ASX / Media Release

AdAlta presentation for Australian Microcap Conference

MELBOURNE Australia, 22nd October, 2019: AdAlta Limited (ASX:1AD) is pleased to release a copy of the presentation that will be delivered to investors today at the 10th Annual Australian Microcap Investment Conference.

The Conference is the largest in Australia focused on the microcap sector and enables the investment community to hear first-hand from a range of leading microcap CEOs about their business strategy and growth prospects.

Presentation details:

Date:	22nd October, 2019
Event:	10th Annual Australian Microcap Investment Conference
Location:	Sofitel on Collins, Melbourne
Time:	2:45pm
Presenting:	Dr Tim Oldham, CEO & Managing Director and Paul MacLeman, Chair

A copy of the AdAlta presentation is attached and will also be made available on the Company's website at www.adalta.com.au.

-ENDS-

Notes to Editors

About AdAlta Limited
AdAlta Limited is an Australian-based drug development company headquartered in Melbourne.

The Company is using its proprietary technology platform to generate a promising new class of protein therapeutics, known as i-bodies, that have the potential to treat some of today's most challenging medical conditions.

The technology mimics the shape and stability of a crucial antigen-binding domain, that was discovered initially in sharks and then developed as a human protein. The result is a range of unique compounds, capable of uniquely interacting with previously difficult to access targets such as G-protein coupled receptors and ion channels that are implicated in many serious diseases.

AdAlta is currently preparing for its phase 1 clinical studies for its lead i-body candidate, AD-214. The clinical program is expected to commence in early 2020 following completion of the current toxicity study, clinical trial design finalisation and manufacture of clinical product. AD-214 is being developed 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 is also in collaborative partnerships to advance the development of its i-body platform. It has recently announced an agreement with UK-based research organisation, Excellerate Bioscience to collaborate on an undisclosed target of commercial interest and an agreement with GE Healthcare for diagnostic imaging agents against several drug targets, including Granzyme B.

AdAlta plans to continue further drug discovery and development directed towards other drug targets and diseases.

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

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AdAlta

next generation protein therapeutics

AdAlta Investor Presentation

October 2019

Paul MacLeman, Chair
Tim Oldham, Chief Executive Officer

AdAlta Limited (ASX:1AD)

Disclaimer

Investment in AdAlta is subject to investment risk, including possible loss of income and capital invested. AdAlta does not guarantee any particular rate of return or performance, nor do they guarantee the repayment of capital.

This presentation is not an offer or invitation for subscription or purchase of or a recommendation of securities. It does not take into account the investment objectives, financial situation and particular needs of the investor. Before making any investment in AdAlta, the investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances and consult an investment advisor if necessary.

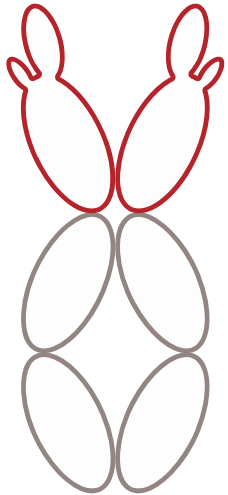
This presentation may contain forward-looking statements regarding the potential of the Company's projects and interests and the development and therapeutic potential of the company's research and development. Any statement describing a goal, expectation, intention or belief of the company is a forward-looking statement and should be considered an at-risk statement. Such statements are subject to certain risks and uncertainties, particularly those inherent in the process of discovering, developing and commercialising drugs that are safe and effective for use as human therapeutics and the financing of such activities. There is no guarantee that the Company's research and development projects and interests (where applicable) will receive regulatory approvals or prove to be commercially successful in the future. Actual results of further research could differ from those projected or detailed in this presentation. As a result, you are cautioned not to rely on forward-looking statements. Consideration should be given to these and other risks concerning research and development programs referred to in this presentation.

AdAlta overview

AdAlta Limited (ASX:1AD) is an Australian listed drug discovery and development company generating a promising new class of protein therapeutics, known as i-bodies, for treating a wide range of human diseases.

