AdAlta

next generation protein therapeutics

AdAlta Investor Presentation

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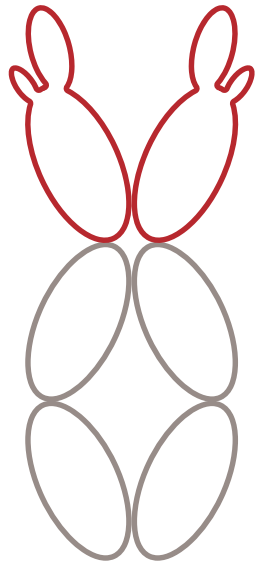
AdAlta (1AD) investment summary

- A drug discovery and development company using its powerful technology platform to generate a promising new class of protein therapeutics, known as i-bodies, for treating a wide range of human diseases.
- **Investment highlights**
  - Initial focus on treating fibrosis – high unmet medical need
  - Advanced lead fibrosis drug candidate AD-214 with significant pre-clinical validation
  - Orphan drug designation USA FDA
  - Early commercialisation potential
  - Developing i-body pipeline to further expand opportunities for partnering of novel i-body platform
  - Experienced team with strong track record of drug development and ability to deliver



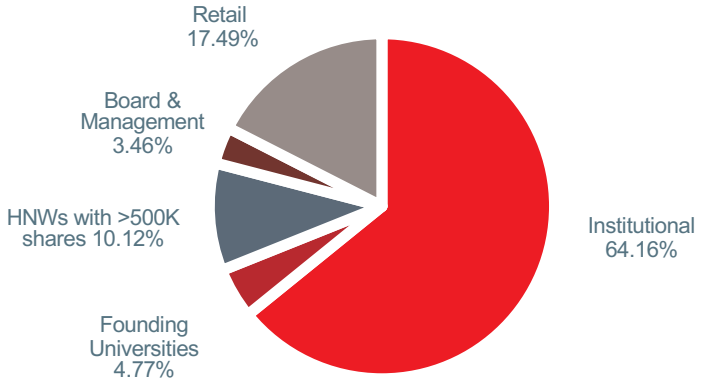
AD-214

Financial position

Key financial details	
ASX code	1AD
Share price (5th July 2018)	AU$0.36
Market capitalisation	AU$36.66m
Shares on issue*	101,845,845
Escrowed shares (August 2018)	24,000,000
Options on issue	4,090,866
Current cash (31 March 2018)	AU$3.63m
Trading range (last 12 months)	AU$0.20 to $0.40
Average daily volume	41,498

Major shareholders	%
Yuuwa Capital LP	53.08
Platinum Asset Management	8.00
Citycastle Pty Ltd	5.22
La Trobe University	2.99
National Nominees Limited	2.49
Other shareholders	28.22
Total	100%

Share performance (last 12 months)



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Extensive support from institutional investors and HNWs

- Top 20 shareholders 83%
- 64% institutional shareholders
- 10% HNWs with >500K shares each
- 5% founding academic institutions
- 3.46% Board and Management and 4,090,866 Options issued from 25cents-$1 under Employee Share Option Plan

YUUWA CAPITAL
reach for the sky

Australian based venture capital $40m fund

Platinum
ASSET MANAGEMENT

$27b under management, global equities investor

PPM
PRIVATE PORTFOLIO MANAGERS

Australian and international equities investor

AdAlta

Management and Board in place to deliver strategy

Sam Cobb: Founding CEO and Director

Extensive experience in raising equity, contract and grant funding

15 years of commercialisation and management experience

Dr Paul MacLeman: Chairman

Director of CMAX Clinical Research Pty Ltd, Livac and Protec Groupe

Founded biologics companies, experienced ASX listed executive

Dr Robert Peach

Founder and CSO of Receptos Inc, acquired by Celgene Corporation in 2015 for US$7.8bn

Deep experience in research and drug development including Fc-Fusion drug Orencia

Dr John Chiplin: Independent Director

CEO of investment Company NewStar Ventures

Managing Director of acquired antibody company Arana Therapeutics (acquired by Cephalon Inc. for US$200 million)

