



19 May 2016, Melbourne

ASX Limited
Market Announcements Office

Phosphagenics Limited

2016 Annual General Meeting (“AGM”)

At the Annual General Meeting (“AGM”) of the shareholders of Phosphagenics Limited which is to be held in Melbourne, Victoria, this morning the following addresses/presentations will be made:

- Chairman – Mr P Lankau
- Managing Director & CEO – Dr R Murdoch

A copy of each document is attached for release to the market.

Phosphagenics Limited

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19 May 2016, Melbourne, Australia:

AGM – Chairman’s Address

Once again, good morning and welcome. As Chairman of Phosphagenics, and on behalf of our Board of Directors and management team, I would like to welcome you to the 2016 Annual General Meeting. Today we will discuss the agenda as set out in our Notice of Meeting, the Company’s recent activities and future direction of Phosphagenics.

First, let me acknowledge the retirement of Mr Nathan Drona from our Board. As announced yesterday, Mr Drona has retired from Phosphagenics to focus on his other business interests and commitments. He was a key contributor to the Board and we wish him well in his future endeavours.

Led by Chief Executive Officer, Dr Ross Murdoch, Phosphagenics has undergone a substantial shift in Company dynamics throughout 2015. The year has indeed been both a challenging and productive one for Phosphagenics as we have learned many things about our Company, our core TPM[®] technology, and its capabilities.

The topics for this AGM address include discussing the many challenges we have faced, our response to market dynamics and our plans to optimise our portfolio. Relevant to this we will also explore the conduct of business partnering activities, the various strategic assessments and evaluations undertaken to increase shareholder value, and the stage of the various technological development programs. As a new Board, constituted in May of last year, developments in the Company over the last eight months of financial year 2015 saw a new perspective, a new approach and a new commitment to delivering value for Phosphagenics shareholders.

As a new Board, refocusing the efforts of the Company towards development and commercial implementation of our technology has been a priority. Thus, after years of studying interesting yet unfulfilled opportunities for TPM[®], Phosphagenics will cease being an academically inquisitive research focused organisation.

Instead, the Company will focus on completing the work it has already undertaken in product development and research, to seek external partners who possess the necessary expertise to initiate, or complete, certain development work under Phosphagenics’ direction and oversight, and to seek licensing and/or partnering collaborations that make the most sense given Phosphagenics’ capabilities.

One such partnership agreement was announced to the ASX, investors and media outlets in April, and another Tuesday and yesterday this morning. More agreements are currently in discussions.

One of the major initiatives this new team has undertaken is a comprehensive corporate review and restructure which has seen the business reorganised along three business lines: Human Health; Animal Health and Nutrition; and Production and Personal Care.

The rationale for this restructure is that we believe there is substantial value to be generated from our core asset, our proprietary TPM[®] delivery technology. The opportunity to generate increasing revenue over the short, medium and long term was also a driving factor in this restructure.

As a result, there is a much greater focus on making commercially minded decisions amid clear objectives for each business unit and I believe this disciplined approach is already delivering results.

In our **Human Health division** our commercialisation strategy is centred on licensing and partnering opportunities; while continuing to advance the development of assets, such as the oxymorphone patch and various injectables to expand the portfolio.

As I indicated earlier, we were very pleased to announce that we have entered into a license options agreement and R&D alliance with a leading Japanese healthcare company, a well known, but as yet unnamed, Nikkei 225 company.

The partnership is broad and involves patch, injectable and other dosage forms formulated with TPM[®]. The lead product is the TPM[®]/Oxymorphone patch. This is an exciting relationship for Phosphagenics as it is a strong validation of our patch technology and has the potential to provide both partners with significant value over many months to come.

We have an excellent opportunity in **Animal Health and Nutrition** to apply TPM[®] as a food additive and deliver commercial and health benefits in livestock production. This year we have completed our first trial of young/weaner pigs and commencement of a second swine study focusing on older pigs.

The weaner trial results demonstrated the commercial potential of TPM[®] as a feed additive for livestock, with significant improvement in feed efficiency for the first 14 days' post weaning reported. This is an important result for our Animal Health division and provides compelling data to present to major feed producers with a view to entering commercial partnership arrangements. Additional studies are planned in 2016 for other production animals, such as poultry or cattle, to assess the value of TPM[®] across the broader market segment.

