



bodaustralia

**BEAUTIFUL  
SCIENCE**

APRIL 2017 – CANNABIS  
EXTRACT LOI WITH LINNEA  
NATURAL PHARMA SOLUTIONS

**ASX:BDA**



# 01

## INTRO

- Medicinal cannabis is undergoing a resurgence, recent legal & regulatory changes have seen great interest in the application of this ancient herb into mainstream medical practice in Australia
- A growing number of clinical studies indicate that cannabis & its phytocannabinoids have a relevant medicinal value in the treatment of certain conditions
- The discovery of the endocannabinoids system & its physiological functions contribute to understanding the significant potential role cannabis can play in medicine
- Finding a standardised, consistent, reproducible product for the market will have significant potential benefits to those businesses involved



# 02

## LOI

### Linnea & BOD

- Bod has executed a binding letter of intent (LOI) with Swiss manufacturer of botanical extracts & pharmaceutical ingredients, Linnea Natural Pharma Solutions
- Bod to develop products using Linnea's unique & standardised low-THC cannabis extracts
- Bod to import raw materials, manufacture products plus coordinate & implement relevant clinical trials
- Bod to establish pharmaceutical advisory team to oversee the development of clinical trials
- Importation and manufacturing subject to regulatory and licence approvals



The background of the slide is a photograph of ocean waves. The top portion of the image is in color, showing a light blue-green sea with white foam from the waves. The bottom portion is in black and white, showing the texture of the water and the white foam of the waves crashing against a dark, rocky shore.

# 03

## WHY LINNEA?

### DIFFERENTIATING FACTORS

- Established producer of high quality medicinal cannabis products (as well a range of other standardised herbal products)
- Experience in the production & export of numerous herbal products via GMP manufacturer
- Seed to patient production via Vitaplant (Romanshorn, Switzerland)
- Standardised extract – made from the flowering tops of the female cannabis sativa plant available in oil, water & powdered forms in concentrations from 0.5-20%
- High CBD, very low THC (<0.1%)

# 04

## IMPORTANCE OF SOURCING

- Plants are cultivated in greenhouses or in fields, in accordance with strict procedures that guarantee GMP application & compliance with national regulations
- Plants are specifically bred to strict characteristics
- Extracts are developed from only the flowering tops of the female cannabis sativa plant



A close-up photograph of a cannabis plant, showing the serrated green leaves and the central stem with developing buds. The image is partially obscured by a semi-transparent teal banner at the top.

# 05

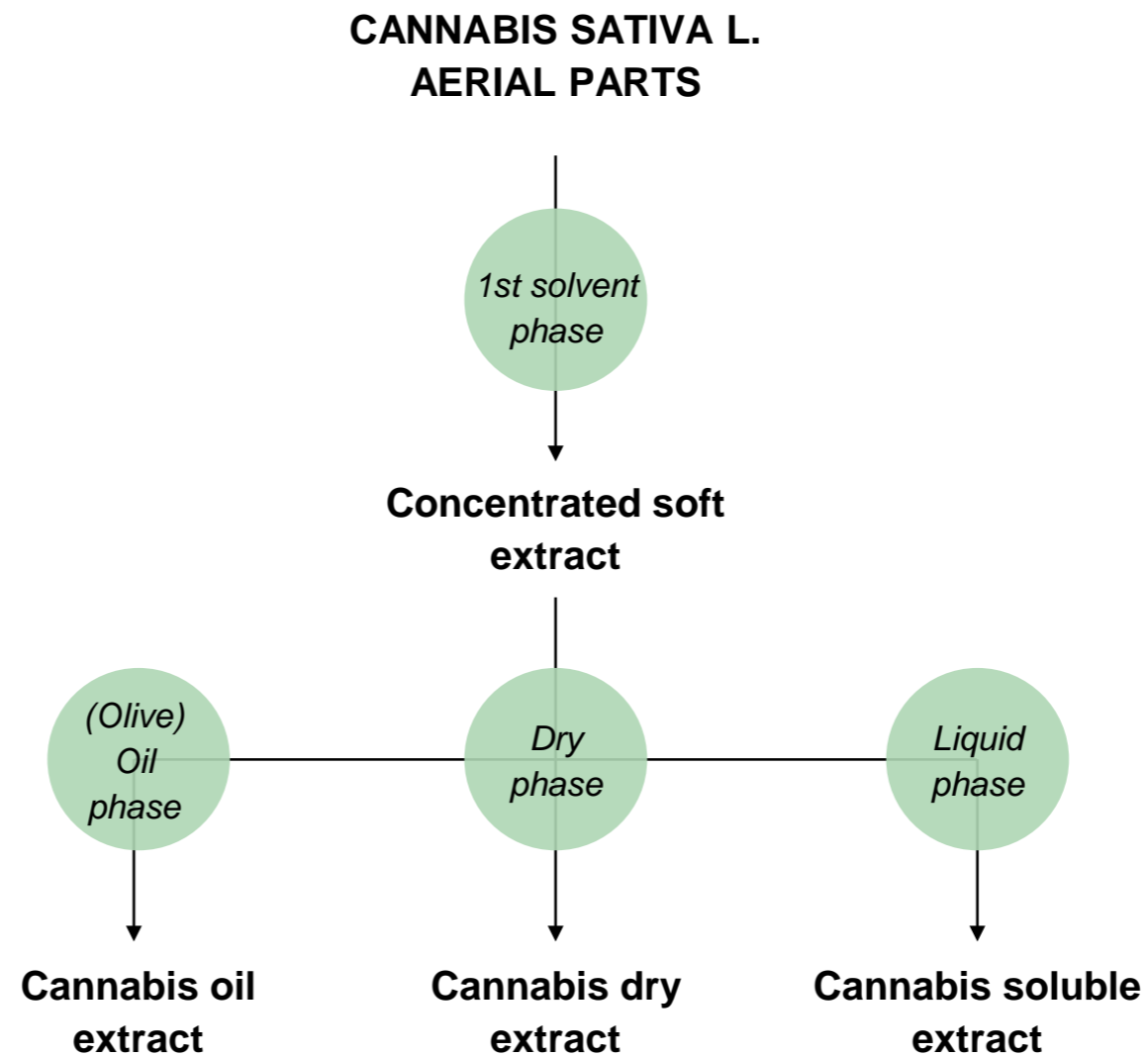
## LINNEA'S EXTRACTION PROCESS IS UNIQUE

