AdAlta

next generation protein therapeutics

AdAlta Investor Presentation

AGM 2018

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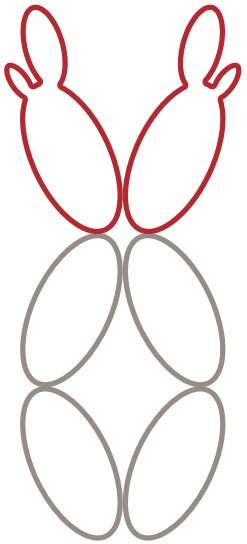
ADALTA 2018 AGM AGENDA

- Chairman introduction
- AGM formal proceedings
- CEO presentation

AdAlta (1AD) investment summary



AD-214

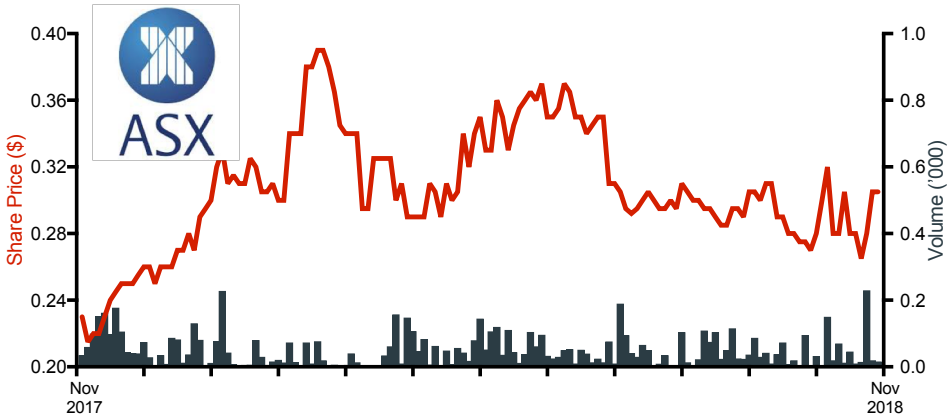
- AdAlta Limited (ASX:1AD) is an Australian listed drug discovery and development company using its powerful technology platform to generate a promising new class of protein therapeutics, known as i-bodies, for treating a wide range of human diseases
- **Investment highlights**
  - Initial focus on treating fibrosis – high unmet medical need
  - Advanced lead fibrosis drug candidate AD-214 with significant pre-clinical validation
  - Orphan drug designation for IPF granted with USA FDA
  - Early commercialisation potential
  - Developing i-body pipeline to further expand opportunities for partnering of novel i-body platform
  - Experienced team with proven track record of drug development and ability to deliver
  - Cash balance of AU$5.74m September 2018 + $2m R&D tax return refund with strong support from institutional investors and shareholders

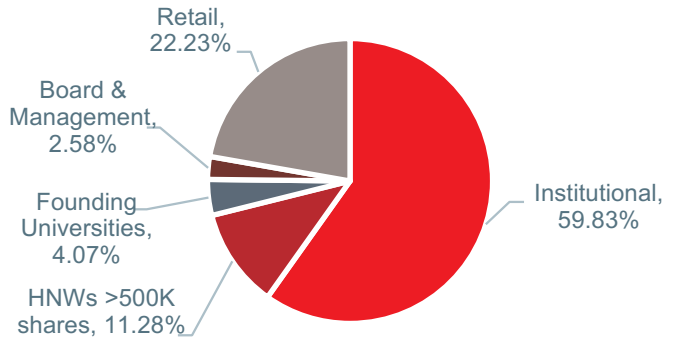
Financial position

Key financial details	
ASX code	1AD
Share price (27 November 2018)	AU$0.26
Market capitalisation	AU$30.44m
Shares on issue*	117,082,073
Options on issue	3,734,471
Current cash (30th September 2018)	AU$5.74m +$2mR&D
Trading range (last 12 months)	AU$0.20 to $0.40
Average daily volume	32,700

Major shareholders	%
Yuuwa Capital LP	46.17
Platinum Asset Management	9.68
Citycastle Pty Ltd	4.58
National Nominees Limited	3.84
Meurs Holdings Pty Ltd	2.85
Other shareholders	32.88
Total	100%

Share performance (last 12 months)





*Excludes Director shares from Placement to be approved at AGM

AdAlta

Management team in place to deliver strategy

Sam Cobb
Founding CEO and Managing Director

Extensive experience in raising equity, contract and grant funding. 15 years of commercialisation and management experience.

