



ASX Limited
Market Announcements Office

Phosphagenics Appoints Dr Ross Murdoch as Chief Executive Officer

14 January 2015, Melbourne: After an extensive global search, Australian drug delivery company, Phosphagenics Limited (ASX: POH; OTCQX: PPGNY) is pleased to announce the appointment of Dr Ross Murdoch as CEO.

Dr Murdoch has more than 25 years of experience leading and managing the strategic, scientific and operational aspects of product research, development and commercialisation across the healthcare, biotechnology and pharmaceutical Industries. Dr Murdoch has been engaged in senior management positions in major pharmaceutical and biotechnology companies where his focus has been on building both new and existing businesses.

Lawrence Gozlan, Chairman of Phosphagenics, said, "It is a great pleasure to welcome Ross to Phosphagenics as Chief Executive Officer. His background as a leader who has successfully built and rebuilt businesses, combined with his strong management, R&D and commercial experience convinced us that he is the right person for the job. Ross has the outstanding qualities needed to ensure Phosphagenics achieves and exceeds its growth targets."

"I am very excited to be joining such an outstanding team at a key time in the company's development," said Dr Murdoch. "I believe Phosphagenics has the right components for success - valuable and flexible proprietary transdermal delivery technology and the expertise and resources to make it succeed. The team and I will be immediately focused on significantly improving shareholder value through delivering key short-term goals within our pain portfolio, but also recognising the benefits of this unique platform that has the potential to provide unique solutions in other large and valuable markets."

Dr Ross Murdoch has acted in many senior roles in both the biotechnology and pharmaceutical industries, including in more recent times the following:

- Senior Vice President at Shire Pharmaceuticals (one of the world's leading Specialty Pharmaceutical companies), responsible for founding and building the Emerging Products Business and the Hematology Business, as well as managing the move of the Specialty Pharmaceutical Business to Switzerland. As part of the move he resided in Switzerland from 2010-2012.
- President and COO of Prana Biotechnology Limited (Australia) where he played a key role in a number of capital raisings and Prana's NASDAQ listing. He helped grow the company's portfolio from a single compound into one with several novel compounds. Prana is an Australian biotechnology company developing treatments for Alzheimer's, Parkinson's and Huntington's diseases.

Dr Murdoch is relocating from the USA to Melbourne to take up this role. He has a BSc degree with honours from Monash University, a PhD in Clinical Pharmacology from the University of Melbourne, and additional postgraduate training in Health Economics from Monash University Business School. He has co-authored a number of peer reviewed publications over a range of medical and biotechnological topics.

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Enquiries

David Segal
Investor Relations Manager
Phosphagenics Limited
+61 3 9565 1103

Rudi Michelson
Monsoon Communications
+61 3 9620 3333

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).

www.phosphagenics.com
www.bioelixia.com

Summary of Terms and Conditions for Dr Ross Murdoch

- Term: The appointment is on an ongoing basis and commences with effect from 12 January 2015.
- Base Remuneration (BR): \$350,000 plus statutory superannuation contributions.
- Short Term Incentive (STI): Up to 40% of base salary.
- Long Term Incentive (LTI): Up to 15 million performance rights which will vest based on the achievement of certain key performance indicators. These include amongst a number of milestones, achieving a share price of 25c for in excess of 10 consecutive days at any time prior to 31 December 2017. The Terms of the LTI as to vesting apply so long as Dr Murdoch is an employee of the Company at the time of vesting and may be exercised in Tranches of one-third on or at any time after 31 December 2015; 2016 and 2017.
- Relocation: The Company will contribute to Dr Murdoch's relocation costs.