Liddy McCall & Dr James Williams: Yuuwa Capital Directors

Founders and investment Directors of Yuuwa Capital

Founders of iCeutica Inc (acquired 2011) and Dimerix Limited

Directors of several Australian biotech and Agritech companies

Multiple FDA, CE Mark and TGA approvals

Scientific Advisory Board

Internationally recognised with proven track record of drug development

Dr Mick Foley, AdAlta CSO

Expert in phage display

NIH, NHMRC, ARC, Gates funding and over 70 scientific publications

John Westwick: pulmonary drug discovery and development

Over 14 years experience at Novartis, head of respiratory drug discovery

Five product launches and 13 positive proof of concepts in respiratory, including a number of antibodies which are now in phase III.

Brian Richardson: drug discovery and development expert

Ex-Sandoz and Novartis (40+ years), including Head of Pre-clinical Research

Over 60 original peer reviewed research papers

David McGibney: pre-clinical and clinical advisor

20 years with Pfizer, including Head of European R&D

Ex Pfizer Ltd board member

Developed Viagra, and 10+ blockbuster drugs

Steve Felstead: clinical advisor

Ex-Pfizer (25 years), including Head of Clinical Research, Pharmatherapeutics Division

Developed Zithromax, Vfend, Celsentri, Viagra

Hausi Kocher: manufacturing expert

Ex Sandoz and Novartis involved in the development of a number of biopharmaceuticals, including three marketed therapeutic antibodies

Market opportunity for IPF

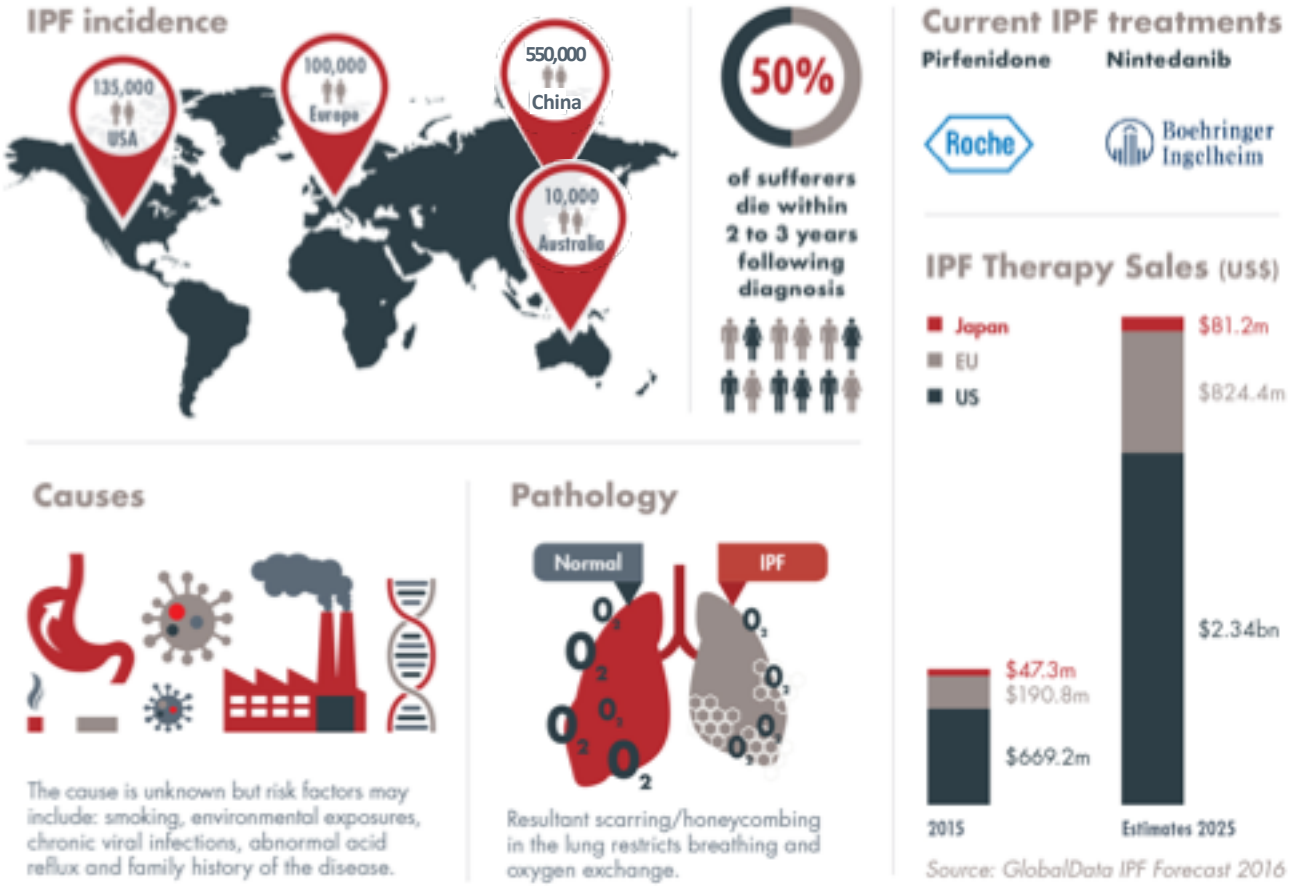
Idiopathic Pulmonary Fibrosis (IPF) is an irreversible, unpredictable and incurable disease

