



ASX Limited
Market Announcements Office

Phosphagenics Placement Secures A\$1.37 million

18 January 2018, Melbourne: Australian drug delivery company, Phosphagenics Limited (ASX:POH; OTCQX:PPGNY), is pleased to announce that it has successfully completed a placement of 91,445,867 ordinary shares to sophisticated investors for an aggregate amount of approximately A\$1.37 million through utilising the shortfall of the 1 for 4 pro-rata non-renounceable entitlement offer (**Entitlement Offer**) which raised approximately over A\$3.4 million in October 2017. The placement was conducted at the same issue price as the Entitlement Offer.

On closing of the Entitlement Offer period on 20 October 2017, a shortfall of approximately 91 million shares remained unallocated (**Shortfall Shares**). In accordance with the ASX listing rules and the terms set out in the Entitlement Offer Information Booklet, the Company is entitled to place the Shortfall Shares to either existing shareholders or new investors within three months after the closing date at a price not less than the Entitlement Offer issue price and without utilising the Company's 15% placement capacity under the ASX Listing Rule 7.1.

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 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.

www.phosphagenics.com