Mick Foley, PhD
Chief Scientific Officer

Founding scientist of AdAlta and a key inventor of lead i-body candidate, AD-214. Recognized expert in phage display. NIH, NHMRC, ARC, Gates funding and over 70 scientific publications.

Dallas Hartman, PhD
Chief Operating Officer

Prior to joining AdAlta, Dallas was Vice President of Product Development at the NASDAQ listed biotechnology company Nexvet. Undertook postdoctoral research at the University of Texas Southwestern and the University of Melbourne where his work was supported by fellowships from the Howard Hughes Medical Institute. Over 14 years experience at CSL with analytical focus on biologics.

Extensive support from institutional investors and HNWs

- Top 20 shareholders ~80%
- 60% institutional shareholders
- 11% HNWs with >500K shares each
- 4% founding academic institutions
- 2.6% Board, SAB and Management and 3,734,471 Options issued from $0.17-$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

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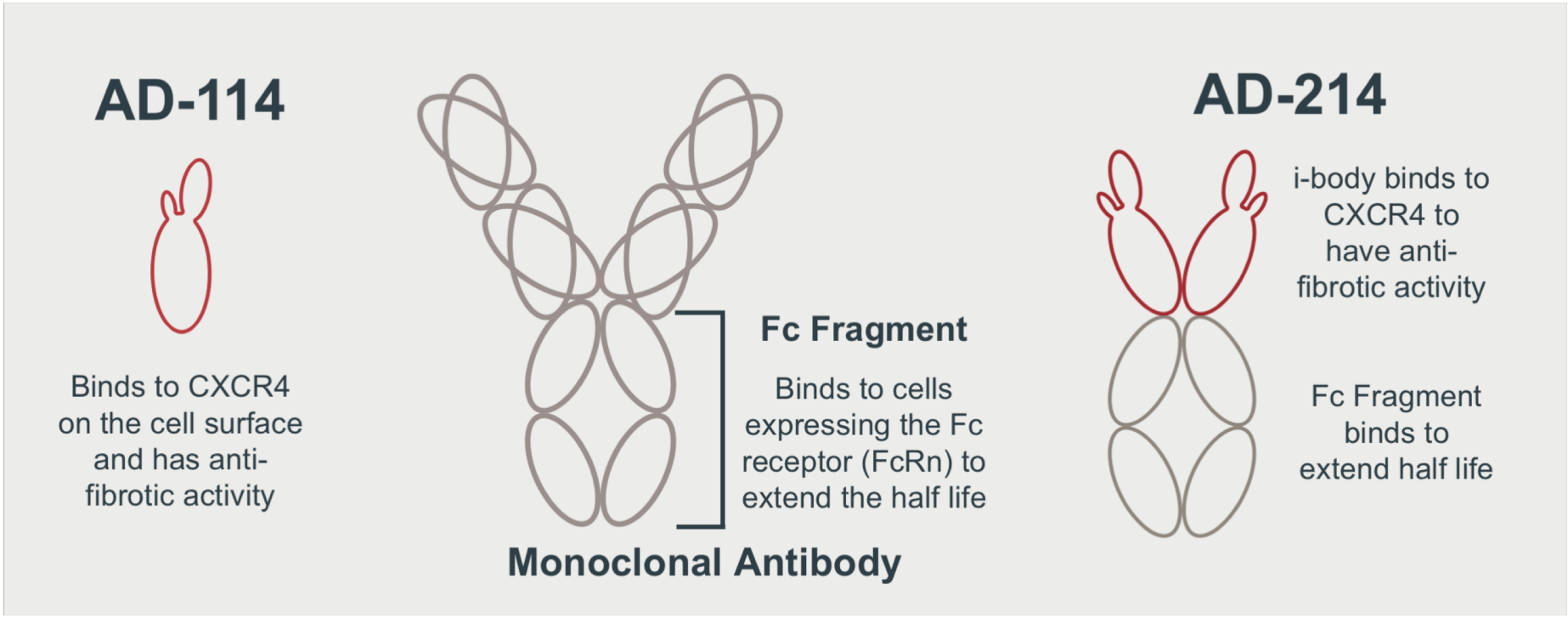
AD-214, a superior drug candidate

