



December 2017

*Investor
Presentation*



“CannPal was founded to research, develop and commercialise, regulatory approved therapeutics for the companion animal health industry, using the compounds derived from the cannabis plant.

We are committed to learning how cannabis can influence the physiological functions in cats and dogs, in the hopes that we can provide veterinarians with clinically validated and standardized therapeutics to treat companion animals in a safe and ethical way.”

A stylized, handwritten signature in white ink, likely belonging to Geoff Starr.

Geoff Starr
Chairman










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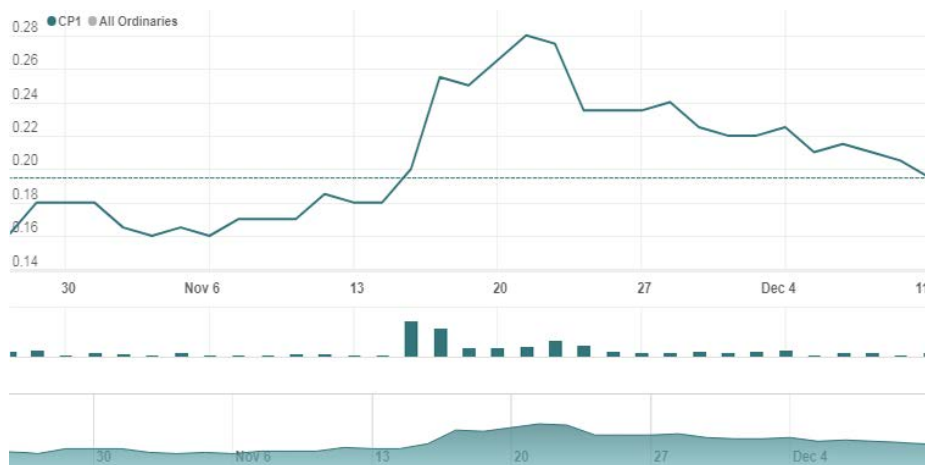
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-  The only ASX listed pure Animal Health Company, researching the benefits of Medical Cannabis for Companion Animals;
-  Significantly lower drug development costs and timelines in animal health than human health;
-  A core strategy to use compounds derived from Cannabis that have been de-risked in clinical humans studies, to progress straight into animal clinical trials;
-  A senior leadership team with executive experience in market leading Companies including Elanco, MARS Global, Johnson & Johnson and Unilever;
-  A pre-validated lead drug candidate being developed to target pain in dogs with an estimated market size of \$1.4b globally;
-  A clear commercialisation strategy for CBD derived nutraceuticals, with product formulation to commence Q1 2018
-  Multiple research and investment catalysts in 2018, with the first pharmacokinetic and safety study, set to commence in Q1 2018