The focus for the **Production and Personal Care division** over the past year has been to improve operational efficiencies and safety, whilst maintaining output and improving profit margins. A number of specific improvements at the Company's production facility in Clayton already have been made and have provided immediate gains in efficiency across the division, which directly impact the Company's bottom line.

In line with the comprehensive corporate review and restructure, we have been able to significantly reduce the fixed overhead costs and allow for value enhancing external development work when needed. This ensures the cash reserves of the Company are maximised and the impact of these reductions will become evidently prominent during the second half of 2016.

Stakeholders in the Company will also be aware, that we currently have two arbitrations underway. The arbitration with ProPhase is close to being finalised and a decision should be received shortly, although the delivery is at the discretion of the arbitrator and the outcome uncertain.

We have also commenced legal proceedings against Mylan Laboratories and Dr Murdoch will provide further details concerning this during his address. We expect that the Mylan arbitration could be a notable cost to the Company and have already built an allowance into our 2016 and 2017 budget for this.

From a funding perspective I would like to reiterate Phosphagenics is well positioned to pursue TPM® commercialisation opportunities and to fund its operations with a cash balance as at [31 December 2015] of [\$12.4 million]. In addition, a R&D Tax incentive refund of \$2.4 million was received in March 2016 extending Phosphagenics' cash runway well into 2017.

From the perspective of seeking diverse value-creating opportunities to improving shareholder value, the Board has been assessing a number of strategic partnerships throughout 2015, with the support from external legal, financial and partnering advisors. Licensing, alliance, co-development and even M&A opportunities for the Company to utilise its intellectual and financial capital to exploit these opportunities have been and continue to be analysed and evaluated. And actively pursued.

Due to confidentiality reasons, we are yet to reveal further partnering discussions for licensing, alliances, co-development and even M&A opportunities for the Company. However, the Board has been continuously examining any and all opportunities, across all business units, to return shareholder value. In fact, there has hardly been a month that has gone by that we haven't been under CDA and conducting diligence.

I would like to acknowledge Dr Ross Murdoch and his executive team, who have done a superb job and are integral to the continued success and development of this Company.

I would also like to thank my fellow Board members and the entire team at Phosphagenics. Their devoted commitment to building shareholder value through commercialising Phosphagenics' proprietary TPM® technology is pivotal to the future direction of the Company.

We have made some difficult decisions over the past year, but what has emerged is a cohesive team that is very focused and able to implement the necessary changes to deliver results for all stakeholders.

On behalf of the Board, I would like to thank all of our shareholders for their previous and ongoing support throughout the last financial year.

I will now hand over to Dr Ross Murdoch now for his detailed report on this past year.

Thank you,

Peter Lankau

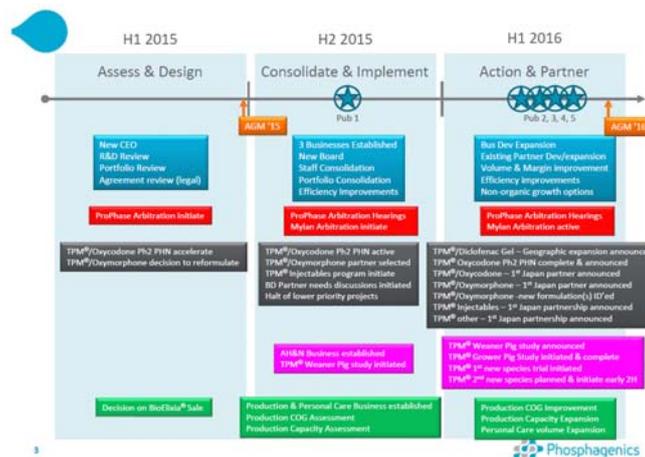
19 May 2016, Melbourne, Australia:

AGM – CEO Address

Good morning, let me first say “thank you” to you for coming today. I hope you find it informative and by the end you too feel that we are entering a phase of renewed opportunity and enthusiasm for our Company.

I have now been CEO of your Company for just under 16 months. In many ways this has been a most challenging 16 months for the Company and shareholders.... however, I believe we have been able to drive substantial change during this period, resulting in a more focused, efficient organisation with a clear strategy to derive value from our core assets.