AdAlta's lead i-body AD-214 is an Fc-Fusion



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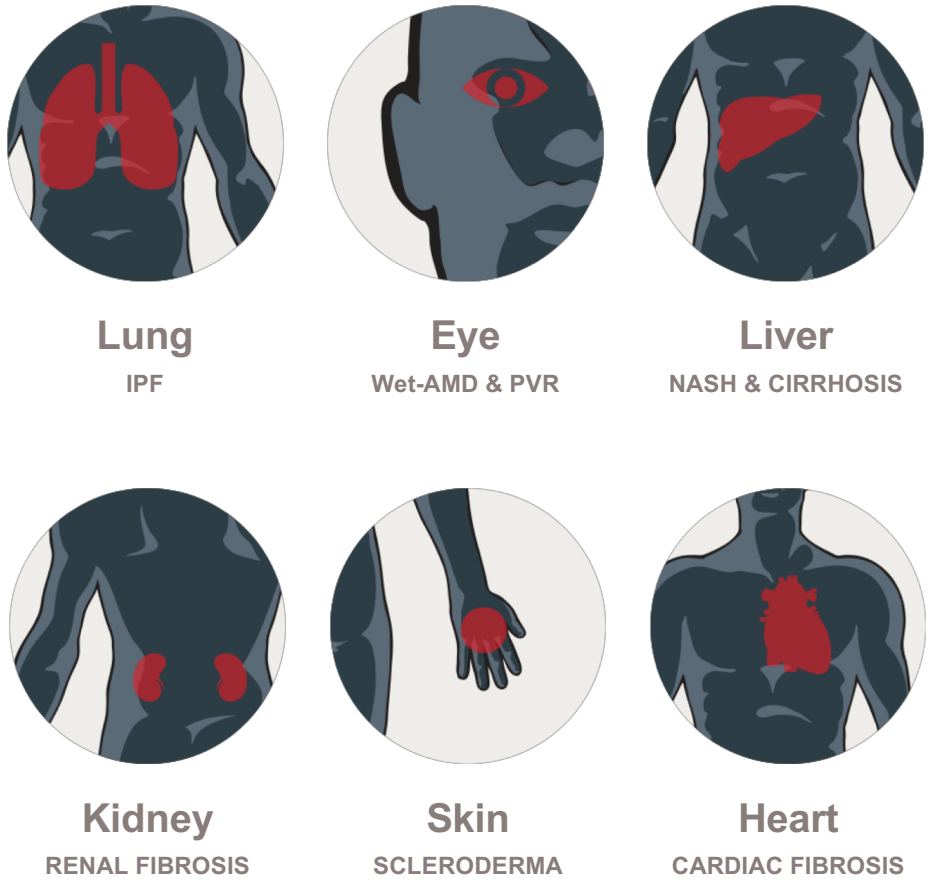
AD-214 has broad application in treating fibrosis