Corporate Overview



CP1 Chart \$0.195



Options and Performance Rights

Number of shares

Options on issue to Zelda Therapeutics

7,250,000

Options on issue to Advisory Board

1,500,000

Options on issue to Corporate Advisers

1,500,000

Options on issue to Directors

2,000,000

Options to be issued to Employees

1,000,000

Performance Rights for Management

1,875,000

Total

15,125,000

Key Trading Information

Share Price (closing price 11/12/17) **\$0.195**

52 week low / high **A\$0.155 / A\$0.305**

Shares on issue* **93,125,000**

Cash (as of 11/12/2017) **\$5,769,978**

Debt (as of 11/12/2017) **\$0**

Market Capitalisation **\$18,159,375**

Top 5 Shareholders

Percentage

The Merchant Opportunities Fund **15.79%**

Gemelli Nominees Pty Ltd **9.32%**

Pepanne Pty Ltd **8.23%**

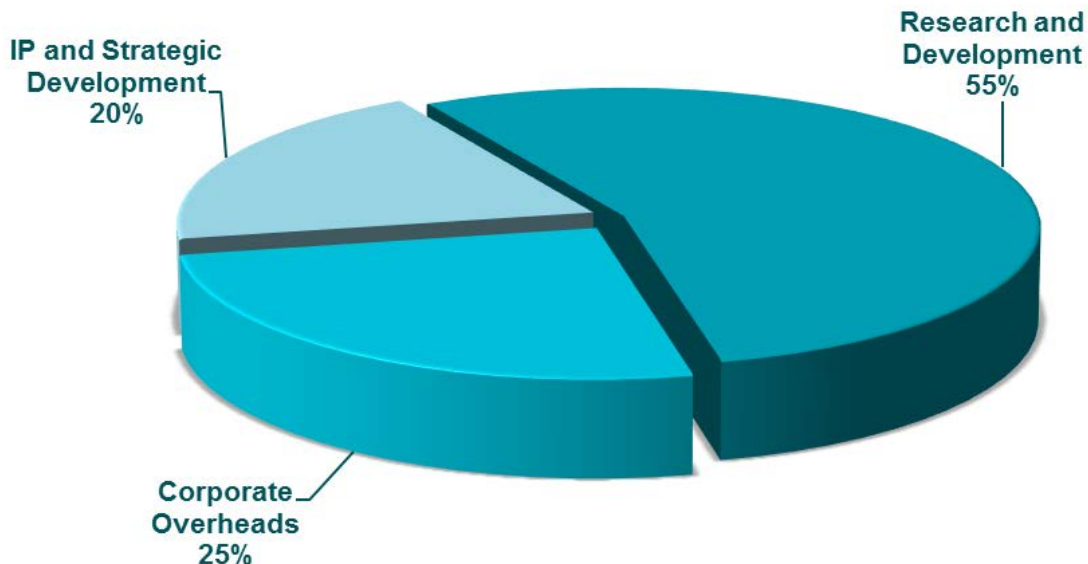
Layton Patrick Mills ATF DJS Family Trust **8%**

Tania Maree Vidovic ATF Star V Family Trust **7.39%**

Use of Funds Forecast



Expenses Overview



- Research and Development costs include the development of CPAT-01, DermaCann, clinical trials and ongoing R&D drug discovery;
- Corporate overheads include management salaries, Board fee's, listing fee's, and other costs associated with managing the Company;
- IP and Strategic Development includes IP lawyers, patent expenses, consultants and advisors.

CannPal has engaged Ernst & Young to represent the Company for The Research and Development (R&D) Tax Incentive. CannPal has been confirmed as eligible for the incentives, providing the Company with up to 43.5% in tax rebates for all Research and Development activities in Australia, including portions of salaries, travel and overheads related to R&D.





Geoff Starr: *Non-Executive Chairman*

- 32 years of experience building and turning around businesses in the household, food, chemical, agribusiness and pet care industries;
- 9 years working in senior executive positions for MARS Global Pet care;
- 13 years experience working in Asia, particularly Japan, China, Thailand and Singapore, 10 years global experience, including USA and Europe;
- Executive positions including, Unilever, George Western Foods.



Layton Mills: *Founder/ Managing Director*

- Experienced FMCG entrepreneur with over 9 years spent in brand and product development, particularly in mainstream grocery channels;
- International Business Experience with the ACT Government;
- Launched a number of consumer goods brands in the Australian Market.



Dr Margaret Curtis: *Head of Clinical Development*

- Qualified veterinarian with 17 years' of director experience with market leading animal health Company, Elanco;
- Contributed to the development of animal health products for Elanco globally;
- Has gained approval for over 20 drugs in over 100 countries;
- A strong track record for leading global teams across Australia, USA, Europe, Asia and Latin America.



Max Johnstone: *Non-Executive Director*

- 11 years as President, Chief Executive Officer and Executive Director of Johnson & Johnson Pacific;
- Extensive overseas experience in leading businesses in both Western and Central-Eastern Europe, Africa as well as Asia- Pacific;
- Board positions on a number of highly regarded ASX listed Companies.



Dr Kate Adams: *Non-Executive Director*

- Co-owner and Veterinarian at Bondi Veterinary Hospital and Founder of Australian tech startup, Thankly;
- Held senior leadership roles for the Federal Attorney-General's Portfolio including as Analyst, Principal Adviser and Chief of Staff for a number of Royal Commissions;
- Bachelor of Science, Masters of Data Analytics, Bachelor of Veterinary Medicine and Surgery.