- The Linnea extract is obtained by a proprietary solvent extraction performed to maximize the concentration of CBD (Cannabidiol) content from the plant
- The extraction process ensures the natural profile of the cannabis is maintained
- **Linnea the first Swiss company to produce a GMP cannabis extract**

Linnea's extracts guarantee the natural phytocomplex of cannabis

# 06

## LINNEA PROCESSING



Linnea cannabis extracts are manufactured under GMP & controlled, validated analytical methods

# 07

## **PHYTOCANNABINOIDS**

### Indications for use

CBD (cannabidiol) is one of the major non-psychoactive cannabinoids of cannabis. Potential therapeutic uses:

- Anti-Inflammatory
- Nausea and Vomiting
- Muscle relaxation
- Neuroprotection
- Anxiety disorders
- Allergy and asthma
- Sleep disorders
- Skin disease



# 08

## TWO STREAMS OF COMMERCIALISATION



Topical use  
(skincare)



Therapeutic use  
(medical)

The Linnea relationship offers Bod two streams to commercial success

# 09

## EXPANDING ACROSS BOTH BOD'S BUSINESS UNITS

### SKINCARE

#### **Dr Roebucks**

- Skincare range with natural & active ingredients, unique & evidence based 30 year old family formula
- Bod is exclusive distributor – Australia, NZ & Asia

#### **BIOEFFECT**

- Premium, innovative skin care brand born in Iceland, based on ten years research & developed by bio-scientists – offers a unique efficacy & purity
- Bod exclusive distributor – Australia, & NZ

#### **Pommade Divine**

- Multipurpose balm that is a natural alternative to Lucas Paw Paw
- Bod exclusive distributor – Australia, NZ & Asia

### NATURAL REMEDIES

#### **Pinpoint**

- Natural remedy for memory & improved concentration, based on the extract Bacopa Monnieri
- Comes under Bod Australia brand

#### **Flexofytol**

- Natural anti-inflammatory targeting arthritis, joint pain, brain health
- Turmeric-based product licensed from Belgian herbal medicine leader Tilman S.A marketed under the Bod Australia brand

New LOI with Linnea allows Bod to expand its product offerings across both business units, utilising a unique & standardised cannabis extract

A close-up photograph of a cannabis plant stem and leaves. The stem is green and has several small, serrated leaves attached to it. The background is blurred, showing more of the plant.