Slide 1



At the last AGM (my first as CEO) I promised that I would review the Company’s technology, structure, staff and products, and design a plan to move forward. Since then I have consolidated the Company around that plan and have implemented the changes that were needed. We have a new Board, new business and management structure, reduced overheads and a more focused portfolio. We have initiated Arbitrations with Mylan and trial programs in the Animal Health area and implemented improvements in our manufacturing. We have listened to the needs of partners, potential partners and shareholders, improving our data packages and greatly increasing our production of publications. All our work was designed to bring us to a point where we could put this data into action and begin to partner. We reached that point several months ago and the recent announcements are evidence that it is working. Now I am not expecting you to read the detail on this slide – this is more to emphasise that as we have moved through the different phases of my plan we have accelerated our output, particularly in the first half of this year.

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The first slides I want to show you today are those I use when talking to potential investors and partners. These define the Phosphagenics of today, the Phosphagenics you are invested in today - not a Phosphagenics defined by “its history” – in fact the sooner we move people past that perception the better. Phosphagenics is at last in a position where I am able to confidently go out and promote it to investors and potential partners.

Slide 2:



Phosphagenics is a compelling investment opportunity

- ✔ **Funding through 2017:** *Approx. \$13M cash (Feb'16) and receivables*
- ✔ **\$2M+ annual revenues:** *TPM® and Vital ET®*
- ✔ **Multiple Clinical assets across multiple Businesses**
- ✔ **Meaningful newsflow:** *planned over 2016/17*
- ✔ **TPM® technology already partnered:** *for specific uses*
- ✔ **Substantial upside potential:** *Attractive valuation, Share price/value disparity*
- ✔ **New Management/Board with strong industry experience**
- ✔ **Focus is on shorter-term, value-adding endpoints:** *partnerships and revenue*

"...we believe that Phosphagenics is substantially undervalued ... the Company's current total value should be A\$80-100M, or 8.5c per share... (there is) substantial upside ..."
M. Wijma, Chief Research Analyst, Van Leeuwenhoeck Research, September 2015

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I start with this slide because I truly believe that we are a *compelling opportunity* and if we were a brand new spin out with this profile we would be valued much higher than we are today.

Let me say, when I show this slide - Without fail, the response I get is “this looks like a very **compelling investment opportunity!**”

But it is what is behind these points that drives the value:

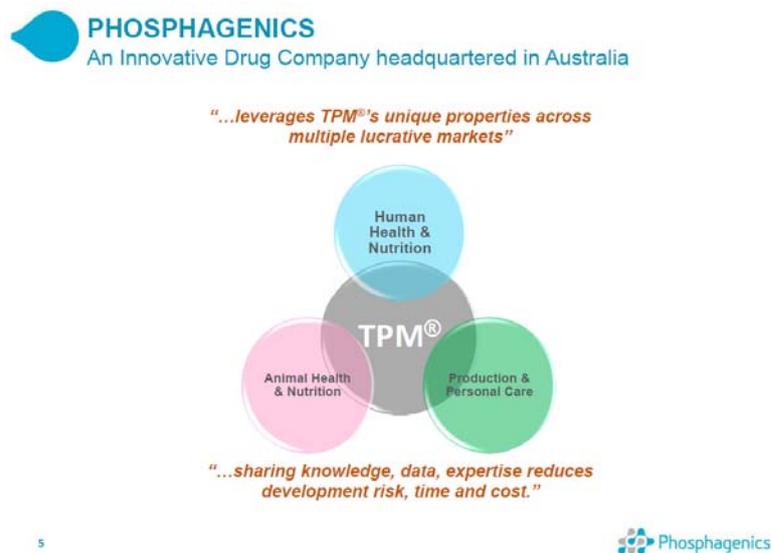
- *Approx. \$13M cash (Feb'16) and receivables – funding through 2017*
 - We have funding through 2017 and in the Australian market, it is rare to find small companies with adequate funding for so many key milestones.
 - We have been very focused on decreasing costs and focusing expenditure to ensure we have the funds and time to complete the work that is needed to reach milestones and do deals.
 - This has required some considerable discipline and difficult decisions, such as redundancies, and deprioritising some drug candidates we may normally have liked to continue, but focusing our headcount, focusing our portfolio, and focusing our activities has paid dividends and I believe we are a more efficient team today.
- *\$2M+ annual revenues from TPM® and Vital ET®. Improved efficiency, capacity and COG in place to capitalise on predicted increased sales*
 - The advantage of being a manufacturer is often ignored or forgotten, but we are a drug company with the ability to literally “manufacture” funding. Over the past year we have done a lot of work here to improve capacity and efficiency, lower our COGs, improve our margin (and tighten quality). The only thing that limits our cash flow now is customer demand. To this end, we are working very hard to improve sales volume by actively re-engaging with present

