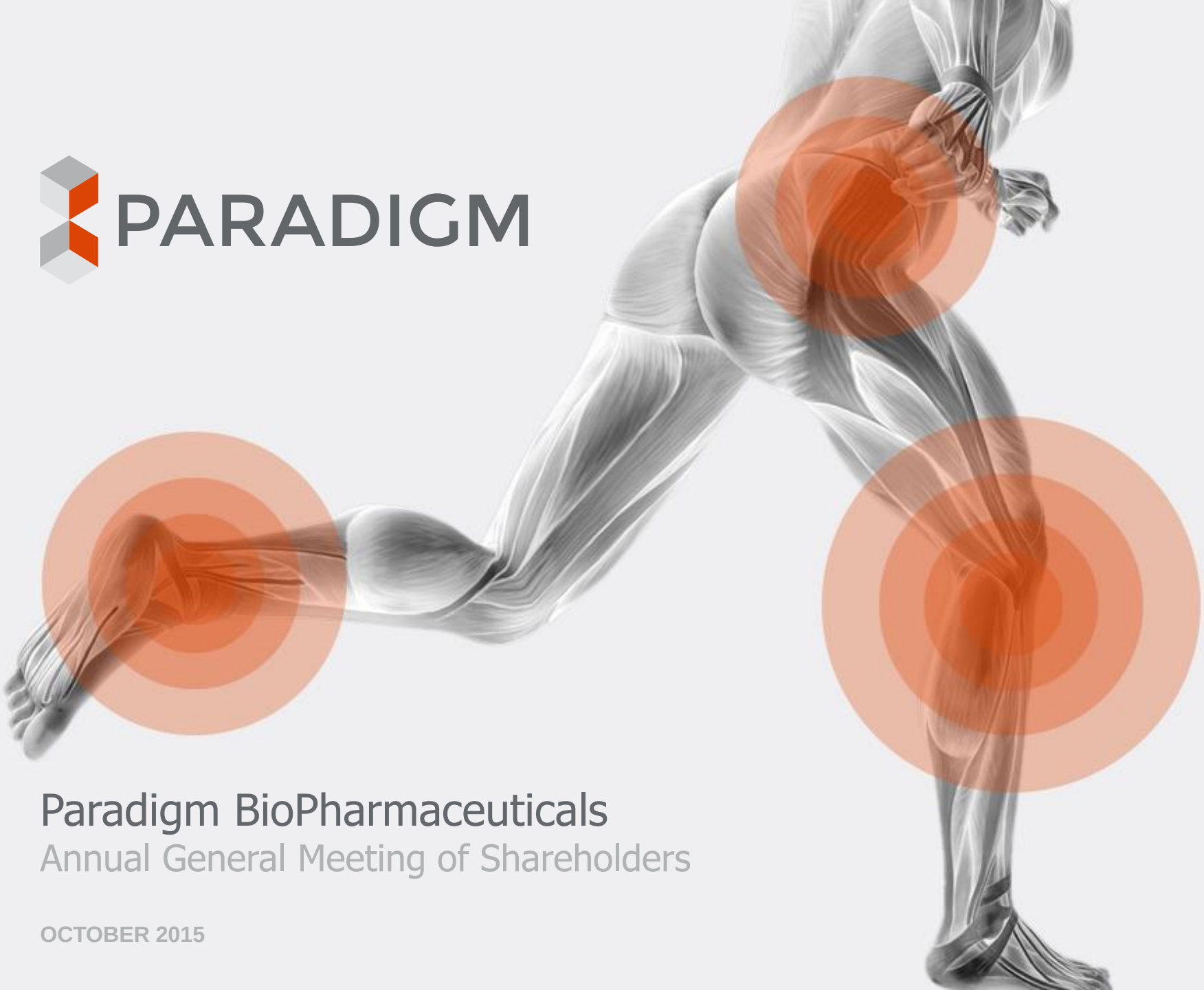

PARADIGM

Paradigm BioPharmaceuticals

Annual General Meeting of Shareholders

OCTOBER 2015

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Background - Paradigm repurposing Pentosan Polysulfate Sodium

- ✓Repurposing means finding new indications for old drugs.
- ✓Drug repurposing provides advantages of more likelihood of regulatory success, faster time to revenues and much less expensive compared to new drug development.
- ✓Paradigm to initially repurpose PPS to treat bone bruising and allergic rhinitis (Hayfever).
- ✓Additional R&D being undertaken with new technologies ie Exosomes.