AdAlta (1AD) investment summary

- i-body platform for generating multiple products
  - Novel structure provides new way to access important biological targets that can be difficult to access with conventional approaches
- Lead internal program, AD-214 due to commence human Phase 1 clinical trial in early 2020
  - Targeting fibrosis of the lungs (Idiopathic Pulmonary Fibrosis), a clinical indication with high unmet medical need and early transaction potential
  - USA FDA Orphan Drug Designation and strong pre-clinical data
- Collaborations, providing additional opportunities to leverage the i-body platform
  - Recently secured licensing deal with global medical technology firm, GE Healthcare to develop i–bodies for diagnostic imaging
- Experienced drug development team with track record of delivery



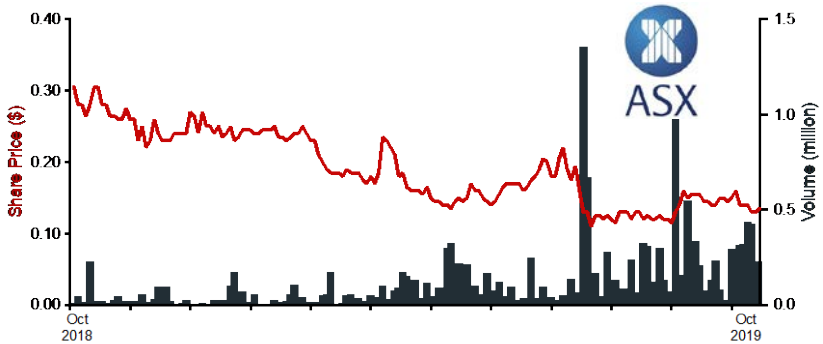
AD-214

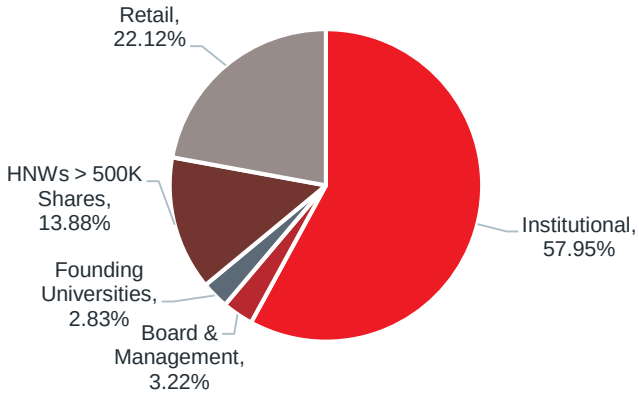
Financial position

Key financial details	
ASX code	1AD
Share price (18 October 2019)	AUD$0.13
Market capitalisation	AUD$22.18m
Ordinary Shares	164,302,007
Listed Options	23,348,803
Unlisted Options	4,355,007
Current cash (30 June 2019)*	AUD$5.56m
Trading range (last 12 months)	AUD$0.11 to $0.30
Average daily volume	68,841

Major shareholders	%
Yuuwa Capital LP	32.90
Platinum Asset Management	8.64
Brispot Nominees Pty Ltd	4.65
Citycastle Pty Ltd	3.67
Meurs Holdings Pty Ltd	3.04
Other shareholders	47.09
Total	100%

Share price performance (last 12 months)





* Excluding Tranche 2 of the Placement (AUD$1.78m) and Receipt of R&D Tax incentive (AUD$3.5m)

AdAlta

AdAlta business model and strategy to create value

i-body technology platform and library

1. In-house pipeline of drug candidates
Invest up to key value inflection point

Licence to pharma
Revenues: major upfronts + milestones & royalties

AD-214

Long loop that enables access to novel, challenging drug targets

2. Pharma and biotech partnerships
Partner-led target selection and development

Co-develop with pharma
Revenues: research fees & royalties

GE Healthcare

i-body drugs new drug class
New drug class
Potential in multiple disease indications

AdAlta

i-bodies combine benefits of small molecules and conventional antibodies

	Small Molecule	Conventional Antibody	AdAlta i-body
High selectivity-specificity		●	●
Low toxicity: few off target effects		●	●
Cavity binding and new epitopes	●		●
Stability	●		●
Alternative routes of administration	●		●

