9 December 2014

Company Update

Antisense Therapeutics (ANP or "the Company") wishes to provide the following update in relation to its partnering processes and development strategy for the Company's two Phase II drugs, ATL1103 for acromegaly and ATL1102 for multiple sclerosis (MS).

Partnering Process

Following the recent successful completion of a Phase II clinical trial of ATL1103 in patients with the growth disorder acromegaly *(ASX: ATL1103 Phase II Trial – Successful Efficacy Results, 3 September 2014)*, ANP has escalated its activities to attract an appropriate pharmaceutical partner for the drug's ongoing development.

ANP is working closely with US based specialist advisory firm Destum Partners through this partnering process which is now well advanced with the disclosure of confidential information to a number of interested parties who are actively undertaking partnering-related due diligence. The process of engagement with pharmaceutical partners naturally takes time, however Destum and ANP are aiming to complete this process to attract a suitable partner and progress into the definitive agreement stage within the next three to six months, although it should be noted that any current partnering interaction can lead to a formal offer from a party at any point in time from now.

With respect to ATL1102 for MS, the Company recently received a positive response from the US Food and Drug Administration following the agency's Pre-IND assessment of the development strategy for ATL1102, including plans for a Phase IIb trial in MS patients *(ASX: ATL1102 for MS – FDA Response to Phase IIb Study Plans, 24 October 2014*). Destum have similarly been engaged to help ANP find a suitable development partner for ATL1102. Both ANP and Destum are in ongoing dialogue with potential pharmaceutical company partners. The process of attracting a suitable partner for ATL1102 is anticipated to take up to six months.

Development Strategy

ATL1103 for Acromegaly

Following the successful Phase II trial results, ANP is planning to undertake a small, higher dose (600mg/week) study in 4 acromegaly patients using existing drug supplies to support the use of a higher dose in Phase III trials for dose escalation in patients with more active disease The trial application has been submitted, with the Ethics Committee response anticipated by the end of this calendar year.

Given the relatively low cost of this trial and its eligibility for the 45% R&D tax incentive, and in order to keep the drug's development on track, ANP will conduct this additional trial in parallel with the partnering process outlined above as the trial will add further value to ATL1103 ahead of the Phase III registration trials which would be conducted with a pharmaceutical partner. As per the timelines outlined above, ANP would expect that any partnering agreement could be concluded ahead of the completion of the higher dose study.

ATL1102 for MS

ANP is currently investigating provision of ATL1102 under an Early Access Program (EAP) on compassionate use or on a named patient basis in markets where the drug would qualify for use on these grounds including those where the Company can charge for drug access resulting in a possible early income stream. These investigations are moving forward positively with the Company having identified a potential existing source of ATL1102 material for use in an EAP. Assuming all the material will be available and suitable for use (to be confirmed in ongoing technical diligence and business follow up) ANP estimates there would be sufficient quantities for one year's treatment for approximately 200 patients[1].

ANP is in discussions with an experienced European based group to set up and run the program in Europe for ANP. Pricing for such EAP access for patients to use ATL1102 would be determined with the insight of the European firm, however as a point of reference the hospital price of Tysabri™ in Europe ranges from A$25-$33,000 per patient per annum[2]. ANP expects to update the market on the progress of this use of ATL1102 in the coming months as key components are confirmed.

As outlined earlier, ANP's plans are to conduct a Phase IIb trial of ATL1102 with a funding and development partner. The Company is currently engaged in the process to attract a partner.

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[1] At a dosage of 200mg per week/per annum
[2] Journal of Market Access & Health Policy 2014, 2: 23932

Antisense Therapeutics Limited (ASX: ANP) is an Australian publicly listed biopharmaceutical drug discovery and development company. Its mission is to create, develop and commercialise second generation antisense pharmaceuticals for large unmet markets. ANP has 4 products in its development pipeline that it has in-licensed from Isis Pharmaceuticals Inc., world leaders in antisense drug development and commercialisation - ATL1102 (injection) which has successfully completed a Phase II efficacy and safety trial, significantly reducing the number of brain lesions in patients with relapsing-remitting multiple sclerosis (RRMS) , ATL1103 drug designed to block GHr production which in a Phase II clinical trial, successfully reduced blood IGF-I levels in patients with the growth disorder acromegaly, ATL1102 (inhaled) which is at the pre-clinical research stage as a potential treatment for asthma and ATL1101 a second-generation antisense drug at the pre-clinical stage being investigated as a potential treatment for cancer.