CORPORATE FACT SHEET

AdAlta Limited (ASX: 1AD) June 2018

AdAlta
next generation protein therapeutics

Investor Highlights

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

Key financial details	
ASX code	**1AD**
Share price (31st May 2018)	**AU$0.35**
Market capitalisation	**AU$35.65m**
Shares on issue*	**101,845,845**
Escrowed shares (August 2018)	**24,000,000**
Options on issue	**4,090,866**
Current cash (31 March 2018)	**AU$3.63m**
Trading range (last 12 months)	**AU$0.20 to $0.40**
Average daily volume	**24,328**

Major Shareholders	%
Yuuwa Capital LP	**53.08**
Platinum Asset Management	**8.00**
Citycastle Pty Ltd	**5.22**
La Trobe University	**2.99**
National Nominees Limited	**2.49**
Other shareholders	**28.22**
Total	**100%**

Commercialisation and long-term growth strategy

- Complete the first clinical trial with lead i-body candidate, AD-214, 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 therapeutic areas with the i-body platform building a pipeline of novel i-bodies

Share Price Performance (last 12 months)

AdAlta Limited 15/2 Park Drive, Bundoora 3083 Victoria, Melbourne Australia Email: enquiries@adalta.com.au Website: www.adalta.com.au

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Therapeutic Focus: Fibrosis

Fibrosis represents a large, unmet clinical need

- Fibrosis is the stiffening and scarring of tissue caused by inflammation and collagen deposition
- Fibrotic diseases account for up to 45% of deaths in the developed world
- AdAlta is developing lead candidate, AD-214 for the treatment of fibrosis
- Initial focus is on lung fibrosis condition IPF, with AD-214 granted FDA Orphan Drug Designation for treatment of IPF

Big Pharma are actively acquiring fibrosis assets at an early stage

Market opportunity for IPF

Idiopathic Pulmonary Fibrosis (IPF) is an irreversible, unpredictable and incurable disease

THE STATISTICS

People living with IPF

300,000

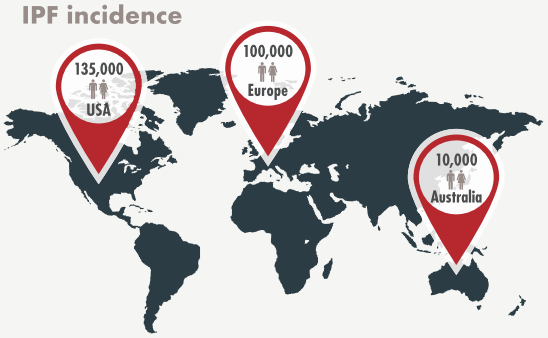
People die from IPF every year

40,000

Median length of survival after IPF diagnosis

3.8 years

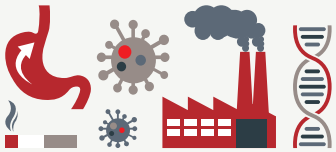
IPF incidence



50%

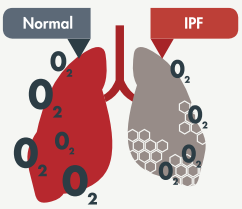
of sufferers die within 2 to 3 years following diagnosis

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



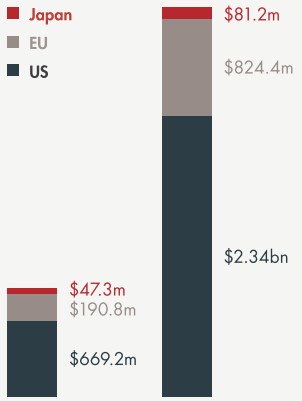
Resultant scarring/honeycombing in the lung restricts breathing and oxygen exchange.

Current IPF treatments

Pirfenidone — Roche

Nintedanib — Boehringer Ingelheim

IPF Therapy Sales (US$)



Source: GlobalData IPF Forecast 2016

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

Source: Medtrack Pharma Intelligence, Informa (all IPF deals since 2011)

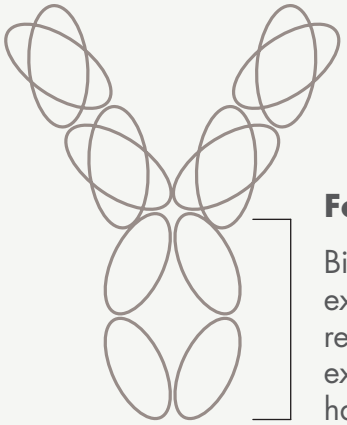
AdAlta
next generation protein therapeutics

From single-domain to AD-214: improved therapeutic and commercial potential

- AdAlta's lead drug for treatment of Idiopathic Pulmonary Fibrosis, AD-114 has been redesigned as new Fc-fusion molecule, called AD-214 – suitable for a wider range of fibrotic diseases
- New molecule AD-214 retains unique therapeutic benefits of AD-114, but delivers enhanced activity and significantly improved half-life
- AD-214 is expected to be more attractive to patients and potential pharma partners