# 10

## **NIOSKIN™ MEDCAN**

An innovative concentrate – phytoactives from cannabis for topical use

Cannabis phytocomplex has a role in the control of epidermal physiology & skin differentiation genes, anti-inflammatory & immunological related skin disorders, neurodermitis, contact eczema, itching dermatosis, rosacea. Indications include:

- Anti-inflammatory
- Dermatosis
- Contact dermatosis
- Immunological related skin disorders

# 11

## **NIOSKIN ADVANTAGES** Cosmetic formulation

- Easy to formulate by introduction in the water or lipid phase of emulsion
- Direct use in cold phase
- Self-preservative
- Soluble in water and dispersible in lipid
- Stable at a wide range of PH
- Solvent free



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## **NIOSKIN APPLICATIONS**

Applications to be explored include face & body solutions based on:

- Serums & day base creams
- Facial mask
- Beauty water
- Hand cream
- Eye care serum
- BB creams

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## THERAPEUTIC

- Product(s) will focus on areas such as but not limited nausea and vomiting, anti-inflammation, neuroprotection and anxiety disorders
- Clinical trials to be implemented to establish relevant indications for use (trial design, ethics, data collection)
- Investigation of novel delivery system (wafer/transdermal patch)
- Relevant regulatory restrictions & authorities to be satisfied (import permission)

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## MEDICINAL CANNABIS MARKET

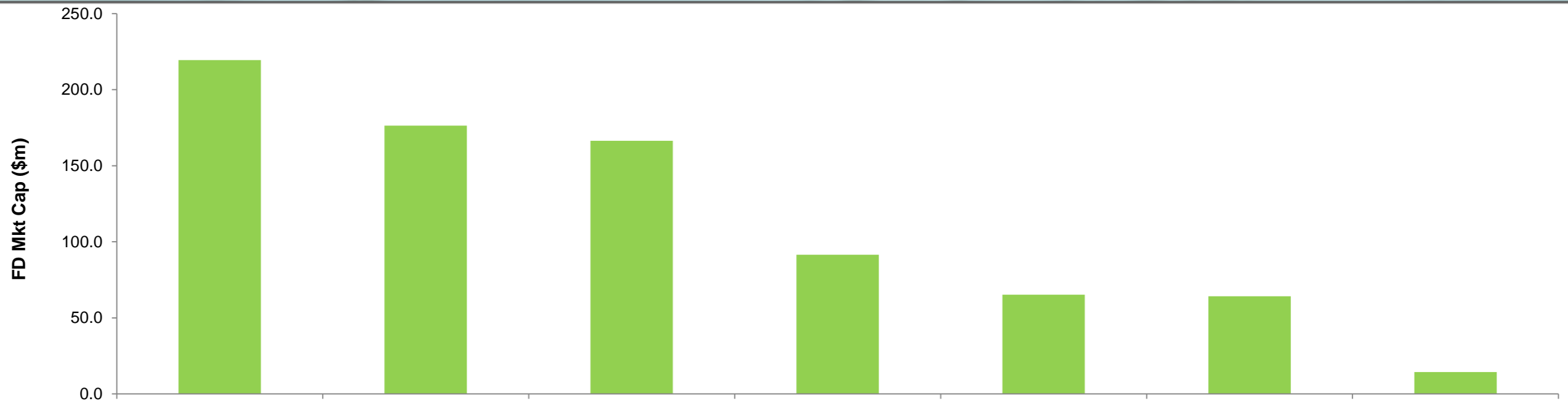
- Common diseases for which cannabinoids have shown high levels of efficacy have combined sales of more than US\$500 million to date<sup>1</sup>
- Cannabinoids are legal in 23 U.S states and the medical cannabis market is estimated to be worth over US\$20 billion in 2018<sup>2</sup>
- Phytocannabinoids have potential in some of the largest therapeutic markets in the world with the global anti-inflammatory therapeutics market expected to exceed US\$100 billion by 2020<sup>3</sup> and the global anxiety disorders market to reach US\$18.3 billion by 2025<sup>4</sup>.
- Global nutraceuticals market expected to reach US\$204.8 billion in 2017<sup>5</sup>
- Clear regulatory pathway developing in Australia – rapid growth expected

<sup>1</sup>ArcView Group, University of Sydney  
<sup>2</sup>Luxury and cosmetic The EY Financial Factbook2013 edition, The HIA, Statista  
<sup>3</sup>Allied Market Research <sup>2</sup>  
<sup>4</sup>Grand View Research  
<sup>5</sup>Transparency Market Research (NY, USA)



