



Phosphagenics moves towards scale-up patch manufacturing after positive clinical results

TPM patch profile ideal for the treatment of chronic pain

Phase 2/3 trials on track for 2011 using commercially manufactured final product

Company 'in discussion' with world leading international patch manufacturers

Melbourne, 13 October 2010: Melbourne drug delivery company Phosphagenics Limited (ASX: POH) is set to move from lab-scale development into commercial patch manufacturing after successfully completing its product profiling phase 1 study.

This milestone study, led by Professor Guy Ludbrook at the Royal Adelaide Hospital, involved 40 subjects and was designed to measure the amounts of oxycodone entering the bloodstream following various dosing regimes of the TPM/oxycodone patch.

It found that daily application of the TPM/oxycodone patch again delivered therapeutic amounts of oxycodone into the blood, while an extended dosing period of 14 days enabled blood steady state to occur.

Steady state occurs when drug concentrations in the blood remain constant over time and is a vital end-point for any sustained therapy.

Phosphagenics CEO Dr Esra Ogru, said this pivotal trial provided all necessary dosing and patch information required to proceed to a phase 2/3 program.

"This is a milestone achievement for Phosphagenics," Dr Ogru said. "We are extremely pleased with these results.

"TPM/oxycodone patch reproduced therapeutic plasma levels and reached steady state when applied daily.

"This now paves the way for the Company to move to next phase of development which will involve commercial up-scaling of the patch."

The study also determined the effectiveness of a weekly TPM/oxycodone patch application.

The weekly patch provided constant levels of oxycodone for over 7 days, producing blood levels suitable for less severe pain indications, such as moderate back pain or post-hepatic neuralgia.

Dr Ogru said these surprising product opportunities were now being actively explored commercially in conjunction with international pain experts.

“While we did not reach the therapeutic levels required to manage very severe pain, we are confident we can achieve this in the scale-up of the weekly patch technology.”

Phosphagenics is now in advanced discussions with a leading patch manufacturer for the commercial scale-up of the finished patch product.

To date, all patch development has been carried out in-house.

Manufacturing and development is scheduled for early 2011 and phase 2/3 trials will start after patch completion.

Dr Ogru said, “We are committed to fast tracking this important technology, which has the potential to change the lives of people who suffer chronic pain.

“We believe that initiating the commercial development of the TPM/oxycodone and using this product for the remaining phase 2/3 program provides the fastest route to registration and market.”

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About Phosphagenics

Phosphagenics is commercialising drug delivery applications based on its novel transdermal (drugs administered via skin) TPM – Targeted Penetration Matrix technology. TPM™ is a patient friendly and cost effective system used to deliver proven pharmaceutical and nutraceutical products. The two product targets which are advancing through clinical trials are an insulin patch for diabetics (instead of injections) and an oxycodone patch for the relief of chronic pain.

Phosphagenics' shares are listed on the Australian Securities Exchange (POH) and its ADR – Level 1 program in the US is with The Bank of New York Mellon (PPGNY).

www.phosphagenics.com