

*ASX Limited
Market Announcements Office*

Phosphagenics Completes TPM[®] Feed Performance Study in Grower/Finisher Pigs

30 June 2016, Melbourne: Australian biotechnology company, Phosphagenics Limited (ASX: POH; OTCQX: PPGNY), reported the results of its proof-of-concept study in grower/finisher pigs, assessing the potential for additional performance benefits of TPM[®] as a feed additive. The grower/finisher study was the second of two independent studies designed to assess the commercial value of TPM[®] as a feed additive in the pig production market.

The first of these studies, which reported earlier this year, demonstrated that TPM[®] treatment statistically improved performance in newly weaned pigs (i.e. feed conversion rate (FCR)). The recently completed second study indicated that, unlike the positive response in young pigs, older pigs treated with TPM[®] (at doses 5 to 30 ppm) did not demonstrate significant improvements in performance, as assessed by FCR and carcass yields.

Piglets 7-14 days post weaning, experience an increase in stress combined with a decrease in the immunity bestowed by their mother. As they have not as yet fully formed their own immunity their long term development can be compromised by a number of risk factors. It is believed that treatments which benefit the piglet during this critical period can positively influence growth rate and efficiency of feed utilisation throughout the pig's entire development. The combined results from our studies suggest that initiating TPM[®] treatment in immature or newly weaned pigs may be more beneficial than initiating TPM[®] treatment when the pigs are older.

"The main objective of these two studies was to understand and assess the value of TPM[®] supplementation across the production lifespan of commercial pigs", said Dr Roksan Libinaki, General Manager of Animal Health and Nutrition business at Phosphagenics. "Undertaking studies such as these, assessing TPM[®] during various growth phases, will help define TPM[®]'s optimum positioning as a feed additive in the commercial pig market."

Dr Ross Murdoch, CEO of Phosphagenics, added "We remain committed to the concept that TPM[®] has potential as a livestock feed additive. I believe the results we have achieved to date provide important insights which will help our discussions with potential partners."

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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.

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