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## COMPETITIVE ANALYSIS



	<b>AusCann Group (AC8)</b>	<b>Medlab Clinical (MDC)</b>	<b>MMJ Phytotech (MMJ)</b>	<b>MGC Pharmaceuticals (MXC)</b>	<b>Creso Pharma Ltd (CPH)</b>	<b>Zelda Therapeutics (ZLD)</b>	<b>Bod Australia (BDA)</b>
<b>Mkt Cap (Fully Diluted)</b>	\$219.5m	\$176.4m	\$166.4m	\$91.5m	\$64.2m	\$64.2m	\$14.4m
<b>High level description</b>	Produces and provides clinically validated cannabis medicines with THC and CBD extracts.	Cannabis-based medicine (1 :1 ratio of CBD and THC) for oncology patients with intractable pain, utilising its small particle medicine delivery system, Nanocelle.	Cannabis producer, targeting medical and recreational markets.	Develops and supplies of non-psychoactive cannabidiol (CBD) resin extract for the cosmetics and medical markets.	Develops cannabis and hemp-derived therapeutic-grade cannabidiol nutraceuticals (food supplements) and medical cannabis products – high CBD extract.	Researches into the use of medical cannabis to treat a variety of ailments.	<b>Develops skincare and therapeutic (medical) products using Linnea’s unique and standardised low-THC/ high-CBD cannabis extracts. High CBD, very low THC</b>
<b>Source of extract</b>	Partnered with DayaCann, a licensed medical cannabis grower in Chile.	Import from Aphria Inc, a licensed producer based in Canada.	Cultivation subsidiary located in Canada as well as Israeli production and clinical research.	Growing operations in Czech Republic and Slovenian outdoor crops to be planted by late April/May 2017.	Established cannabis growing operations on certified organic farms in Slovakia.	Manufacturing agreement in place with AusCann,	<b>Swiss manufacturer of botanical extracts &amp; pharmaceutical ingredient, Linnea Natural Pharma Solutions.</b>





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## UPDATE ON BOD'S BUSINESS STRATEGY

### STRATEGY

#### **Build distribution channels**

- Pharmacy channel focus – opportunity to leverage into other distribution channels
- Pursuing additional channels inc travel, spa, e-commerce markets
- International expansion underway ahead of schedule

#### **Grow sales of existing portfolio of products**

- Dr Roebucks & BIOEFFECT sales building in stores inc David Jones, Sephora
- Bod branded products Pinpoint & Flexfytol pre-ordered, sales in March
- Natural products with quality edge on competing brands

#### **Add new & complementary product lines**

- Identifying & developing natural medicine opportunities
- Adding complementary, high quality skin care brands to portfolio
- Moving into additional verticals

### UPDATE

- *Attendance at pharmacy conference*
- *Continuing sales meetings with Australia's largest pharmacy banner groups*
  
- *Dr Roebucks launch new everyday range packaging*
- *Bod branded products Pinpoint & Flexfytol sales commencing this month*
  
- *Distribution deal signed with Pommade Divine*
- *LOI signed with Linnea*

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## ABOUT BOD

**Focused on delivering natural, evidence based solutions for the body – Inside & Out**

**Brands positioned across skin care, baby skin care, brain health, anti-inflammatory, & immune support segments**

**Develops, manufactures, markets, imports & exports products across Australia & Asia**

**Commencing rapid growth phase**

- Aggressively building distribution channels with a focus on pharmacy in Australia
- Expanding to export markets with initial focus on China
- New & complementary products launching in the March & June quarters
- Leveraging relationships & expertise to commercialise products utilising a unique & standardised cannabis extract

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## CORPORATE

- ← Bod listed on the ASX on 27 October 2016 after raising A\$6 million in its Initial Public Offering (IPO), issuing 30m shares at A\$0.20 with indicative market capitalisation upon listing of A\$9.1m
- ← Company achieved cash receipts of \$233,000 to 31 December 2016, which is 232% growth on full year FY16 (\$140,442) on an annualised basis
- ← Cash balance of \$4.45 million at 31 December 2016

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<b>Capital structure</b>	<b>ASX:BDA</b>
Shares on issue	46.0 million
Share price	\$0.28
Market capitalisation	\$12.9 million
Low/high price	\$0.17-\$0.35

*Approximately 9.5m options on issue*

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<b>Shareholders</b>	<b>Shares (m)</b>
Jo Patterson	5.7
Noir Ted Pty Ltd (Craig Weller)	5.0
JP Morgan Nominees	3.7
UBS Nominees	1.8
Citicorp Nominees	1.5



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