ASX ANNOUNCEMENT

R&D Tax Incentive rebate received of $4.58 million

- Actinogen receives R&D Tax incentive rebate of $4.58 million
- Further strengthens Company's financial position
- Rebate in line with expectations and follows the recent positive XanaHES trial results

Sydney 24 October 2019: Actinogen Medical ASX: ACW ('ACW' or 'the Company') today received an R&D Tax Incentive rebate of $4.58 million for the financial year 2018/2019. The rebate amount was in line with expectations as a first rebate, for FY2019. A further rebate of approximately $0.65 million is expected later this year.

The receipt of this rebate comes as the Company is diligently reviewing the totality of the XanaHES study results and those from other Xanamem trials, to optimally shape the future clinical development program of Xanamem, its lead candidate.

Actinogen CEO and Managing Director Dr Bill Ketelbey noted that "while the Company is fully funded for its existing and ongoing studies, the tax rebate helps bolster our financial position."

"Our focus in the months ahead is on completing the ongoing Xanamem studies, and determining how best these results, along with the breakthrough XanaHES results announced previously, best shape Xanamem's future clinical development program. We look forward to updating the market and shareholders on this progress in the near future," said Dr Ketelbey.

ENDS

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About Actinogen Medical

Actinogen Medical (ASX: ACW) is an ASX-listed biotechnology company focused on innovative approaches to treating cognitive decline that occurs in chronic neurological and metabolic diseases. Actinogen Medical is developing its lead compound Xanamem, as a promising new therapy for Alzheimer's disease, a condition with multibillion-dollar market potential and material human impact. In the US alone, the cost of managing Alzheimer's disease is estimated to be US$250bn and is projected to increase to US$2tn by 2050, outstripping the treatment costs of all other diseases. Alzheimer's disease is now the leading cause of death in the UK and second only to ischaemic heart disease in Australia. In addition, Actinogen is currently planning an expanded clinical development program for Xanamem in cognitive impairment in mood disorders and schizophrenia. In the US alone, the collective economic costs of mood disorders and schizophrenia are estimated to exceed $550bn, with the burden increasing every year. The cognitive dysfunction associated with these conditions is significantly debilitating for affected patients, with a substantial unmet medical need for novel, improved treatments.

About Xanamem™

Xanamem's novel mechanism of action sets it apart from other Alzheimer's treatments. It works by blocking the excess production of cortisol - the stress hormone – through the inhibition of the 11β-HSD1 enzyme in the brain. There is a strong association between chronic stress and excess cortisol that leads to changes in the brain affecting memory. The 11β-HSD1 enzyme is highly concentrated in the hippocampus and frontal cortex, the areas of the brain associated with cognitive impairment in neurological diseases, including Alzheimer's disease, mood disorders and schizophrenia.

About XanADu

XanADu is a Phase II double-blind, 12-week, randomised, placebo-controlled study to assess the safety, tolerability and efficacy of Xanamem 10mg daily in subjects with mild dementia due to Alzheimer's disease. XanADu has fully enrolled 186 patients from 25 research sites across Australia, the UK and the USA. The trial is registered on www.clinicaltrials.gov with the identifier: NCT02727699, where more details on the trial can be found, including the study design, patient eligibility criteria and the locations of the study sites.

About XanaHES

XanaHES is a Phase I, randomised, single blinded, central reader blinded, placebo-controlled, dose escalation study to assess the safety and tolerability of Xanamem™ 20mg & 30mg once daily in healthy elderly volunteers. Changes in cognitive performance from baseline to end-of-treatment are measured as an exploratory efficacy outcome.

Actinogen Medical encourages all current investors to go paperless by registering their details with the designated registry service provider, Link Market Services.