Board of Directors

Mr Graeme Kaufman, Non-Executive Chairman (Bsc, MBA) – Graeme was previously Chief Financial Officer at CSL Limited and Executive Vice President of Corporate Finance at Mesoblast Limited. Currently Chairman of Bionomics Limited and IDT Limited and Non-Exec Director Cellmid Limited.

Mr Paul Rennie, Managing Director (BSc, MBM, MSTC) - Paul has been involved in drug development and a number of pre-clinical and clinical trial programs (was the inaugural COO of Mesoblast Ltd and most recently as Executive VP, New Product Development at Mesoblast Ltd). Mr. Rennie has worked, full-time, with Paradigm over the past two years.

Mr Christopher Fullerton, Non-Executive Director – Chris has extensive experience in investment banking, management and is a qualified chartered accountant. He has previously held non-executive roles in Bionomics Ltd, Cordlife Ltd, Health Communication Network Ltd and Global Health Ltd

Mr John Gaffney (LLM), Non-Executive Director – John is a lawyer with over 30 years industry experience. He brings to the board a compliance and corporate governance background.

Appointment of key executives

Dr Claire Kaufman – Operations Manager

Dr Claire Kaufman, is an experienced Veterinary Surgeon. After 8 years of clinical veterinary and organisational experience in private practice and large animal welfare organisations, Claire pursued work in pre-clinical Immunology research and was responsible for the co-ordination of preclinical therapeutic trials. Claire also has experience in reviewing research proposals as a Category A Animal Ethics Committee member. Claire has extensive prior experience with the use of Pentosan Polysulphate Sodium (PPS) in clinical veterinary practice.

Dr Ravi Krishnan – Chief Scientific Officer

Chief Scientific Officer Dr Ravi Krishnan is a basic scientist with a long-standing interest and experience in experimental pathology, transplantation immunology, gene and stem cell therapy. He has also had significant experience in investigating novel compounds with immune modulatory effects, anti-inflammatory and anti-angiogenic properties.

Dr Keith Williams – Executive Vice President Business Development

Dr Keith Williams is a scientist who has been involved in the Biotechnology field for 35 years. He was founder and CEO of Proteome Systems Ltd, which listed on the ASX in 2004, and has helped grow several other biotech enterprises. Before establishing Proteome Systems, Keith built the Biotechnology program at Macquarie University in Sydney and established the world's first Major National Proteomics facility. He has extensive experience of building partnerships with major international companies in the Biotechnology space, with particular focus on the US and Japan.

Appointment of key employees (cont.)

Lenna Tye - Senior Bookkeeper.

Helen Hu - Accountant.

Kevin Hollingsworth – CFO and Company Secretary.

Appointment of key consultants – bone marrow lesions

Prof Graeme Jones: University of Tasmania.

Prof Flavia Cicuttini: Monash University.

Dr Andrew Potter and Dr Mathew Liptak: Sports medicine and orthopaedic surgeon providing clinical advice.

Prof David Findlay: Adelaide University.

Principal Investigators:

Professor Jegan Krishnan: Southern Orthopaedics, Blackwood, SA.

Dr Ruben Branson: Sportsmed Biologics Box Hill Vic.

Appointment of key consultants – allergic rhinitis

Prof Jonas Erjefält: Lund University

Prof Xiangdong: Shanghai University

Dr Janet Rimmer: Woolcock Institute

Prof Paul Young: Woolcock Institute

Dr Judith Jaeger: US based clinical consultant

Key commercial partners

Bene pharmaChem (Germany). Supplier of API (pentosan polysulfate sodium).

Manufacturing facility is FDA approved.

Bene to also provide analytical support to PAR.

Bene to provide finished product (ampoules for bone marrow lesion study).

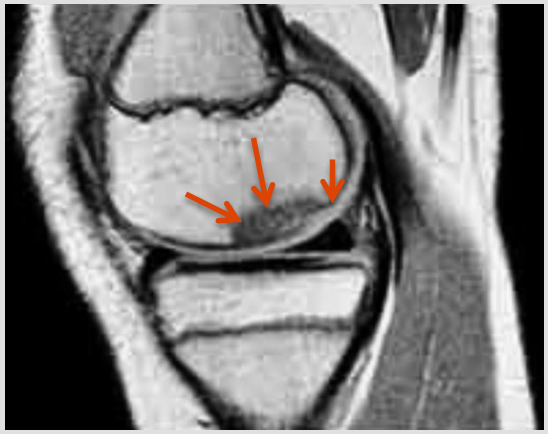
Aptar (Germany). Supplier of nasal spray device. Aptar supply >90% of pharmaceutical nasal spray device.