- partners as well as pursuing new ones. The expansion of the Themis diclofenac partnership announced yesterday is just one example.
- Phosphagenics' true cash position is not defined simply by our cash but by how hard we can drive our revenue. Our financial runway is then lengthened even further by advantages such as R&D tax incentive.
- *Multiple clinical assets across multiple Businesses*
 - While some may see multiple businesses as a bit distracting – it is quite the contrary. Each has its own General Manager, strategy and budget minimising distraction and maximising focus within each particular market.
 - Deprioritising some of our earlier phase and weaker assets has released the money and resources needed to strengthen our later phase assets with stronger partnering potential: particularly our two patches (Oxycodone and our Oxymorphone patch), our TPM[®]/Diclofenac gel, the TPM[®]/Propofol injectable and I would include here too TPM[®] in our Animal feed program.
 - *Meaningful news flow planned over 2016/17*
 - We have already made multiple announcements this year pertaining to product development and partnerships and we are working hard to continue this. Meaningful news flow is beneficial to Phosphagenics for a number of reasons – some obvious (like a jump in immediate share price or proof of a milestone) but many are less obvious:
 - Enhancing **awareness with new “buy side” investors.**
 - **Validating the technology** in the minds of investors, partners etc
 - Enhancing the Company's **credibility** – reinforcing belief in future promises made by the management team and Board.
 - Creating **Competitive pressure**: giving potential partners confidence that others already value and support the technology and also pushing potential partners into a faster deal in fear of losing it.
 - *TPM[®] technology already partnered for specific dermal and injectable use High interest in future business development opportunities*
 - These past couple of quarters have been all about partners and partnering. The spate of recent announcements are the outcome of a lot of work - determining what is important to partners, and ensuring we can provide what they need to partner. In my experience, success in Business Development breeds success – the recent success bodes well for us over the next 12 months and beyond.
 - *Attractive valuation: Share price/value disparity. Substantial upside potential*
 - Back in September 2015 Van Leeuwenhoeck Research indicated that we were substantially undervalued but as one institutional investor commented – “...that statement is only correct if you can deliver and your history doesn't make me a believer. I will reconsider when you do...” I believe we have turned the corner and have begun to give the market confidence that we can and are delivering – and at last the share market is beginning to reflect it.

- *New Management/Board with strong industry experience*
 - The Board brings considerable drug and management skills to the Company. It is rare for a small Australian Tech company to have four CEO's with such experience helping to direct its strategy. Despite only having been operating in the present structure for less than a year together we have been able to drive results whilst also moving towards a virtual development model.
- *Focus is on shorter-term, value-adding endpoints: partnerships and revenue*
 - In the middle of last year I instituted a change to three distinct business units, each with its own GM, each with its own strategy/budget/development goals and revenue targets. Each with an aim to focus *on shorter-term, value-adding endpoints: partnerships and revenue.*

So what is Phosphagenics today?

Slide 3:



This is the 2nd slide from my investor pack

POH is an ASX listed, Australian drug company with global partnerships and a versatile drug delivery platform technology, an experience Board and Management team and enough cash to deliver its short and medium term milestones. It has three separate but connected business divisions that *"...leverage TPM®'s unique properties across multiple lucrative markets"* and *"...share knowledge, data, expertise to reduce development risk, time and cost."*

So what is the advantage of three business?

Slide 4:

 Phosphagenics' structure spreads risk: reward over time



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Before I arrived in early 2015, internal and external parties had already demonstrated that Vitamin E and Tocopheryl Phosphates had potential uses in the Personal Care, Animal Health and Human Health arenas; yet the huge difference in risk, return and time to revenue meant that it was very difficult for a single management team to determine a single plan to exploit and prioritise all of these. My review in early 2015 determined that each area deserved its own chance to prove itself – with a plan, a controlled budget and at least one senior person to drive it.

I see the differences between the businesses as a strength, but each business must “pull its weight”- if one of these no longer appears to be able to provide a reasonable Return on investment (ROI) we will cut it loose – either by stopping it or preferably selling it.