THE STATISTICS

People living with IPF
850,000 (including china)

People die from IPF every year
40,000

Median length of survival after IPF diagnosis
3.8 years



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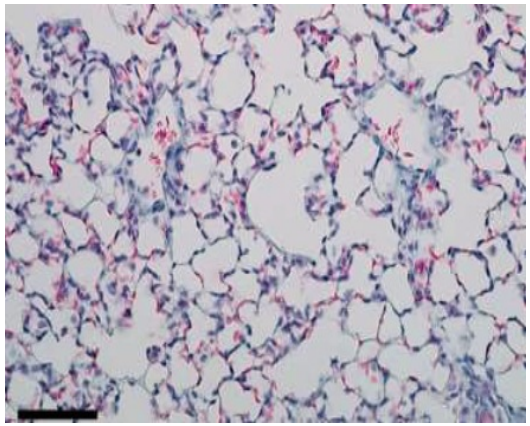
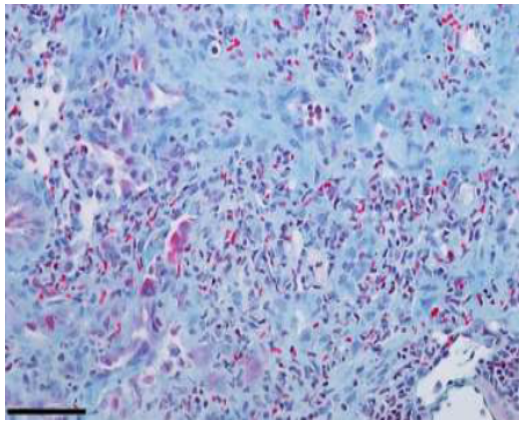
AD-214 prevents lung fibrosis in disease models

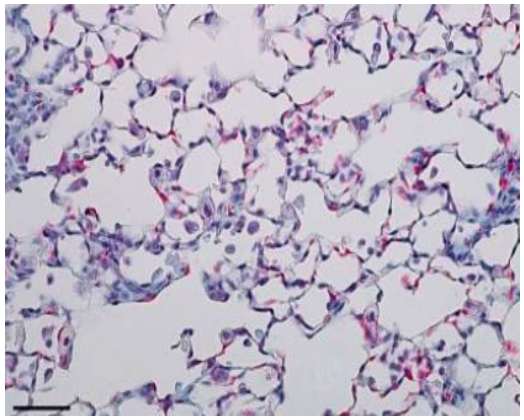
Extensive pre-clinical studies have demonstrated positive *in vitro* (in the lab) and *in vivo* (in animals) data



Normal lung tissue



IPF lung tissue
(lung disease mouse model)