- i-bodies offer a new approach to treatment of a wide range of human diseases
- Well suited to drug difficult targets, including GPCRs and ion channels
- Can be used “as is” or coupled to other structures

Long binding loop enables access to novel and difficult to drug targets

i-body has human protein scaffold

AdAlta

AdAlta pipeline

i-body discovery engine

Partner	Product/ Indication	Target	Class of Target	Discovery	Preclinical	Manufact-uring	IND enabling studies	Phase I
AdAlta	**AD-214**: Idiopathic Pulmonary Fibrosis	CXCR4	GPCR					
AdAlta	**AD-214**: Other fibrotic indications	CXCR4	GPCR					
AdAlta	Not disclosed	MCP-1	Novel ligand pocket					
AdAlta	Not disclosed	TRPV4	Ion channel					
Excellerate BIOSCIENCE	Not disclosed	Not disclosed	GPCR					
GE Healthcare	Diagnostic agents	Granzyme B + others	Serine protease					

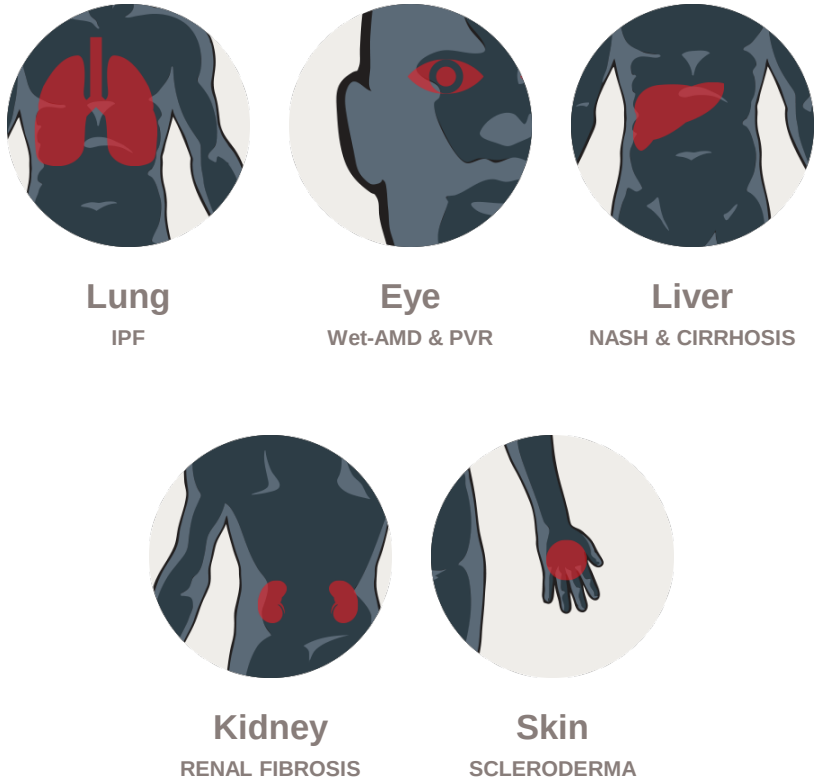
AdAlta

AD-214 has broad application in treating fibrosis

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

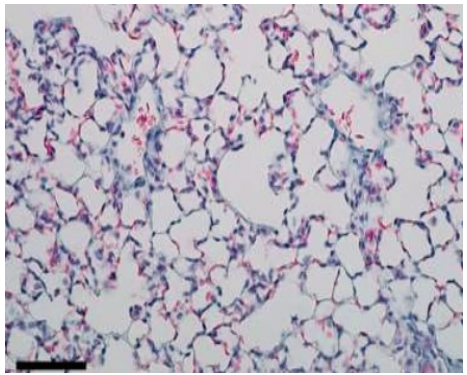
- **LUNG:** Idiopathic Pulmonary Fibrosis
- **EYE:** Wet-Age Related Macular Degeneration
- **LIVER:** NASH
- **SKIN:** Hypertrophic scar
- **KIDNEY:** Chronic kidney disease

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.