Production and Personal Care is already revenue positive and profitable. It is the lowest risk, lowest cost business unit. It is led by the General Manager, Mr Greg Moses. Since taking over the division Greg has greatly enhance the efficiency, capacity and quality of our manufacturing as well as rejuvenating the relationship with our most important partner. We are planning for increased volume of sales through the Personal Care Business in 2017 and beyond.

The sale of our cosmetics brand BioElixia® has continued to be complicated by the ProPhase arbitration.

BioElixia® was unfortunately drawn into the ongoing ProPhase arbitration despite our belief and legal arguments that it should be excluded. Assuming a successful outcome of this arbitration it is our intent to progress with a sale of the Brand as soon as possible, once the ProPhase arbitration is concluded and allows for this. We are currently awaiting a final decision on this arbitration.

Our Animal Health and Nutrition business is led by Dr Roxsan Libinaki. With a “world class Advisory panel” she has implemented a focused strategic plan to explore the benefits of TPM® in improving:

- feed efficiency or FCR (the ability of animals to convert food to weight gain) and
- immune health.

The risk and return profile of this business falls somewhere between that of the Personal Care business and our Human Health Business. It already provides revenue but, if successful, I believe there is considerable potential upside we have not tapped yet. This is a volume based business, with relatively quick and low trial costs.

Phosphagenics will derive most benefit from this businesses through increased manufacturing volume. One leading animal nutrition company indicated that the industry uses up to 50 million kg of Vitamin E per year. They would be looking to substitute TPM® for some Vitamin E into of their feeds.

This business has also already completed the in-life portion of 2 studies in its first species (pigs) and planning is well underway for additional species - cattle and poultry.

The division which attracts the most interest and has the most impact on the overall value of the Company also involves the highest costs and risks. The Human Health business is the flagship of the Company and is jointly led by our Chief Scientific Officer, Dr Paul Gavin, and myself. This business gets the bulk of my attention and has greatly benefited from the process we have undertaken since the beginning of 2015. We have refocused the business's priorities to answer four questions:

- What assets are most attractive for partners?
- Which partners are best to target?
- What is needed to build value in the eyes of those partners?, and ultimately
- How to sell our results and promise so as to get the best deals for Phosphagenics?

This year the emphasis has been on partnership building and we have hit a number of key milestones. We are targeting both new partners as well as building and expanding our relationship with the existing ones. A good example of this is the announcement we made yesterday that we have expanded the diclofenac gel agreement with Themis India from 1 to 17 countries. Although many of the countries are small this is the first step towards maximising the value of this gel and this relationship.

More significant is the recent major partnering success we have had with the signing of the Japanese option and alliance deals signed in April and May. These fulfill a number of key objectives for the Company:

- Validating both the technology and management's strategic plan – in the eyes of both potential partners and hopefully shareholders
- Reducing the development costs of our key assets
- Expanding the number of assets we can afford to develop
- Providing an initial commercial partner in one territory to enhance the appeal to a global partner
- Boosting the value of the Company, and
- Potentially providing a single Japanese partner who can focus on the development and commercialisation of both of our opioid patches.

So I want to spend the next few minutes explaining from an activity "point of view" what our portfolio looks like today?

Slide 5:

Publications:

	Title (shortened)	Journal	Subject supported	Status
1	Topical Application of a Novel OxC Gel in a Rat Model of Peripheral Inflammatory Pain Produces Localized Pain Relief Without ...	Journal of Pharmaceutical Sciences	OXYCODONE:	Published Pub in July
2	TP Mixture (TPM) as a novel lipid-based transdermal drug delivery carrier:	Drug Delivery & Translational Research	TPM PLATFORM:	Under review
3	Randomized, DB, placebo-contd study of TPM in metabolic syndrome & dyslipidemia	Not revealed	ORAL EFFECTS OF TPM:	Submitted
4	PK, safety & tolerability of a novel TPM/OxC transderm patch system: Ph I study	Not revealed	PH1 OXYCODONE PATCH TRIAL:	Submitted
5	THE EFFECT OF TOCOPHERYL PHOSPHATES (TPM) ON THE PROGRESSION OF ATHEROSCLEROSIS IN APOE-KO MICE	Not revealed	ORAL EFFECTS OF TPM:	Submitted
6	Phase IIa PHN study (no official title yet)	TBD	PH2a PHN OxC TRIAL:	In drafting
7	Phase I oxymorphone patch study	TBD	PH1 OXYMORPHONE PATCH TRIAL:	In drafting

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Firstly Publications: This is a long held point of tension for shareholders – completion of the “consolidation and implementation” phase of our plan (towards the end of last year) clarified our thinking on what themes we needed in our publications and IP strategy and allowed us to finalise a number of manuscripts. Since the last AGM we have submitted five manuscripts for publication, one has been published, one is in the final stage towards publishing and three others are submitted and pending review. The drafting of the next two publications has already started. They are described on this slide - each has a purpose of supporting the validity of the TPM® technology and further work and publications to come.