IPF lung tissue + AdAlta's i-body dosed for 21 days
(lung disease mouse model)

AdAlta's i-body reduces collagen content and inflammatory cell infiltration and demonstrates a similar architecture to that of the normal lung in the Bleomycin mouse model

Global market interest in fibrosis treatments

Fibrosis assets acquired at an early stage – typically based on Phase I results

Date	Company	Target	Acquired by	Deal value (US$)	Deal commentary
Sep-15	Adheron Therapeutics	SDP051	Roche	$105M upfront, plus $475M in milestones	SDP-51 at end of Phase I for IPF
Aug-15	Promedior	PRM-151	BMS	$150m upfront + $1.25B	Phase II IPF and myelofibrosis
Nov-14	Galecto Biotech AB	TD139	BMS	$444M	Option to acquire at end of clinical POC (no later than 60 days following Ph 1b for IPF completion)
Aug-14	Intermune	Esbriet / Pirfenidone	Roche	$8.3B	Approval in Europe / Japan, phase III in the US
Jun-13	MicroDose Therapeutx	MMI0100	Teva Pharmaceuticals	$40M upfront $125M milestones	MMI0100 was in pre-clinical development
Mar-12	Stromedix	STX100	Biogen Idec	$75M upfront $487.5M milestones	End of phase I for IPF
Jul-11	Amira / BMS	BMS-986020	BMS	$325M upfront $150M milestones	End of phase I for IPF

Source: Medtrack Pharma Intelligence, Informa (all IPF deals since 2011)

IPF Phase II readouts generate $1.4 billion market value

FibroGen

- (NASDAQ:FGEN)
- $869 million added to its market cap on announcement (7 August 2017) of meeting primary endpoint in Phase IIb study
- Pamrevlumab (FG-3019) 103 patients 48 weeks

Galápagos

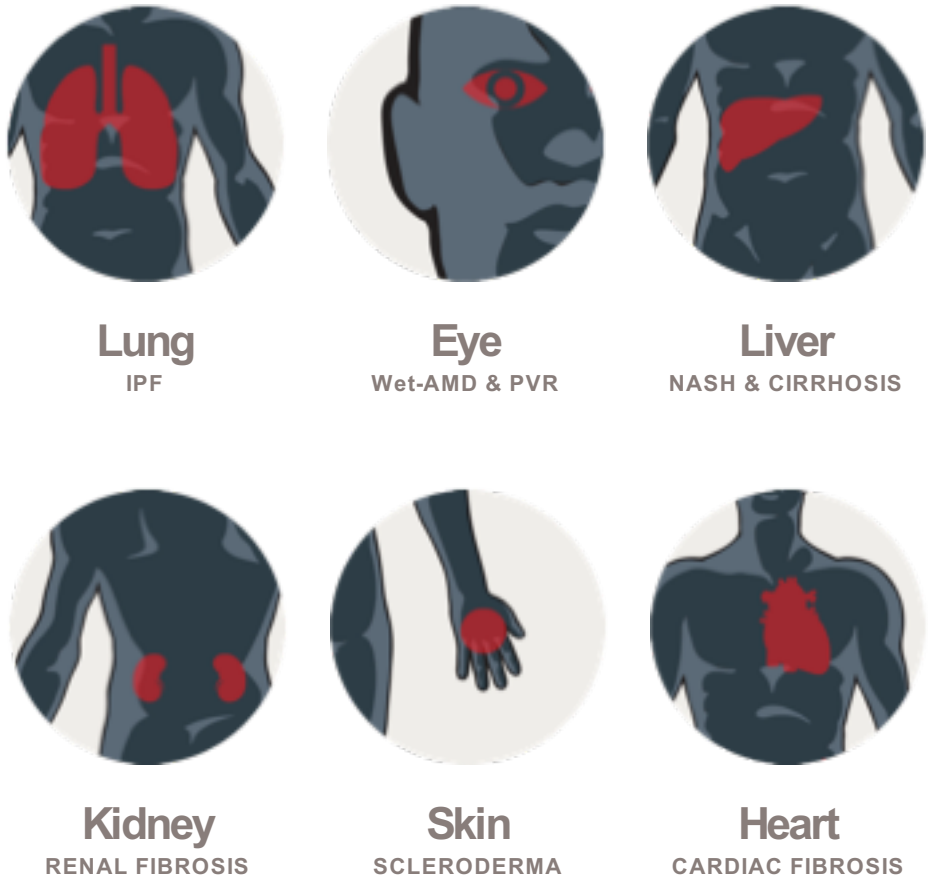
- (Euronext:GLPG; NASDAQ:GLPG)
- $555 million added to market cap on announcement (9 August 2017) exploratory Phase IIa data
- FLORA trial had 23 IPF patients:17 drug, 6 placebo for 12 weeks