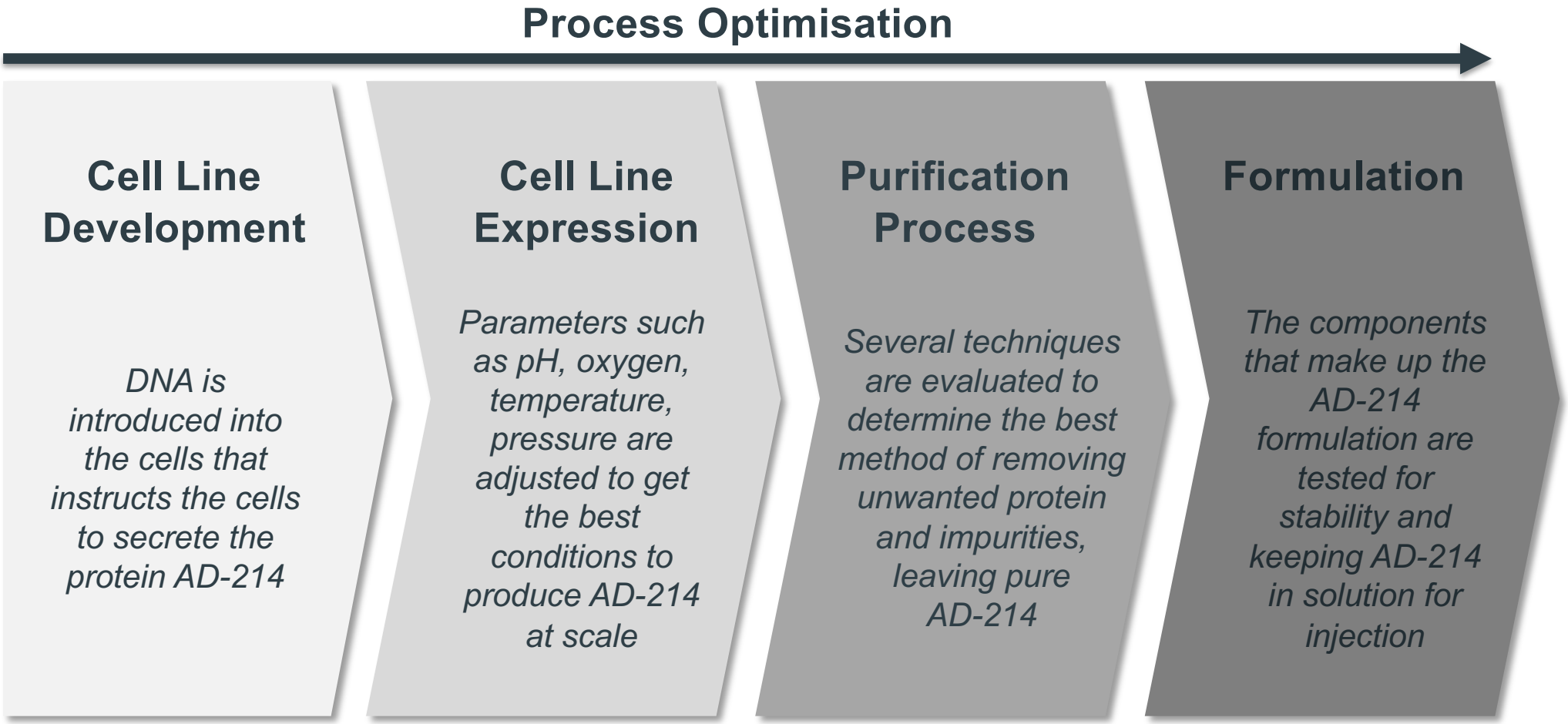
AdAlta data shows that AD-214 can improve fibrosis across a range of fibrotic diseases

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

AdAlta has demonstrated broad anti-fibrotic and anti-inflammatory effects in several animal models of disease and with human tissues with its lead i-body candidate.