Slide 6 A:

Our portfolio too has progressed considerably over the last 12 months. Each of the portfolio assets has progressed in a major way over the past 12 months with several new additions. Let me start with the Human Health portfolio.

The Human Health pipeline has several innovative assets at various stages of development

Phosphagenics has made impressive progress in the past 12 months across its Human Health Portfolio.

Product	Formulation	Therapeutic Area	Partner	Research	Development	Marketed	Milestones in last 12 mths
Diclofenac	Gel	Pain (NSAID)	Novartis, Themis (India)	★	→	Geographic Expansion	
Oxycodone	Patch	Pain (opioid)	TBD	→	★	Option signed for Japan	
Oxymorphone	Patch	Pain (opioid)	Japanese Co.* (Japan)	→	★	Option signed for Japan	
Daptomycin	Injectable	Antibiotic	Mylan (Global)	→	★	Arbitration initiated	
Propofol	Injectable	Anesthetic	Japanese Co.* (Global)	→	→	R&D Alliance	
3 additional products*	Other	Pain	Japanese Co.* (Global)	→	→	R&D Alliance R&D Alliance R&D Alliance	

■ Partnered
 □ Not Partnered
 ▢ Option pending
 ★ Clinical POP achieved
 * Not yet publicly disclosed

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Human Health:

- TPM®/Diclofenac Gel
- TPM®/Oxycodone Patch
- TPM®/Oxymorphone Patch
- TPM®/Daptomycin Injectable
- TPM®/injectable Propofol
- TPM®/injectable candidates
- TPM®/other delivery forms

Commercialised (partnership expanded from 1 to 17 countries)
 Phase 2a trial announced - **Japan Partnership** option signed
 Reformulation ongoing - **Japan Partnership** option signed
Partnered (in late phase development/Arbitration)
Partnered, Global R&D Alliance
 Initial 2 candidate **partnered**, others under investigation
 3 New candidates **partnered**, others under investigation

Slide 6B:

If we put this together with the other businesses the picture is now beginning to look very healthy.



Animal Health & Nutrition:

- TPM® Pig Feed efficiency Weaner + grower/finisher studies **in-life completed** – biomarker analysis ongoing
- TPM® Dairy Cattle Mastitis treatment Study initiation (1st site) 2Q 2016
- TPM® Poultry Feed efficiency Trialing is to initiate in 2H 2016

Production & Personal Care:

- Vital ET® Commercialised and partner relaunch planning underway
- TPM® non-GMP Commercialised - Production efficiency and margin improved
- BioElixia® Brand Negotiation for purchase ongoing. (subject to arbitration)

Each item on this slide continues to attract external interest from potential partners on both an individual country and global basis, with recent announcements and partnerships enhancing those discussions. We continue to discuss the potential for additional partnerships across the portfolio.

Slide 7:

Other matters

Arbitrations:

- ProPhase: TPM OTC license Judgement expected 2Q/3Q 2016
- Mylan/Agila: TPM Daptomycin Ongoing Judgement timetable TBD

Finances:

- cash on hand of \$12.4M *(as of Feb'16)*.
- additional \$2.4M associated with R&D tax rebate *(Mar'16)*

Other opportunities/technologies:

- Under investigation

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As you would be aware, we also have two arbitrations currently underway. As reported in the last shareholder update, the arbitration with ProPhase wrapped up its formal hearings in New York in the first quarter of 2016. We remain hopeful that the arbitrator's decision will be received within the next three months or so, although the actual delivery is obviously at the discretion of the arbitrator.

The second arbitration proceeding relates to TPM[®]/Daptomycin. Daptomycin as many of you would remember, is an injectable antibiotic currently marketed by Merck under the brand name, Cubicin[®]. It has a market in excess of US\$1 billion.