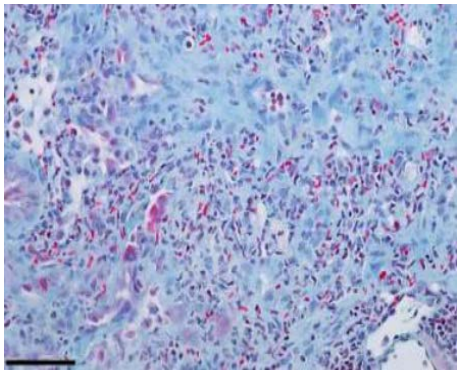


AD-214 novel treatment for fibrosis – lung

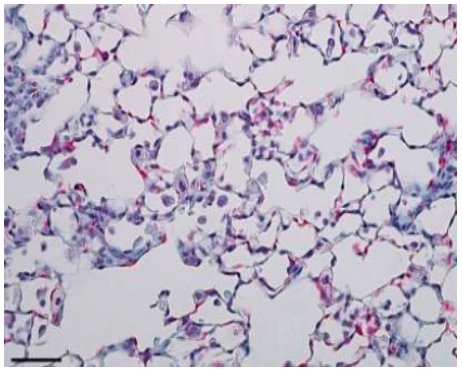
AdAlta's lead i-body* has demonstrated* in vivo *activity (reduced collagen content, reduced inflammatory cell infiltration, improved tissue architecture) in a Bleomycin-induced mouse model of lung fibrosis



Normal lung tissue



IPF lung tissue
(lung disease mouse model)



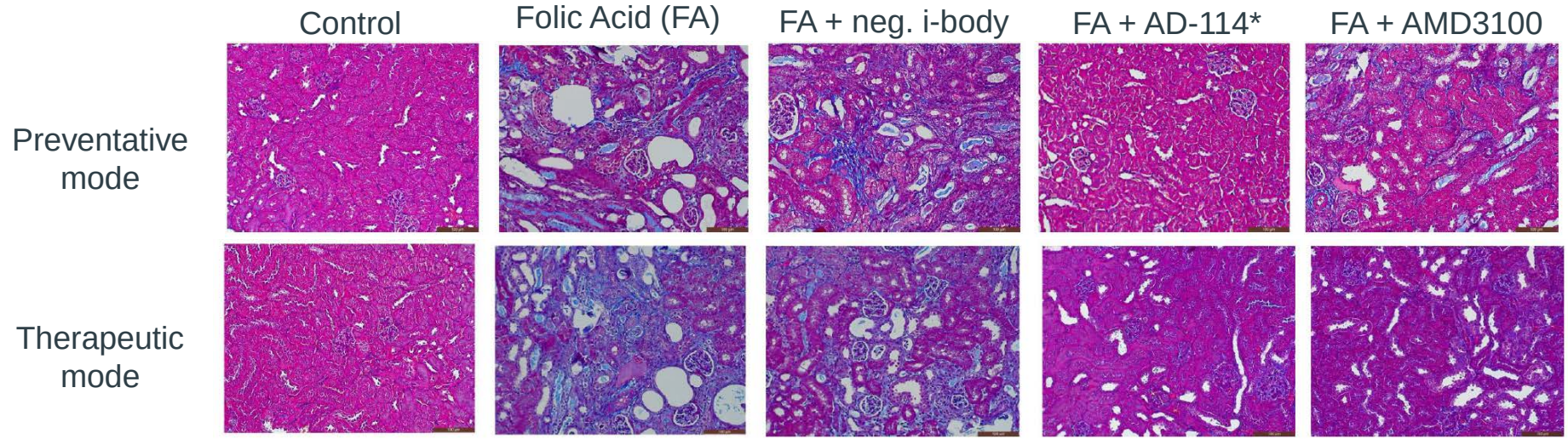
IPF lung tissue + AdAlta anti-CXCR4 i-body* dosed for 21 days
(lung disease mouse model)

Blue staining represents collagen, a hallmark of fibrosis

* AD-214 is an Fc-fusion protein including two moieties of AdAlta's anti-CXCR4 i-body AD-114