Robert Clifford: *Non-Executive Director*

- Over 20 years of experience in Brand implementation and Business Strategy and Planning
- Senior leadership roles in large multinational private and public corporations in Australia, China and Ireland
- Former President of the Irish Australian Chamber of Commerce



Baden Bowen: *Company Secretary*

- 30 years experience as a chartered accountant specialising in ASX listed Companies
- Highly skilled in Company secretarial duties and Corporate Governance
- Bachelor of Commerce, Accounting and Finance



Dr Ted Whittem: *Commercial Veterinary Advisor*

- Former Head of School at the Melbourne Veterinary School;
- Former Chairman of the Examination Committee of the American College of Veterinary Clinical Pharmacology;
- 7 years as the head of R&D with Jurox Animal Health, bringing over 30 products to market.



Rayson Tan: *Chief Scientific Advisor*

- Experienced veterinary consultant with a PhD in veterinary oncology, BVSc in veterinary medicine and surgery and BSc in veterinary research;
- Currently serves as the regulatory and ethics executive for the Garvan Institute of Medical Research and is exceptionally proficient in biomedical and veterinary science.



Amanda Reiman: *Regulatory Advisor*

- Former Manager of Marijuana Law and Policy at the Drug Policy Alliance in California;
- Expert in marijuana reform work as it relates to litigation, legislative drafting, campaign strategy, policy advocacy and media relations;
- Local, state, federal, and international jurisdictions legislative experience.



Mara Gordon: *Medical Cannabis Advisor*

- Specialist in the development of cannabis extract treatment protocols for seriously ill patients in California;
- Has presented at several CME-accredited medical conferences, along with inaugural medical cannabis conferences in Australia and Costa Rica;
- Highly experienced in medical cannabis and the Endocannabinoid System.

Major Milestones Since Listing



Secured Ethics Committee approval to commence pharmacokinetic and safety study with Invetus Limited.



25/10/2017

Granted Authorisation to Possess and Supply Cannabis to researchers by the NSW State Department of Health.



Granted annual import licence for medical cannabis from the Office of Drug Control.



11/12/2017

Entered into a research agreement with TetraQ Research Infrastructure Centre at the University of Queensland for bioanalytical services.



Appointed Dr Margaret Curtis, ex-Elanco Director, as Head of Clinical Development and R&D.



Received consent to Import cannabis by the APVMA for pharmacokinetic and safety study.



Strategic Partnerships



✓ The Company has entered into master research agreements with Invetus Proprietary Limited (Invetus), the largest Australasian veterinary contract research organization, and Klifovet, one of Europe's largest VCRO's to facilitate the Company's development plans in Australia, the US and Europe;



✓ Cannpal entered into a research partnership with an ASX listed human cannabis pharmaceutical entity, Zelda Therapeutics Limited (Zelda), to share results of respective research and allow CannPal access to generate revenues from the human sector by licencing its data for human drug development;



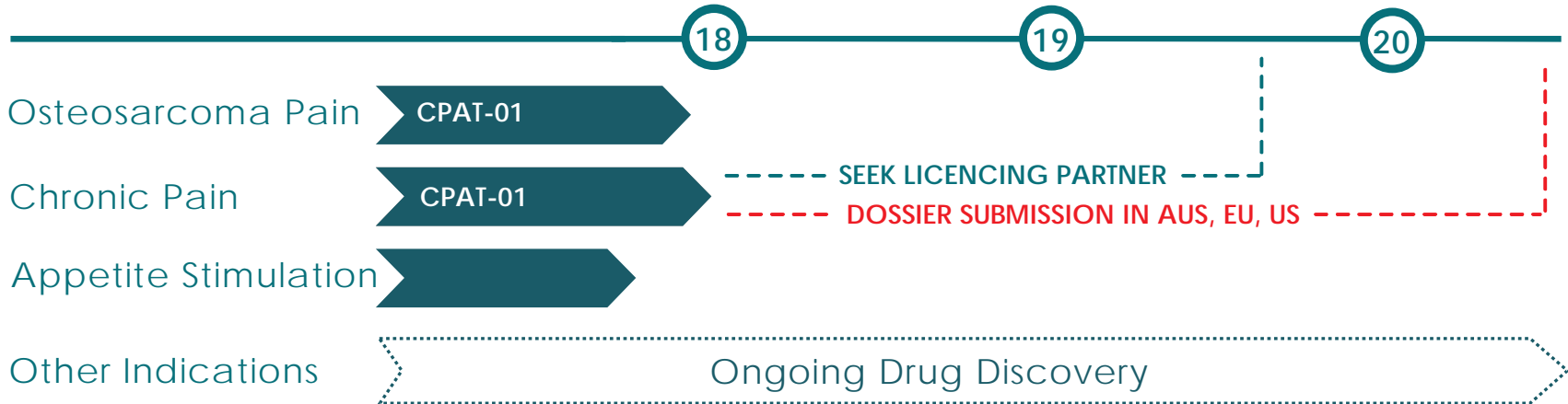
✓ Cannpal has entered into a supply MOU with Aphria Inc to access oils for the research phase of the development of CPAT-01, with the first oils expected to be shipped in Q1 2018. The Company is in advanced discussions towards an agreement for ongoing commercial supply;