The arbitration proceedings were commenced in January to protect Phosphagenics' rights under commercial agreements with Mylan. An arbitrator has been appointed and a preliminary hearing is scheduled for June. We have recently changed law firms, bringing the management of the arbitration back to Australia. We expect this will allow better, more frequent and less expensive interactions. We are working with our lawyers to develop and refine Phosphagenics' claims.

We anticipate the arbitration hearing to take place in or around the first half of 2017. If successful an arbitral award would therefore be expected in the second half of 2017. We remain focused on securing an optimal outcome for Phosphagenics from the arbitration proceedings. Our commercial agreements with Mylan remain on foot in spite of the arbitration.

Finally Phosphagenics' full year accounts were released at the end of February 2016 and showed \$12.4 million cash in hand. In addition to this Phosphagenics also received the additional \$2.4 million associated with the R&D tax rebate in March 2016.

So in conclusion, where are we with Phosphagenics today?

We are a company with strong fundamentals and I believe that the plan I have put in place and the hard steps I have implemented over the past 16 months are working and adding value.

- Our lead Human Health products TPM[®]/Oxycodone and TPM[®]/Oxymorphone patches are progressing well and have new option agreements that we believe have a strong chance to blossom into full development and commercial agreements in 2016.

- We have a cash runway through to at least the end of 2017 giving us the time and funds to hit multiple value adding milestones
 - Our manufacturing based revenue is expected to grow over the next 12-24 months.
 - Our publication strategy is in place with five papers submitted over the past 12 months and more being written. Our intent is to submit at least another 5 more over the next 12 months. Our strong patent portfolio is continuing to be supported and, where possible, enhanced.
 - We continue to drive the two arbitrations. We believe that the majority of the costs and effort are now over for the ProPhase arbitration and expect a judgement within the next three or so months. The Mylan Arbitration is entering an intense phase: we believe we have a strong case and if successful there is considerable upside. Where ever possible we will keep you up to date on progress.
 - We have a number of simultaneous business development discussions ongoing, right at this moment, and expect to be able to add to the number of partnerships over the next 12-24 months
- and
- We have strong news flow expected – the remainder of 2016 is shown here...

Slide 8:

We expect considerable newsflow over 2016

Business	Milestones	Timing
Human	1. Initial results for TPM®/Oxycodone Patch Phase 2a trial	Announced 1Q'16
	2. Option & R&D Alliance deal (4 products) with leading Japanese Co.	Announced 2Q'16
	3. R&D Feasibility Agreement completed for new projects with Japanese Co.	2/3Q'16
	4. Reformulation candidates of TPM®/Oxymorphone patch	3Q'16
	5. Dev & License Agreement for Oxymorphone Patch with Japanese Co.	2H'16
	6. Dev & License Agreement for Oxycodone Patch with Japanese Co.	2H'16
	7. Multiple additional Business Development outcomes	2-4Q'16
Animal	1. Results for 1 st Swine FCR trial (weaners to 20kg)	Announced 1Q'16
	2. Results for 2 nd Swine FCR trial (20kg to 100kg)	2Q/3Q'16
	3. First results for next species FCR program	2H'16
	4. Cattle program initiates	2Q'16
Production/ Personal Care	1. Increase TPM® manufacturing efficiency/capacity & margin	Complete 1H'16
	2. Sale of BioElixia® brand (dependent on ProPhase Arbitration)	2H'16
	3. Relaunch of Vital ET® with major partner	2H'16

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In conclusion - again thank you for your patience - I realise this was long but we have made a lot of progress this year. I believe that we have weathered the storm required to rejuvenate the Company and as I said in my first address (and I believe it even more passionately now) – I hope we can draw a “line in the sand” from today and push forward Phosphagenics as a new Company. My commitment is to do all I can to regain the value that has disappeared from shareholders over the past few years and then build from there.

Enquiries

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About Phosphagenics

Phosphagenics Limited is focused on developing and commercialising innovative Human Health, Animal Health and Personal Care products using its proprietary drug delivery system called TPM[®] (Targeted Penetration Matrix). TPM[®] is derived from Vitamin E using a unique, proprietary and patented process and has been proven to enhance the solubility and oral, dermal and transdermal absorption of drugs and nutrients. Amongst its major projects, Phosphagenics is developing TPM[®] enhanced oxymorphone and oxycodone patches for the treatment of 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