

ASX / Media Release

AdAlta and Excellerate Bioscience collaborate to advance the

development of i-body pipeline

MELBOURNE Australia, 28 February, 2019: AdAlta Limited (ASX:1AD), the biotechnology

company advancing its lead i-body candidate toward clinical development, today

announced that it has formed a collaborative partnership with UK-based research

organisation, Excellerate Bioscience, to advance the development of its i-body pipeline.

Through the partnership, the two companies will identify i-bodies with unique efficacy,

safety and duration and determine which ones are best-in-class for binding to drug targets,

specifically G protein-coupled receptors (GPCRs).

GPCRs are involved in a wide array of diseases including diabetes and obesity but many

remain difficult to target by small molecule and traditional antibody therapeutics. Of the top

200 selling pharmaceuticals, 25% target a GPCR, with this approach totalling drug sales

worth \$82 billion in 2016. Despite a significant market size, over 80% of GPCR targets are

yet to be effectively exploited, due to the inability to identify specific binders that treat

patients without unwanted side effects.

AdAlta will screen its novel i-body library on a target of commercial interest. Excellerate

Bioscience will evaluate the leads identified by AdAlta, profile the distinct pharmacology and

enable the selection of superior drug candidates. AdAlta will then commercialise the

outcomes of the project.

"It is now widely recognised that optimising the binding properties of new compounds that

target GPCRs can result in drugs with significantly improved efficacy, safety and duration of

action. With Excellerate's expertise, we hope to identify novel i-bodies that are first in class

and best-in-class for further development, and to showcase the i-body platform," said

AdAlta's Chief Executive Officer Sam Cobb.

Excellerate Bioscience CSO, Professor Steven Charlton added, "We are very excited by the potential of i-body technology to provide much-needed novel mechanisms to modulate GPCR function and are delighted to be working with AdAlta on this exciting new therapeutic platform".

AdAlta's Scientific Advisory Board member, Dr John Westwick commented, "Professor Steven Charlton is one of the world's foremost experts in GPCR pharmacology. We are honoured to have a partnership with such a well credentialed collaborator."

-ENDS-

Notes to Editors

About AdAlta Limited

AdAlta Limited is an Australian based drug development company headquartered in Melbourne. The Company is focused on using its proprietary technology platform to generate i-bodies, a new class of protein therapeutics, with applications as therapeutic drugs to treat disease.

I-bodies are a promising, novel class of drugs that offer a new and more effective approach to treating a wide range of human diseases. They are identified and developed using our proprietary technology platform.

We have pioneered a technology that mimics the shape and stability of a crucial antigen-binding domain, which was discovered initially in sharks and then developed as a human protein. The result is a range of unique compounds, now known as ibodies, for use in treating serious diseases.

AdAlta is developing its lead i-body candidate, AD-214, for the treatment of idiopathic pulmonary fibrosis (IPF) and other human fibrotic diseases, for which current therapies are sub-optimal and there is a high-unmet medical need.

The Company also plans to continue further drug discovery and development directed towards other drug targets and diseases with its i-body technology platform.

Further information can be found at: www.adalta.com.au.

About Excellerate Biosciences

Excellerate Bioscience is a dynamic and innovative organization, built on a worldwide reputation for excellence in the field of molecular and cellular pharmacology.

Based in BioCity Nottingham UK, the company applies state of the art pharmacological theory and technology to improve the efficiency and translatability of in vitro pharmacological profiling, providing solutions to some of world's leading pharmaceutical, biotechnology and academic institutes.

The Excellerate Bioscience team has expertise in all aspects of quantitative assessment of drug-target interactions, and has pioneered the use of kinetic binding and signaling data to enhance compound selection decisions at all stages of the discovery process. The team has significant experience in characterizing the pharmacology of novel biologics targeting GPCRs.

Further information can be found at: www.excelleratebio.com

For more information, please contact:

AdAlta Limited Sam Cobb, CEO

Tel: +61 (0)3 9479 5159 E: <u>s.cobb@adalta.com.au</u>