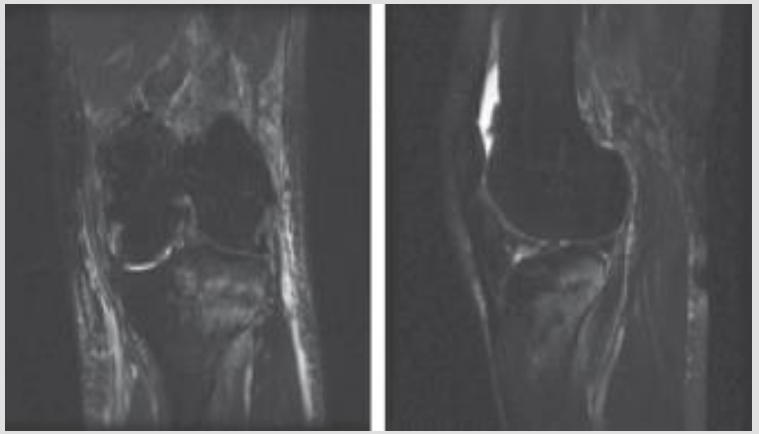
MoNochem (Austria). PAR's manufacturer of nasal spray formulation.

Charles River (USA). Preclinical toxicology study for allergic rhinitis.

Bone Bruising, Bone Marrow Edema or Bone Marrow Lesions

Bone Marrow Lesions - post acute injury





PPS, in peer reviewed scientific publications, has been shown to:

- Inhibit the cartilage degrading enzymes which are upregulated post-acute injury;
- Have anti-inflammatory effects including blocking the effects of the pro-inflammatory cytokine TNF and pro-inflammatory interleukin IL-1;
- Have antithrombic and antilipadaemic effects which may assist with improved microvascular circulation in the subchondral bone. This is thought to be important in resolving BML's;
- Be safe and well tolerated in osteoarthritis patients.
- Given PPS's multiple pharmaceutical properties (as outlined above) it is an ideal candidate for further investigation into its application for the treatment of BML's and therefore the reduction of cartilage loss following acute joint injury.

Open label clinical trial investigating the role of PPS in acute anterior crucicate ligament injuries

Background: "Follow-up of people who suffered knee ligamentous and meniscal injuries demonstrated that they had a 10-fold increased risk of OA as compared with those who did not have a joint injury".

Status: Ethics submission filed awaiting response.

This is an announceable event!

Next Steps: Commencement of trial.

A second announcement made upon treatment of first patient.

Interim Analysis: July 2016.

Completion of trial: Estimated date of completion Dec 2016.

Allergic rhinitis

Allergic rhinitis is a very common condition.

Characterised by blocked nose, itchy runny nose and sneezing.

Affects more than 40 million people in the USA.

Global Market size (antihistamines and nasal corticosteroids) $US 11bn.

In animal model, PPS has proven to have combined action of antihistamine (blocks mast cells) and corticosteroid (anti-inflammatory and blocks key cytokines IL-4, IL-5 and IL-13).

2 year expenditure program

Paradigm completed an IPO financing in August 2015. The proceeds from the Offer will be used to complete:

- Complete open label Phase 2 clinical trial in 40 ACL patients;
- Commence Phase 1 clinical trial in 20 patients and commencement of open label Phase 2 clinical trial in allergic rhinitis.
- Ongoing R&D (Asthma and Exosomes).

Use of funds:	**$8.0M**
Open labelled BME trial	$2,108,105
Open labelled allergic rhinitis trial	$1,750,000
Acquisition payment to Glycan (one-off payment!)	$400,000
IP Acquisition & Research & Development Asthma	$1,116,000
Working capital	$1,880,000
Expense of the Offer	$745,895
Total	$8,000,000

Milestones – next 12 months

- ☑ US Patent granted for treatment of Bone Marrow Lesions with PPS;
- Ethics approval for open label pilot phase 2 clinical trial - bone marrow lesions;
- First patient treated under open label pilot phase 2 clinical trial – bone marrow lesions;
- First patient treated under the TGA's category B special access scheme for bone marrow lesions – AFL player to be treated;
- ☑ Finalize nasal formulation for allergic rhinitis;
- Peer review scientific publication of preclinical allergic rhinitis study;
- Ethics approval for Phase 1 clinical trial allergic rhinitis
- First patient treated with PPS nasal spray;
- Granted allergic rhinitis patent in at least one major market – EU or USA.