Developing the manufacturing process for AD-214



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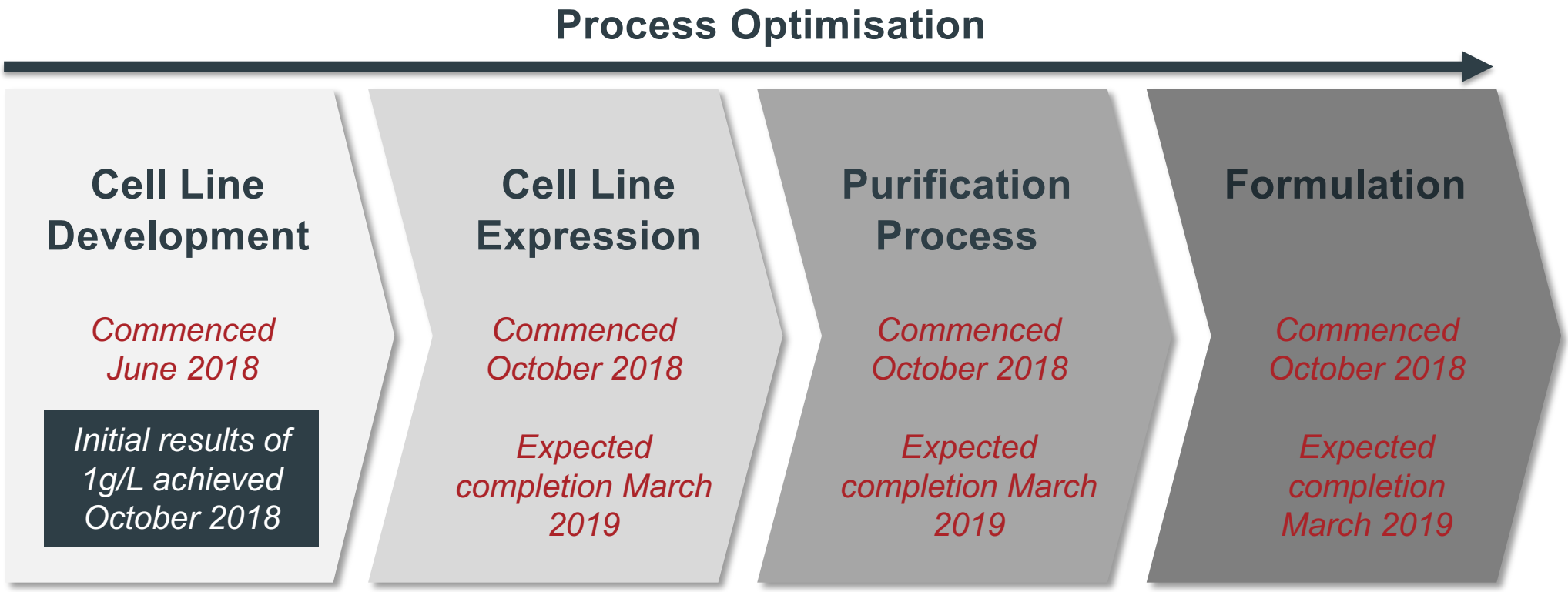
AD-214 manufacturing progress