AD-114

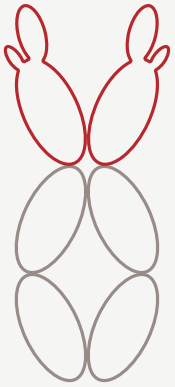
Binds to CXCR4 on the cell surface and has anti fibrotic activity



Fc Fragment

Binds to cells expressing the Fc receptor (FcRn) to extend the drug's half life

AD-214



i-body binds to CXCR4 to have anti-fibrotic activity

Fc Fragment binds to extend the drug's half life

Monoclonal Antibody

Enhanced binding

- Due to dual binding of two i-body molecules, there is enhanced binding to drug target CXCR4
- No change to mechanism of action; i-body binds to CXCR4 with unique activity compared to other CXCR4 antagonists

Improved half-life

- Half–life duration or the time in which a drug stays in the body significantly improved (approved Fc-fusion half life in humans range from 4-25 days)
- Less frequent dosing required and suitable for a wider range of fibrotic conditions

When combined, the i-body and Fc Fragment create a superior drug, with improved therapeutic benefit for patients and for potential commercial partners

AD-214: a superior i-body moving towards the clinic

- Fc-fusion proteins, such as AD-214, are well established with eleven Fc-fusion based products approved by the USA FDA
- The manufacturing process of Fc-fusion proteins is well understood, potential for lower cost of goods
- The i-body has a broad anti-fibrotic and anti-inflammatory preclinical package demonstrated in various *in vitro* and *in vivo* models of the lung, eye, liver, kidney and skin fibrosis
- FDA orphan drug designation obtained for Idiopathic Pulmonary Fibrosis is applicable to AD-214 and allows for potential R&D tax credits, new drug application fee waivers, fast track to market and seven year period of exclusivity
- AD-114 and AD-214 are safe and well-tolerated in pre-clinical studies

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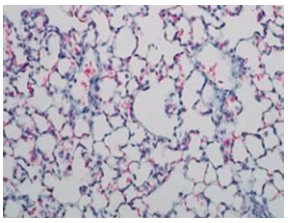
AD-214 is a first in class treatment for lung fibrosis

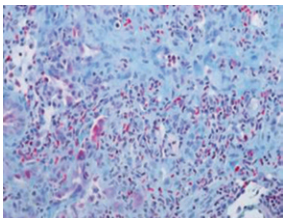
- AdAlta's lead i-body has demonstrated broad anti-fibrotic activity in several animal models of fibrosis
- AdAlta's lead i-body has greater *in vitro* efficacy compared to approved IPF therapy, Nintedanib and Pirfenidone and has novel mechanism of action

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

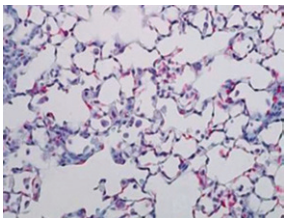


This picture shows the mouse lung after treatment with Bleomycin, a toxin that is used to simulate the effects of IPF in this model.

The Bleomycin is administered at day 0 and at 21 days post administration the lung tissue collagen content is analysed.

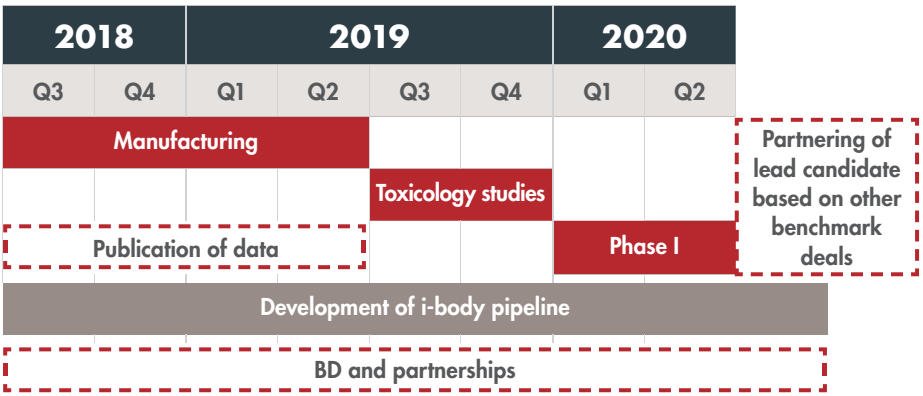
The Bleomycin treated mouse lung shows extensive collagen deposition (blue staining) typical of fibrosis.

C. IPF disease lung tissue treated with i-body



This picture shows the lungs of a mouse given Bleomycin and then treated with anti-CXCR4 i-body daily for 21 days. The lungs are now observed to have a similar architecture to that of the normal lung. i-body treatment 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



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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Drug discovery
John Westwick
Respiratory drug development
Steve Felstead
Drug Discovery
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Manufacturing

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