



**The ASX Limited
Market Announcement Office**

COMPANY ANNOUNCEMENT

Equity Capital Raising- Share Purchase Plan

Melbourne 6 August 2014

Further to the Company's announcement on Tuesday 5 August 2014 advising the completion of the Share Purchase Plan offering to shareholders.

The Board of Directors advises that it has today issued 37,500,000 new ordinary fully paid shares at A\$0.08 a share to shareholders participating in the SPP following the receipt of \$3,000,000.00 in cleared funds.

Following the issue of the 37,500,000 new ordinary fully paid shares the number of ordinary share now on issue has increased to 1,210,965,957 shares trading under ASX Code: "POH"

Yours faithfully
Phosphagenics Limited

per Mourice Garbutt
Company Secretary
p\asx\spp 06 08 14

Enquiries

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About Phosphagenics

Phosphagenics Limited is a drug delivery company that is commercialising various products within the pharmaceutical, cosmetics and animal health sectors, using its proprietary drug delivery system called TPM[®] (Targeted Penetration Matrix). TPM[®] is a patient friendly and cost effective system, based on Vitamin E, that enhances the topical or transdermal delivery of active molecules. The lead products advancing through clinical trials are oxymorphone and oxycodone patches 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).

Inherent Risks of Investment in Biotechnology Companies

There are a number of inherent risks associated with the development of pharmaceutical products to a marketable stage. The lengthy clinical trial process is designed to assess the safety and efficacy of a drug prior to commercialisation and a significant proportion of drugs fail one or both of these criteria. Other risks include uncertainty of patent protection and proprietary rights, whether patent applications and issued patents will offer adequate protection to enable product development, the obtaining of necessary drug regulatory authority approvals and difficulties caused by the rapid advancements in technology.

Forward-looking Statements

Certain statements in this announcement may contain forward-looking statements regarding Company business and the therapeutic and commercial potential of its technologies and products in development. Any statement describing Company goals, expectations, intentions or beliefs is a forward-looking statement and should be considered an at-risk statement. Such statements are subject to certain risks and uncertainties, particularly those risks or uncertainties inherent in the process of developing technology and in the process of discovering, developing and commercialising drugs that can be proven to be safe and effective for use as human therapeutics, and in the endeavour of building a business around such products and services.

www.phosphagenics.com
www.bioelixa.com