

31 July 2014

Calzada Update on Metabolic Pharmaceuticals

Calzada is pleased to announce that its peptide AOD9604 has received a full Generally Recognised As Safe ('GRAS') status in the USA. The peptide had received in 2012, GRAS status in the USA conditional on the publication of safety related data in peer-reviewed scientific journals (see below).

GRAS status allows AOD9604 to be sold as a nutrient supplement in conventional and functional foods, drinks and dietary supplements in the USA at the daily level of up to 1 mg per person. As such it is exempt for these designated food uses from further pre-market approval requirements of food and drink ingredients in the USA.

During this year, Metabolic has entered into non-exclusive licences with two Australian compounding pharmacies. These licences are solely for the use, manufacture and sale of AOD9604 in compounded medicine preparations that comply with Australian regulatory requirements. Revenue from these licenses is so far small, but assert the Company's propriety rights.

Calzada Chairman, David Williams said, "The GRAS status for AOD9604 might make Metabolic's IP an attractive target for supplement, ingredient and nutraceutical companies. I expect companies like Abbott (NYSE:ABT), GSK Consumer Health Inc (LSE:ESK), DSM Nutritional products (Euronext:982), Nestle (SWX:NESN), Proctor & Gamble (NYSE:PE), Mead Johnson Nutritionals (NYSE:MJN), Ceapro (TSXV:CZO), Bactolac Pharmaceuticals (OTCPK:BTCA), Natrol Inc, Red Bull GmbH, Pepsico Inc (NYSE:PEP), Valensa International LLC and Kerry Ingredients (LSE:KYGA) to have interest."

The Board is reviewing its future commitment to Metabolic and is considering the alternatives to best extract value from the AOD9604 peptide. These alternatives include licence, trade sale or as a separate listed entity.

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The journal articles published to achieve GRAS status are:

1. *Safety and Tolerability of the Hexadecapeptide AOD9604 in Humans, Journal of Endocrinology & Metabolism April 2013; and*
2. *Safety and Metabolism of AOD9604, a Novel Nutraceutical Ingredient for Improved Metabolic Health, Journal of Endocrinology & Metabolism June 2014.*