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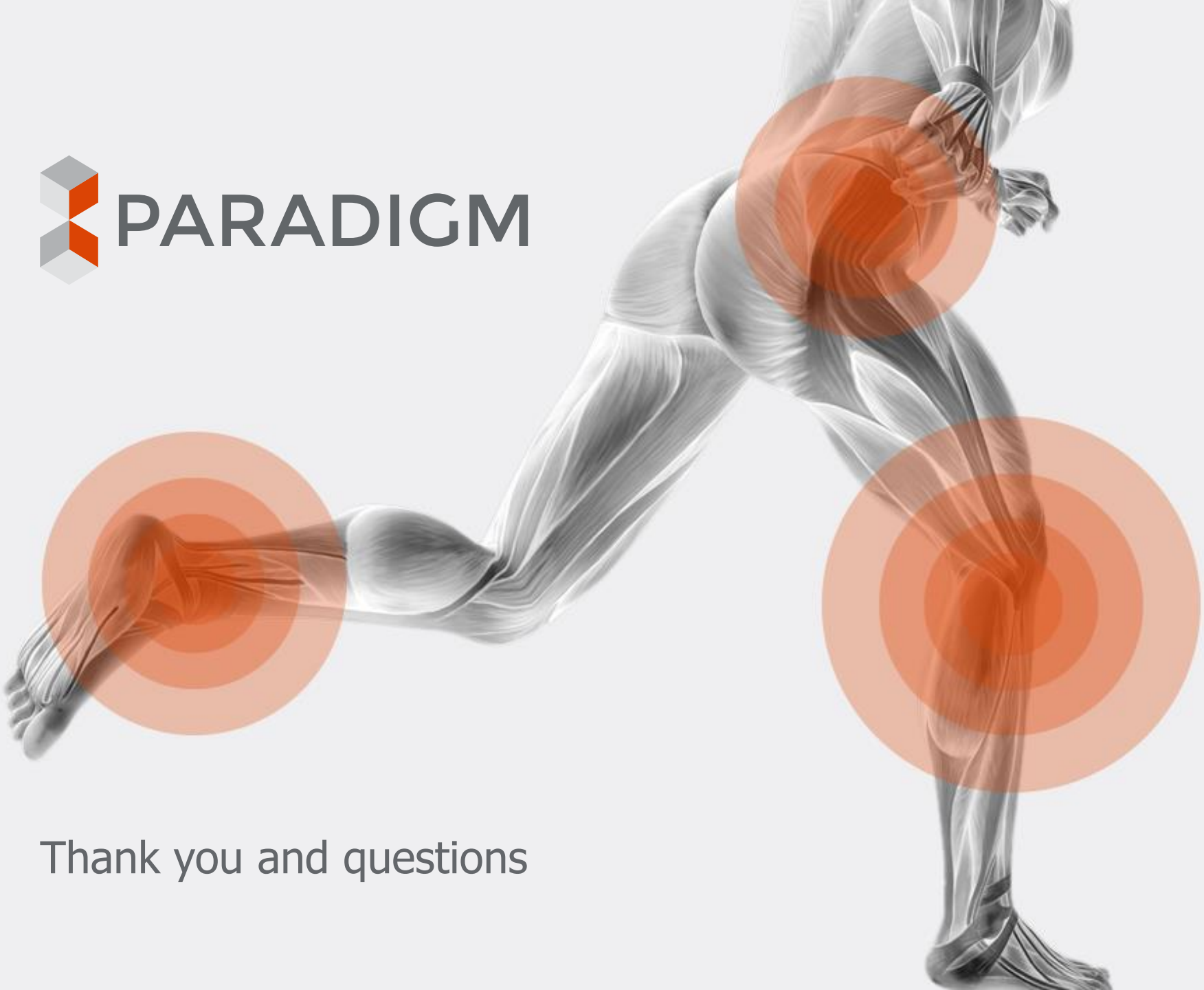

Thank you and questions