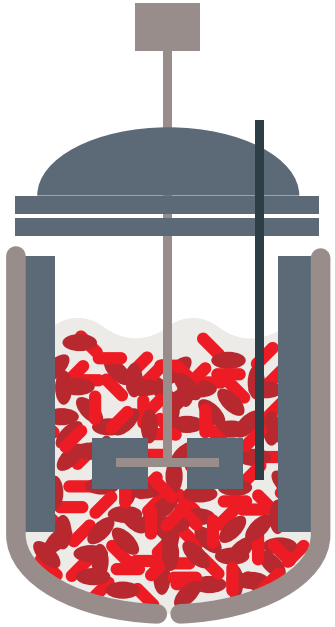
SELEXIS®

KBI BIOPHARMA

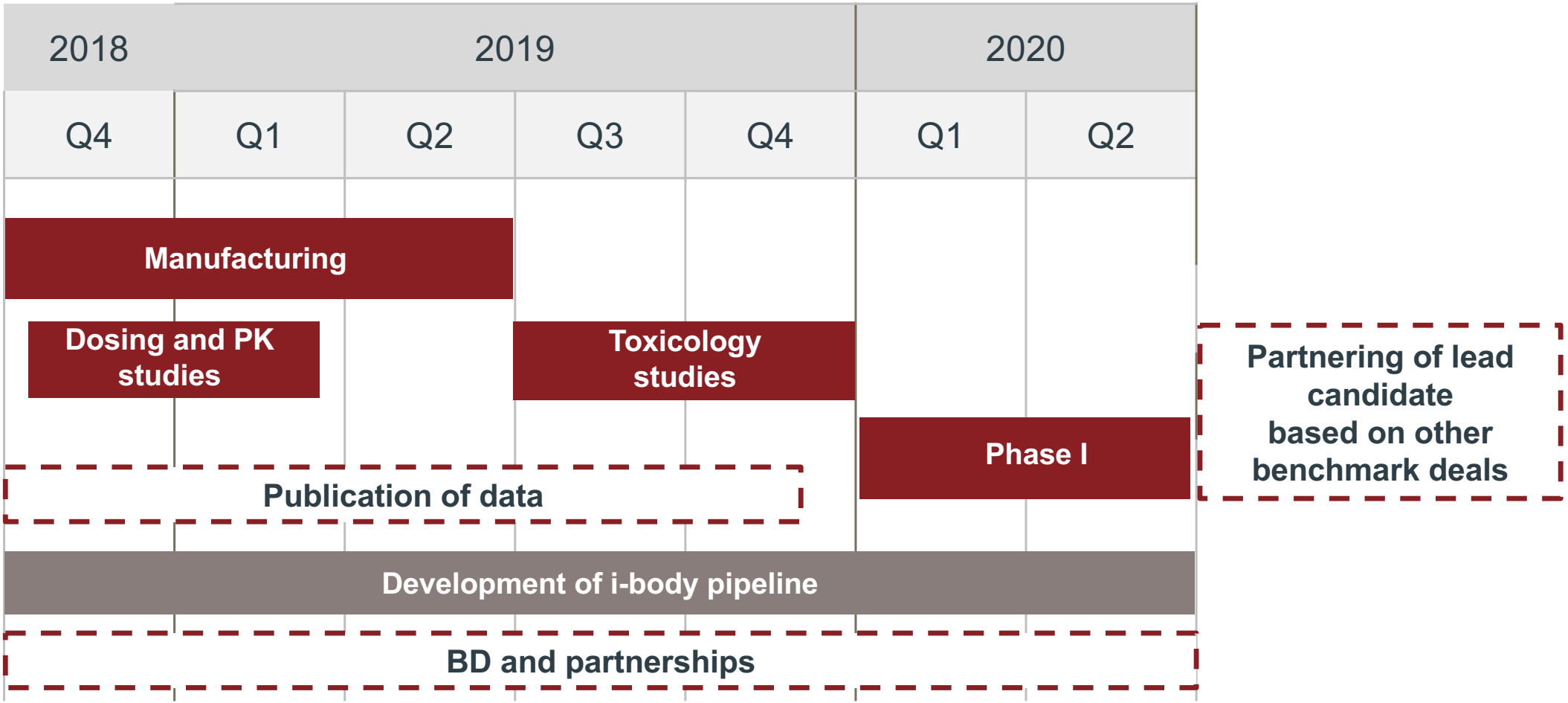
AdAlta

Manufacturing Milestones

Milestone	Expected Date
Cell line development	October 2018 ✓ *Initial results just over 1g/L*
Optimisation of Process development	March 2019
AD-214 material available for toxicity studies	May 2019
AD-214 material available for Phase I clinical study	December 2019



AD-214 development: key milestones



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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-18	Samumed	SM04646	United Therapeutics	$10m upfront, plus $340m milestones	Undergoing Phase I, USA rights only
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: GlobalData (all IPF deals since 2011)

Significant achievements last 12 months

- ✓ Redesign of AD-114 to AD-214, with improved potency and half life
- ✓ 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
  - Collaborator Carol Pollock awarded a $768,000 NHMRC grant to evaluate AD-114 for the treatment of Chronic Kidney Disease
- ✓ Publication of key data in *Scientific Reports* (a *Nature* publication)
- ✓ Key AU patent granted covering AD-214
- ✓ Commenced manufacturing with KBI-Selexis and successfully completed AD-214 cell-line development process

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]

AdAlta

Some of our FY18 media and analyst coverage

The Sydney Morning Herald

"Watch out CSL, here we come': biotech gears to go global"

STOCKHEAD

"Here's a bunch of top ASX respiratory stocks that will leave you breathless"

PULMONARY FIBROSIS NEWS

"AdAlta Enhances Its Lead"

NDF RESEARCH

Providing independent research coverage of ASX-listed Life Science companies

"Smaller, smarter antibody-like drugs"

PATERSONS

"Pivot to superior lead candidate"

Bioshares

"Adalta – Selects Improved Drug Candidate"

SMALL CAPS

"AdAlta courts big pharma with 'enhanced' anti-fibrosis drug, locks-in manufacturing agreements"

CLINICAL LEADER

"What Would Convince You To Delay Your Trial For 12 Months?"

morgans

"Solving for a major health problem"