AD-214 has broad application in treating fibrosis

AdAlta data shows that its lead anti-CXCR4 i-body candidate can improve fibrosis across a range of fibrotic diseases

- **LUNG:** Idiopathic Pulmonary Fibrosis
- **EYE:** Wet Age Related Macular Degeneration
- **LIVER:** NASH
- **SKIN:** Hypertrophic scar
- **KIDNEY:** Chronic Kidney Disease

Collectively fibrosis represents a large unmet clinical need



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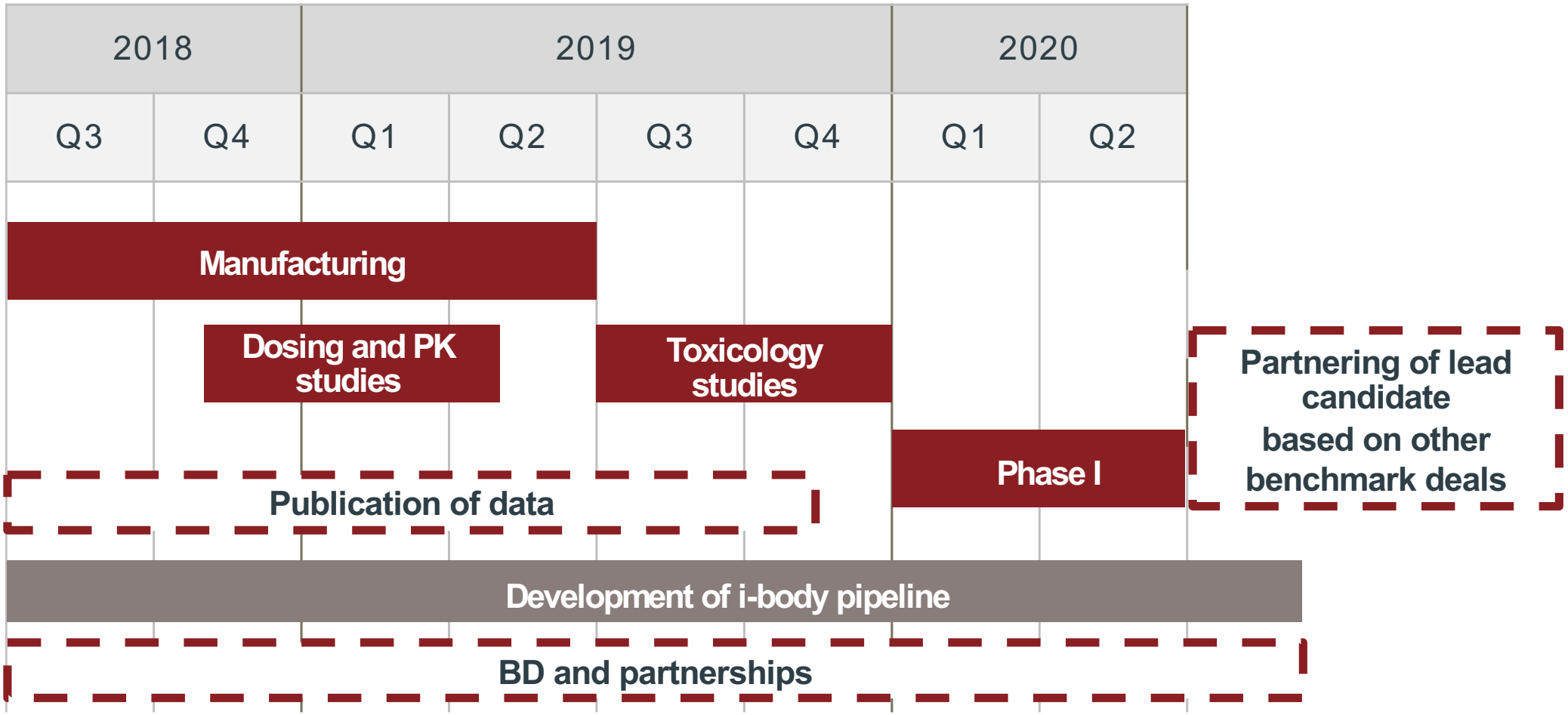
AD-214 development: key milestones



