Actinogen Medical Annual General Meeting
30th November 2016

Martin Rogers, Chairman, Actinogen Medical

Welcome to the 2016 Annual General Meeting of Actinogen Limited. Your Directors are here today including your Chief Executive Officer Dr Bill Ketelbey with an apology from Dr Jason Loveridge who is currently overseas.

I would like to begin by noting that there have been no changes to the Board over the past year, however as previously announced, I have resigned from the Actinogen Medical Board with effect from the end of this AGM. Dr Jason Loveridge will stand in as interim Chairman until a new permanent Chair is appointed.

Progress with the development of Xanamem

Since addressing you at the AGM this time last year, Actinogen has made substantial progress towards the initiation of XanADu, our Phase II study of Xanamem in mild Alzheimer's disease. While we did expect to have initiated patient's recruitment onto the trial by now, as previously announced, ongoing interaction with the FDA in America has led to some changes in the trial design, that required harmonising the protocol globally. We are particularly pleased with the progress we have made in recent correspondence with the FDA and have every expectation we will receive FDA approval in the near future, and to be able to start dosing patients into the study early in the new year. The trial will take around 2 years to complete, so we can expect top-line results by early 2019.

There has been a huge amount of work involved in developing the optimal trial design for XanADu, and we do need to recognise the large team of scientific and medical expert advisors that have assisted the Actinogen team in getting to this point. This includes the Clinical Advisory Board of Professors, Craig Ritchie from Edinburgh, Colin Masters from Melbourne, and Jeff Cummings from The Cleveland Clinic, as well a large team of toxicologists and neurologists, based mainly in Europe, who have helped redraft the protocol. Particular special mention on helping drive our US FDA interaction, we'd like to recognise Prof Alan Boyd and Dr Scott Webster, who bring years of experience in the development of Xanamem, having worked on the product for some time before Actinogen's licencing of the compound in late 2014.

We'd equally like to recognise the Actinogen team that has worked tirelessly with their team of regulatory and technical advisors to get us to this point. We are confident that we are close to receiving regulatory approval for the study and we look forward to the team being able to start patient recruitment in the new year

The cortisol hypothesis for Alzheimer's disease

Xanamem works through the inhibition of the production of cortisol, the stress hormone, in the brain. Excessive cortisol is recognised as being toxic to the brain, and just in the last year several large independent studies have been published that reaffirm this association between the hormone and the development and progression of Alzheimer's disease. One of the most compelling studies, funded by the CSIRO and a number of research institutes in Australia, and published just last month by the AIBL research consortium in Australia in collaboration with Yale Medical School and the US Department of Veterans Affairs, confirmed the clear link between excess cortisol and the development of Alzheimer's disease. The paper concluded that their findings indicate that therapies targeted toward lowering plasma cortisol should be considered as a way to prevent the development of Alzheimer's disease. This new research provides further convincing endorsement for Xanamem's mechanism of action as a promising new treatment for Alzheimer's disease.

Xanamem and Alzheimer's disease

While strong independent evidence has been building to support the cortisol hypothesis and Xanamem's mechanism of action as a treatment for Alzheimer's disease, until recently Xanamem itself was relatively unknown in the Alzheimer's research literature. While last year was dedicated to completing the studies necessary for regulatory approval to start our Phase II program, in July this year Actinogen initiated a comprehensive program of presenting and publishing these research data. By the year end, we will have presented our Xanamem research data at five major medical congresses, including the pre-eminent Alzheimer's Association International Congress (AAIC) and Clinical Trials in Alzheimer's Disease (CTAD), as well as the International Congress of Endocrinology. We are also very close to publishing our Phase I data in a prestigious peer-reviewed medical journal, the *British Journal of Pharmacology*, having earlier published our animal data in *Endocrinology*.

All of this has served to significantly raise the profile of Xanamem as a very promising novel treatment for this Alzheimer's disease, alongside the substantial literature supporting the cortisol hypothesis as a major new approach to understanding the cause and treatment of Alzheimer's disease.

Outlook

Phase II trials are the proof-of-concept studies that define the efficacy of a product and that provide early data on the drug's safety in the patient population. It's the point at which the product begins to establish its true value, both clinically and commercially. We are particularly encouraged by the progress made to date with XanADu, and look forward to the start of Phase II patient recruitment and treatment with Xanamem. XanADu and Xamamem development will then be on a clear timeline to producing top-line results in the treatment of Alzheimer's disease. At the same time, we will be ramping up an active campaign of industry promotion of Actinogen and Xanamem to potential future commercial partners. Alzheimer's disease is undoubtedly one of the more attractive business development opportunities for major pharmaceutical companies and it'll be one of our highest priorities over the next year to ensure Xanamem and Actinogen are front of mind for any potential future partners

While Alzheimer's disease alone presents an immensely attractive investment opportunity, Xanamem, by nature of its mechanism of action though the inhibition of cortisol production, presents several other potential indications worth investing in. The most advanced opportunity and one for which we plan to support a Phase II trial next year, is Diabetes Cognitive Impairment. This has been proposed as an Investigator Initiated Trial, sponsored by the University of Edinburgh.

The capital implications of the revised design for XanADu and support for the Diabetes study will be clearer within a few months, once the expected regulatory approval have been received. Suffice it to say, we have adequate capital for at least the next 12 months, but we do expect to have to raise some additional capital to complete the research program over the next 2.5 years.

Next year is a true watershed year for Actinogen. We expect to move into active Phase II patient recruitment of XanADu with a clear defined timeline to study results read-out. In parallel we expect to initiate the Diabetes study and continue an active program of presentations and publications on our data, to ensure Xanamem takes its rightful place as one of the more promising new therapies in Alzheimer's disease and cognitive impairment. Next year will also be dedicated to actively promoting Xanamem and Actinogen to potential Big Pharma business partners.

In Xanamem, we have a very promising technology, one that is increasingly endorsed by independent research and Alzheimer's key opinion leaders alike. We are making excellent progress with our research plans and we are in a secure financial position to implement the research. We look forward to the progress we will make in 2017 and to updating all investors over the next few months on the initiation of XanADu, and as we move closer to the ultimate data read-out.

Thank you for your ongoing investment in Actinogen and your support of our initiatives to make a truly meaningful impact to this devastating disease.