AD-214 novel treatment for fibrosis – kidney

AdAlta's lead i-body* has demonstrated* in vivo *activity (reduced collagen content, improved tissue architecture) in a folic acid-induced mouse model of kidney fibrosis in both preventative and treatment modes



Blue staining represents collagen, a hallmark of fibrosis

* AD-214 is an Fc-fusion protein including two moieties of AdAlta's anti-CXCR4 i-body AD-114

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Market opportunity for IPF

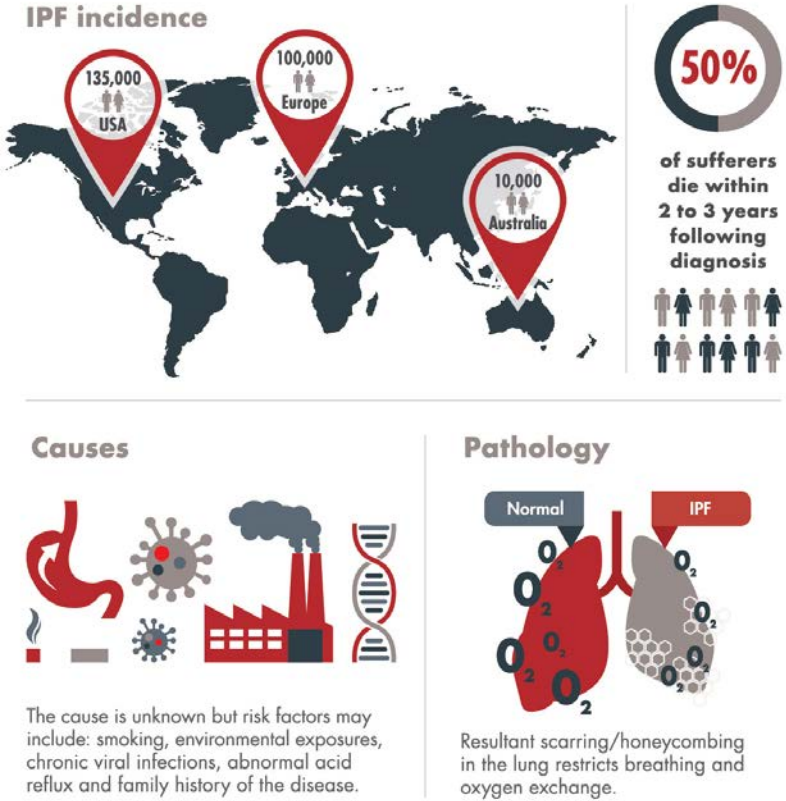
Idiopathic Pulmonary Fibrosis (IPF) is an irreversible, unpredictable and incurable disease

THE STATISTICS

People living with IPF
300,000

People die from IPF every year
40,000

Median length of survival after IPF diagnosis
3.8 years



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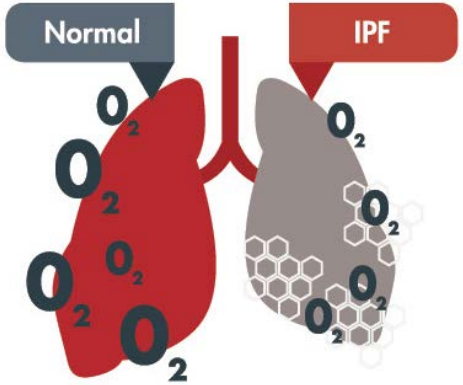
AdAlta's place in the IPF treatment landscape