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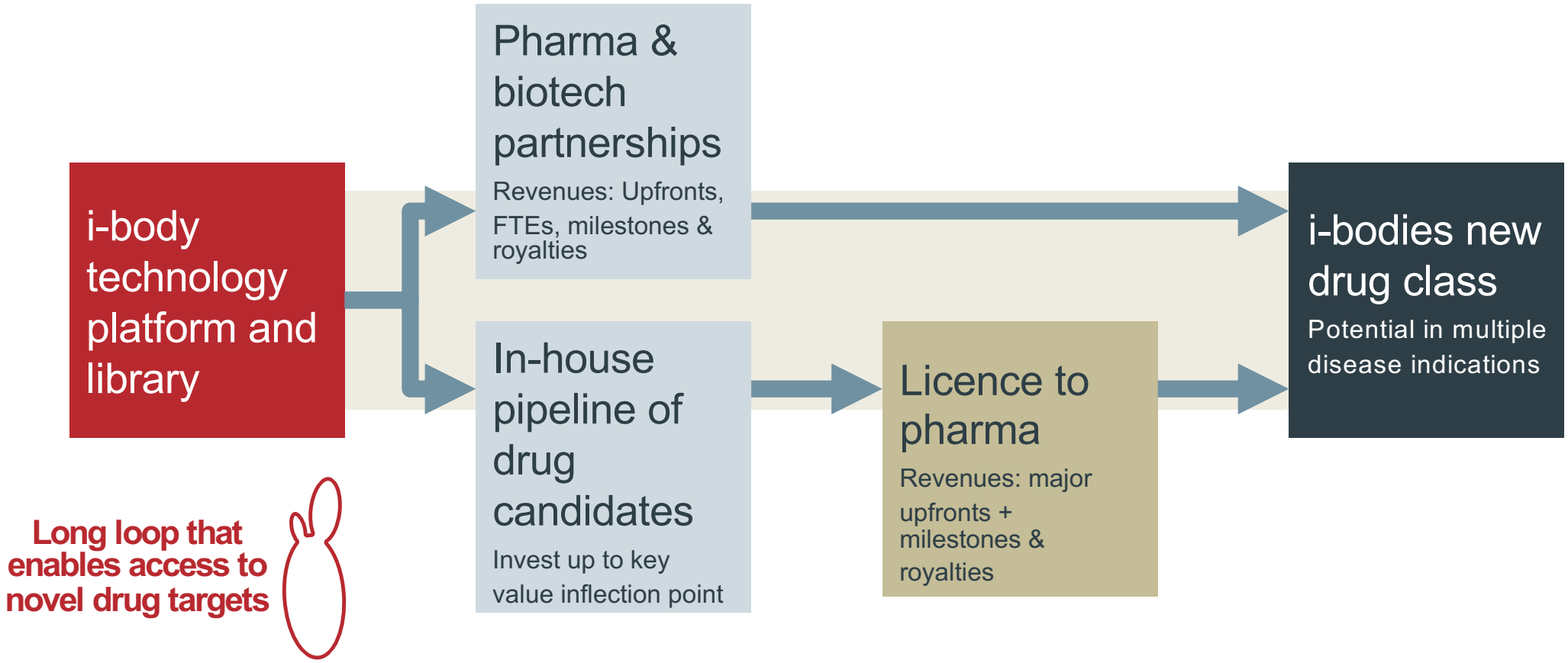
AdAlta business model – strategy to create value



