro* and *in vivo* models of the lung, eye, liver and skin fibrosis
- FDA orphan drug designation obtained for Idiopathic Pulmonary Fibrosis in January 2017, allows for R&D tax credits, new drug application fee waivers, fast track to market and seven year period of exclusivity
- AD-114 is safe and well-tolerated in pre-clinical toxicology studies
- Fully-funded for Phase I development of AD-114

AD-114 is a first in class treatment for lung fibrosis

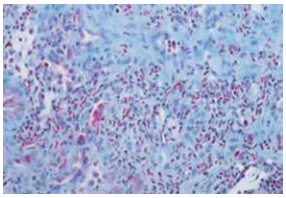
- AD-114 has demonstrated anti-fibrotic and anti-inflammatory activity
- AD-114 has greater *in vitro* efficacy compared to approved IPF therapies, Nintedanib and Pirfendione and has novel mechanism of action

A. Normal lung tissue



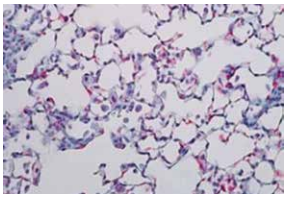
This picture of a normal healthy lung has been stained to show collagen which appears in blue. Compared to Figure B there is little blue staining.

B. IPF diseased lung tissue



This picture shows the mouse lung after treatment with Bleomycin, a toxin that is used to simulate the effects of IPF in this model. The Bleomycin is administered at day 0 and at 21 days post administration the lung tissue collagen content is analysed. The Bleomycin treated mouse lung shows extensive collagen deposition (blue staining) typical of fibrosis.

C. IPF disease lung tissue treated with AD-114



This picture shows the lungs of a mouse given Bleomycin and then treated with AD-114 daily for 21 days. The lungs are now observed to have a similar architecture to that of the normal lung. AD-114 decreased the total collagen content in the lungs demonstrating the anti-fibrotic effect of the i-body *in vivo*. It shows very little collagen staining similar to the normal lung tissue as in Figure A.

Key Milestones

2017		2018				2019	
Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Manufacturing				Partnering of lead candidate based on other benchmark deals			
		Toxicology studies					
				Phase I			
Publication of data							
BD and partnerships							

Novel i-body platform allows AdAlta to generate a pipeline of compounds against challenging drug targets

- AdAlta's i-body technology platform (proprietary libraries containing over 20 billion i-body protein compounds) can be used for the identification of novel therapeutics to other disease targets
- AdAlta will use its proprietary i-body technology platform to further generate and develop its own internal pipeline of novel i-body drug candidates, presenting additional future licensing opportunities

Board and Management

AdAlta is led by an experienced Board and management team and supported by a world class scientific advisory board. The AdAlta team has been responsible for the development of the i-body platform, the identification and pre-clinical development of the lead i-body candidate and has a successful track record of developing and commercialising drugs in multiple therapeutic areas.

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John Westwick
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Contact information

Sam Cobb
Managing Director
15/2 Park Drive Bundoora
Melbourne Victoria 3083
Australia
E s.cobb@adalta.com.au
M + 61 4 0789 9867
T + 61 3 9479 5159
www.adalta.com.au

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