



**ASX Limited**  
**Market Announcements Office**

**Substantial Shareholding Notice : Form 605**

**23 July 2014, Melbourne:** Australian drug delivery company, Phosphagenics Limited (ASX: POH; OTCQX: PPGNY), advises that it has received a Form 605 Notice (Notice of ceasing to be a substantial shareholder) from Mr R Copeland.

Mr Copeland has advised that arising from the recent Placement of 153 million new ordinary shares by Phosphagenics Limited his unchanged interest in the Company's shares has been diluted as a percentage of the number of the Company's shares now on issue to below 5 per cent and that he has automatically ceased to be a substantial shareholder.

Mr Copeland's Form 605 Notice is attached for release to the market.

**END**

**Enquiries**

*Australia:*

David Segal

Investor Relations Manager

Phosphagenics Limited

+61 3 9565 1103

**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<sup>®</sup> (Targeted Penetration Matrix). TPM<sup>®</sup> 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](http://www.phosphagenics.com)

[www.bioelixia.com](http://www.bioelixia.com)

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**Phosphagenics Limited**

ACN 056 482 403 ABN 32 056 482 403

11 Duerdin Street, Clayton VIC 3168

PO Box 1415, Clayton South MDC VIC 3169 Australia

Tel: +61 (0)3 9565 1119 Fax: +61 (0)3 9565 1151

[www.phosphagenics.com](http://www.phosphagenics.com) Email: [info@phosphagenics.com](mailto:info@phosphagenics.com)

**Form 605**Corporations Act 2001  
Section 671B**Notice of ceasing to be a substantial holder**To Company Name/Scheme Phosphagenics LimitedACN/ARSN 32 056 482 403**1. Details of substantial holder (1)**Name Ross Copeland

ACN/ARSN (if applicable) \_\_\_\_\_

The holder ceased to be a substantial holder on 18/07/2014 solely due to the percentage dilution impact on his entitlement arising from the increase in issued capital by Phosphagenics Limited on 18/07/2014 by the issue of 153 million new ordinary voting shares in which Mr Copeland was not a participant

The previous notice was given to the company on 14/09/2011The previous notice was dated 14/09/2011**2. Changes in relevant interests**

Particulars of each change in, or change in the nature of, a relevant interest (2) of the substantial holder or an associate (3) in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (4)	Consideration given in relation to change (5)	Class (6) and number of securities affected	Person's votes affected
18/07/2014 - due to the impact of the increase in issued POH shares as a percentage dilution on his entitlement on 18/07/2014	Ross Copeland	PERCENTAGE DILUTION ONLY arising from the issue by Phosphagenics Limited (POH) of 153 million new ordinary voting shares to the extent that the holders & entitlement has been diluted to less than 5 per cent of the issued voting shares of POH	Nil.	NIL Entitlement unchanged at 53,898,776 ORDINARY voting shares N.B. Percentage interest diluted from 5.281% to 4.593%	Nil Entitlement unchanged at 53,898,776 ORDINARY voting shares

**3. Changes in association**

The persons who have become associates (3) of, ceased to be associates of, or have changed the nature of their association (7) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
	NO CHANGE

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#### 4. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Ross Copeland	26 Albany Road, Toorak, Vic., 3142

#### Signature

print name	Ross Copeland	capacity	Self and as Trustee for Publicity Press Superannuation Fund
sign here		date	22/07/2014

#### DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 4 of the form.
- (2) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (3) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (4) Include details of:
  - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (5) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (6) The voting shares of a company constitute one class unless divided into separate classes.
- (7) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.