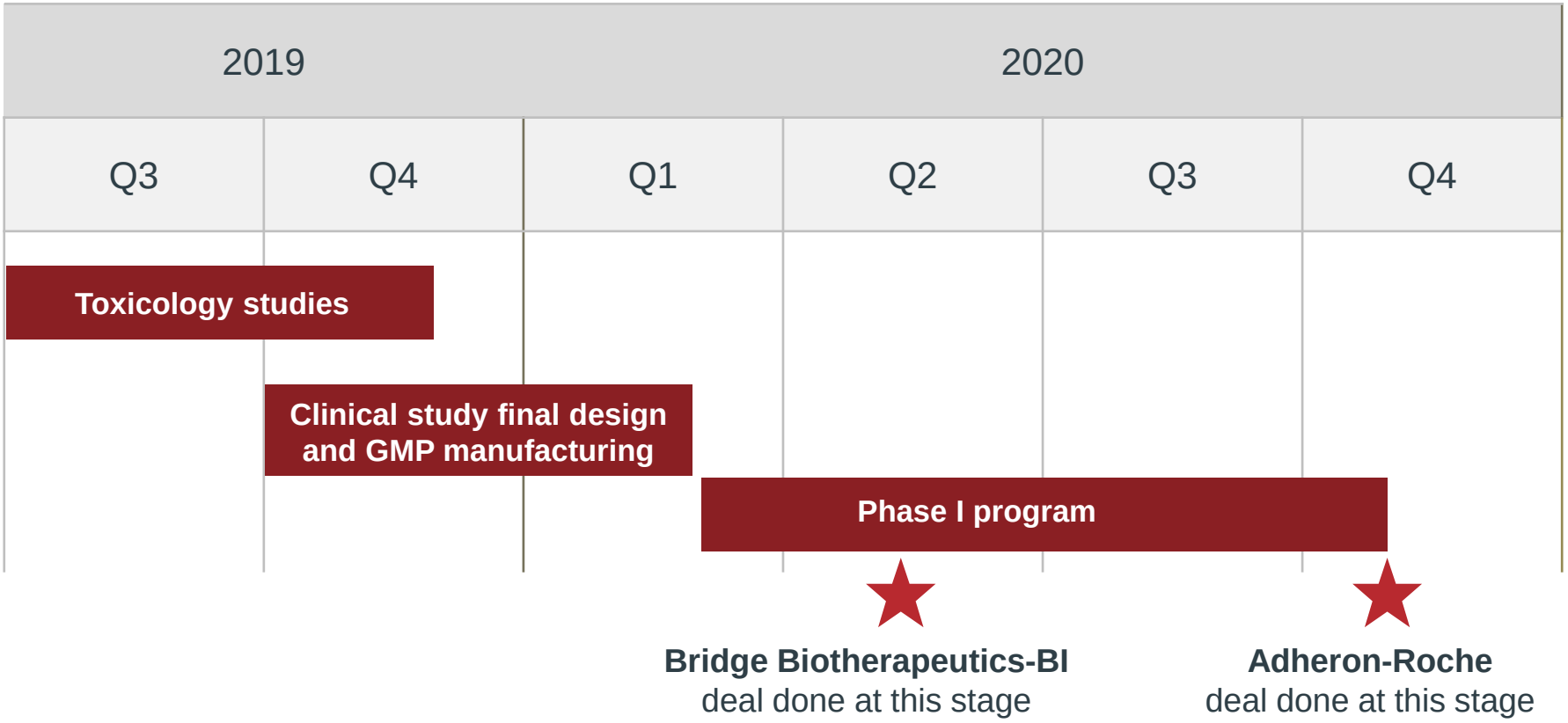
- Approvals of pirfenidone (2014) and nintedanib (2014) have led to greater confidence in the development of drugs for IPF
  - Neither are optimal therapies - the disease process is slowed, not reversed
- A number of products in development
  - Provide pathway for Phase II and III trials
- No IPF treatments under development targeting CXCR4
  - Existing approved CXCR4 small molecule antagonist Mozobil very different pharmacology to AD-214 and toxic when provided in chronic setting



High unmet medical need: there is a significant opportunity for multiple classes of drug to be clinically valuable and commercially successful for the management of IPF patients

AdAlta

AD-214 development: key milestones



AdAlta

GE Healthcare licensing deal – i-body platform

Overview:

- Agreement with global medical technology and diagnostics firm, GE Healthcare
- AdAlta will screen its novel i-body library on a number of targets in order to identify i-bodies that GE can use as imaging agents, starting with Granzyme B

Summary of commercial terms:

- First payment of GBP100,000 now due following target selection
- GE Healthcare will pay AdAlta for research costs
- Further milestone payments and royalties expected if development successful