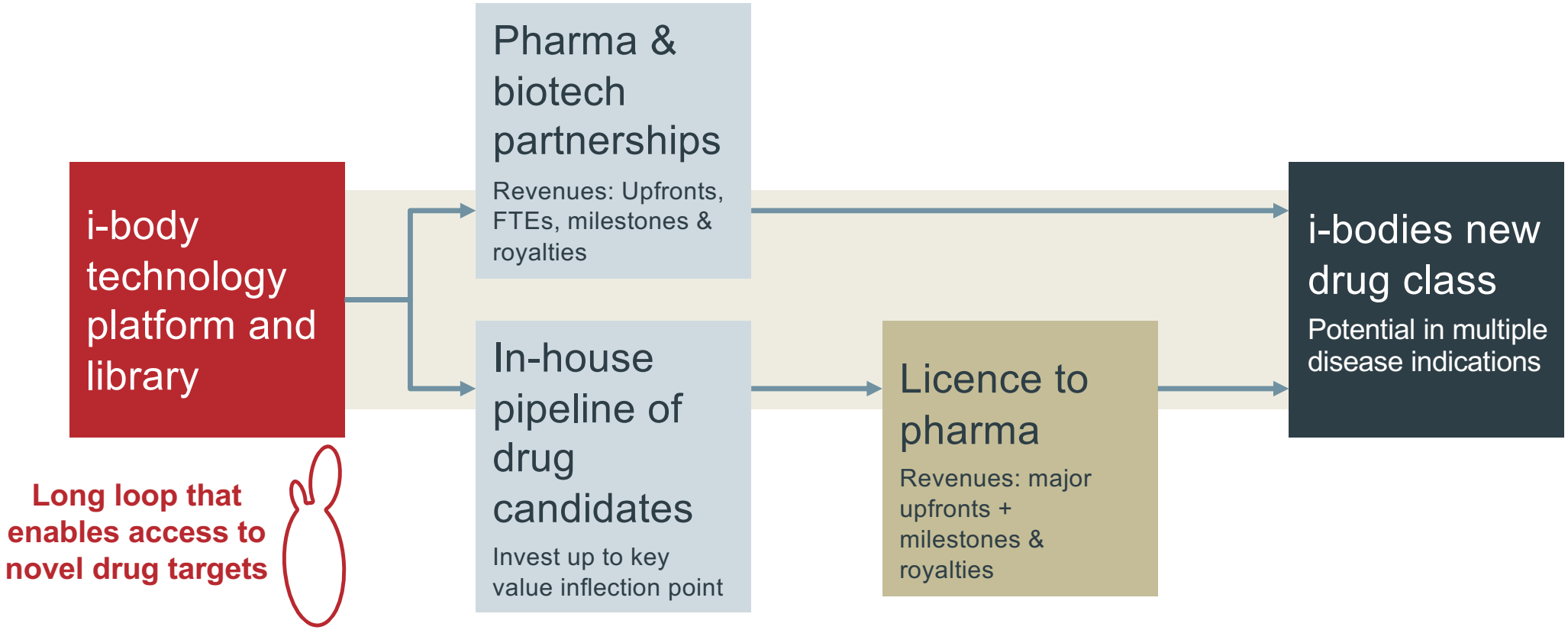
RN

The Roundtable: How to stop the biotech 'valley of death' in Australia

Financial operating results

- The Company reported a loss for the year ended 30 June 2018, after accounting for income tax benefit, of ($3,854,894) (30 June 2017: ($2,832,517)).
- The Company remains in a solid cash position with ~$5.74 million cash in the bank as at 30 September 2018 with an additional $2m from the R&D tax received in the December quarter.
  - Closed Placement and SPP in August 2018, raising $4.73m to advance the lead i-body candidate AD-214 through manufacturing
  - Cost of services expense of $3,980,633 (30 June 2017: $3,598,678)
  - Total expenses of ($5,934,873) (30 June 2017: $2,832,517)
- The Company is in a strong and stable financial position to take AD-214 through to the end of manufacturing

AdAlta business model – strategy to create value



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 PHARMACEUTICALS May -17 with AZ $58m upfront + $2.1b milestones & royalties	Acquired Jul[illegible] with Sanofi €31m upfront + €2.4b milestones & royalties
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

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	✓	Manufacturing update on cell line development
	✓	Expected R&D tax return of ~$2m
	▶	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

- Successfully raised $4.73m in Placement with institutional and high net worth investors and SPP with existing shareholders, completed post quarter's end, securing funding for AD-214 to end of manufacturing
- September cash position of $5.74m, with ~$2m R&D tax incentive received October 2018
- 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

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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