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Market benchmarks

Fibrosis lead AD-214	adheron THERAPEUTICS Sep-15 acquired by Roche $105m + $475m milestones phase I asset	Promedior Aug-15 acquired by BMS $150m + $1.25b milestones phase IIa asset	Galecto Biotech AB Nov-14 acquired by BMS $444m phase I asset
Next gen antibodies	arGEN-X April-16 with Abbvie $40m upfront + $645m milestones & royalties	pieris Feb-18 with Seattle Genetics $30m upfront + $1.2b milestones & royalties	Ablynx Feb-18 with Sanofi €3.9b acquisition
GPCRs	HEPTARES therapeutics Acquired Feb-15 by Sosei $400m Phase Ib asset + 7 pre-clinical leads	receptos Acquired by Celgene July-15 $8b Ph III, Ph II and GPCR platform	Ablynx April-16 with Boehringer €8m payment for Ph1 GPCR nanobody + €125m milestones & royalties

Significant achievements 2017/18

- ✓ Orphan Drug Designation (US FDA) of AdAlta i-body for treatment of IPF
- ✓ Completion of additional pre-clinical animal models in diseases of the lung, kidney, skin; strengthening broad anti-fibrotic data package of anti-CXCR4 i-body
- ✓ Publication of key data in *Scientific Reports* (a *Nature* publication)
- ✓ Presentation of AD-114 data at multiple fibrosis conferences including the IPF Summit
- ✓ Completion of several non human primate studies demonstrating safety of AD-114 but also safety of i-body platform
- ✓ Key AU patent granted covering AD-214

SCIENTIFIC REPORTS

OPEN

Anti-fibrotic Effects of CXCR4-Targeting i-body AD-114 in Preclinical Models of Pulmonary Fibrosis

Received: 8 November 2017
Accepted: 24 January 2018
Published online: 16 February 2018

K. Griffiths[1,2], D. M. Habiel[3], J. Jaffar[4], U. Binder[5], W. G. Darby[1,2], C. G. Hosking[1,2], A. Skerra[5], G. P. Westall[4], C. M. Hogaboam[3] & M. Foley[1,2]

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Expected news flow

H1 2018	✓	Publication of AD-114 data in *Scientific Reports* demonstrating i-body application of pulmonary fibrosis with human tissue and animal model data
	✓	Investor and analyst briefing detailing application of the i-body for the undruggable targets such as GPCRs and ion channels
	✓	Commence manufacturing of AD-214 with Selexis and KBI
H2 2018	▸	Expected R&D tax return of ~$2m
	▸	Manufacturing update including cell line development
	▸	Publish i-body ½ life and eye fibrosis data
	▸	Preliminary non-human primate data with AD-214
H1 2019	▸	Complete manufacturing including materials for tox program
	▸	Update on i-body pipeline development
H2 2019	▸	4 week NHP toxicology study
	▸	Regulatory discussions with US FDA
H1 2020	▸	Phase I SAD/MAD study with AD-214

AdAlta Limited (ASX: 1AD) summary

- Initial focus on treating Idiopathic Pulmonary Fibrosis (IPF) and other fibrotic diseases - high unmet clinical need
- AD-214 has significant pre-clinical validation demonstrating broad anti-fibrotic and anti-inflammatory effects as well as safety
- AD-214 orphan drug designation with FDA for treatment of IPF
- Powerful proprietary technology platform to develop a pipeline of i-bodies for the treatment of a wide range of human diseases
- **Opportunity for investors**: participation in upcoming raise (sophisticated investors), on market purchase (ASX:1AD) and/or platform and AD-214 partnerships

Early commercialisation opportunity, with experienced management and Board to drive AD-214 development and secure technology platform partnerships / product licensing deals

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