AdAlta aims to develop a range of similar therapeutic and diagnostic partnerships

Market benchmarks

Fibrosis lead AD-214	adheron THERAPEUTICS Sep-15 acquired by Roche $105m + $475m milestones phase I asset	Promedior Aug-15 right to be acquired by BMS $150m + $1.25b milestones phase IIa asset	bridgebio therapeutics Jul-19 license by Boehringer Ingelheim €45m + €1.1b milestones phase I asset
Micro-antibodies	arGEN-X April-16 license by Abbvie $40m upfront + $645m milestones & royalties	pieris Feb-18 collaboration with Seattle Genetics (3 targets) $30m upfront + $1.2b milestones & royalties	Ablynx Feb-18 acquired by Sanofi €3.9b
GPCRs	HEPTARES therapeutics Feb-15 acquired by Sosei $400m Phase Ib asset + 7 pre-clinical leads	receptos Jul-15 acquired by Celgene $8b Ph III, Ph II and GPCR platform	Ablynx April-16 license with Boehringer €8m + €125m milestones & royalties PhI GPCR nanobody

Significant 2019 achievements

AD-214

✓ Successfully completed AD-214 cell-line and manufacturing process development; commenced manufacturing of clinical AD-214 drug substance

✓ Commenced Phase I-enabling non-human primate toxicity studies

i-body platform partnerships

✓ Entered partnership with GE Healthcare to develop pre-clinical targets for diagnostic imaging

Pipeline research

✓ Key data published in *mABs* peer reviewed scientific journal, demonstrates that half-life of i-body can be customised using different technologies

✓ Entered partnership with Excellerate Biosciences to accelerate characterization of GPCR binders

Organisation

✓ Board skills expanded with appointment of Dr Ros Wilson

✓ Appointment of new CEO & Managing Director, Dr Tim Oldham

Expected news flow

- **H2 2019**
  - ✓ Partnership announcement
  - ✓ Publication of key i-body data in well recognised, peer reviewed scientific journal, mABs
  - – 4 week NHP toxicology study – to be completed October 2019
  - – Publication of further key i-body data

- **H1 2020**
  - – Phase I human clinical studies with AD-214 commence
  - – Update on i-body pipeline development and strategy

Management focused on milestone delivery

Tim Oldham, PhD
CEO & Managing Director

Appointed October 2019, Tim brings >20 years of life sciences business development, alliance management, portfolio and product development, and commercialisation experience in Europe, Asia and Australia, with a particular focus on biologics, cell and gene therapies and pharmaceutical products. He has significant ASX listed company experience, is currently a Non-executive Director at Acrux Ltd (ASX:ACR) and serves as Director of BioMelbourne Network Inc.

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.

International Board, Scientific Advisory Board

Extensive track record of drug, antibody development, capital raising and exits

Dr Paul MacLeman, Chair

Dr John Chiplin, Independent Director

Liddy McCall, Director

Dr Robert Peach, Independent Director

Dr James Williams, Director

Dr Ros Wilson MBBS, Independent Director

Scientific Advisory Board

Dr Mick Foley, AdAlta CSO, expert in phage display

Brian Richardson, drug discovery and development expert

Steve Felstead, clinical development

John Westwick, pulmonary drug discovery and development

AdAlta Limited (ASX:1AD) Summary

- **Platform technology for multiple pipeline products and partnerships**
- **Lead asset AD-214**
  - Has significant pre-clinical validation demonstrating broad anti-fibrotic and anti-inflammatory effects as well as safety.
  - Initial focus on treating Idiopathic Pulmonary Fibrosis (IPF). Market history of early commercialisation transactions in fibrosis
  - Manufacturing and toxicology on track
  - Set to be in clinic by Q1 2020
- **Additional expansion opportunities through partnering**
  - Recent licensing deal with global medical technology firm, GE Healthcare, to develop i-bodies for diagnostic imaging
- **Cash balance sufficient to fund the Company into Phase 1 clinical studies for AD-214**
- **Experienced leadership to drive AD-214 development, partnerships and pipeline expansion**

AdAlta

next generation protein therapeutics

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