



ASX Limited
Market Announcements Office

Phosphagenics Begins Feed Efficiency Study in Poultry

31 August 2016, Melbourne: Australian drug delivery company, Phosphagenics Limited (ASX: POH; OTCQX: PPGNY), is pleased to announce the initiation of the next phase in the Company's Animal Health and Nutrition "Livestock Feed Efficiency Program" with the commencement of a poultry study in broilers.

The broiler study, which is being conducted at a large research facility in Australia, will be the first to monitor TPM[®]'s utility across an animal's full life-cycle. The study will assess a broad range of TPM[®] doses in birds kept within a controlled research environment. The study design will support and expand on the statistically significant performance data obtained from newly weaned pigs, while providing vital information on TPM[®]'s benefits within the broader livestock feed additive market.

"While our previous studies demonstrated a benefit in younger pigs under stress, the current broiler study is designed to provide an important parallel in a subsequent species and to better understand the potential of TPM[®] across an animal's full life-cycle", said Dr Roksan Libinaki, General Manager of the Animal Health and Nutrition business. "Collecting robust data from well controlled studies, across multiple livestock species, are critical components for our Livestock Feed Efficiency Program, in order to demonstrate the potential value of TPM[®] in this market."

Phosphagenics' Chief Executive Officer, Dr Ross Murdoch, said, "The Animal Health and Nutrition market remains a large and very attractive opportunity for Phosphagenics and this poultry study is a key part of our strategy within this market place. The speed of this study means that we should be in a position to assess the utility of TPM[®] to improve "feed efficiency" across multiple species by the end of the year."

Headline results for the broiler study are anticipated in fourth quarter of 2016.

Enquiries

Dr Ross Murdoch
Phosphagenics Limited
+61 3 9565 1119

Kyahn Williamson
WE Buchan
+61 3 9866 4722/ +61 40 101 8828
Email: kwilliamson@buchanwe.com.au

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 patches, gels and injectable products for the human health market and is also developing TPM[®] to enhance the feed efficiency and health of livestock.

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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