✓ The Company has entered into research collaborations with the University of Victoria and University of Queensland to explore other potential drug candidates and provide bioanalytical services for CannPals research;



Major Research Milestones



Indicative clinical timeline

Major Milestones 2018



Commence product development for DermaCann

Commencing Q1

Commence Pharmacokinetic and Safety Study for CPAT-01

Commencing Q1

Commence Phase I Dosing Studies in dogs for CPAT-01

Commencing Q3

Commence Pilot Efficacy Study for DermaCann

Commencing Q3

Commence Phase II Pilot Study for CPAT-01

Commencing Q4

Ongoing Research & Development Activities

Planned Proof of Concept Studies

Q1

Q2

Q3

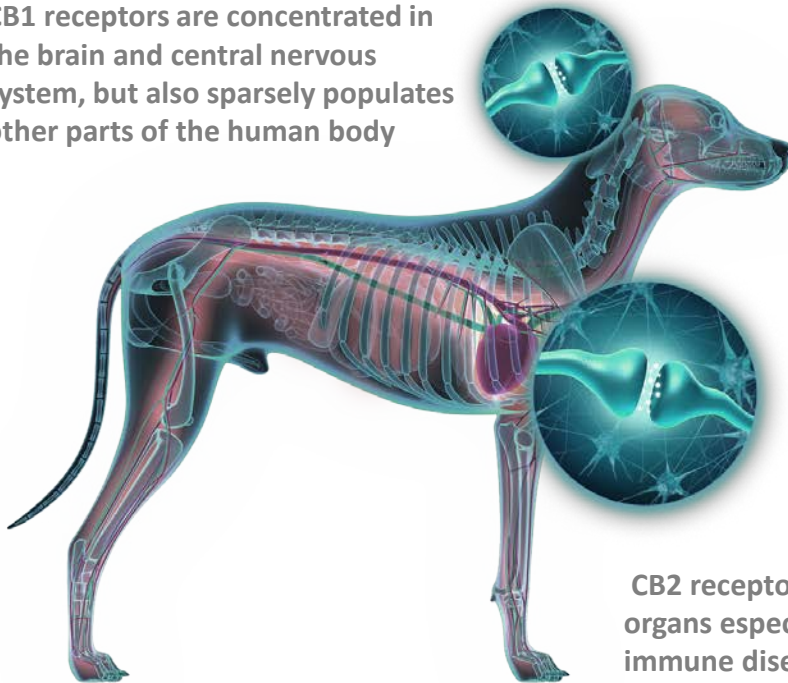
Q4

Indicative clinical timeline (CY)

Why Cannabis?

The Endocannabinoid system (ECS) is a network of receptors spread throughout the entire mammalian body (including cats and dogs) that control some of the most vital life functions, including our immune system, memory, appetite, sleep pattern, mood and pain sensation. Cannabinoids derived from Cannabis, influence these receptors to create therapeutic effects.

CB1 receptors are concentrated in the brain and central nervous system, but also sparsely populates other parts of the human body



CB2 receptors are mostly in the peripheral organs especially cells associated with the immune disease.

- ✓ *Better side effect profiles;*
- ✓ *Safety and efficacy already tested and validate in humans;*
- ✓ *Cost effective drug development;*
- ✓ *Medical Cannabis is one of the fastest growing markets globally;*
- ✓ *Lower financial barrier to market; and*
- ✓ *Already being used and accepted by human patients.*

Our target markets are large;

\$20 billion* and our strategy is simple;

- ① Establish unmet needs in Animal Health, where current treatments are inferior due to cost or side effects;
- ② Identify potential drug candidates for those needs, where Cannabinoids have shown efficacy & safety tolerances in humans and rodent models;
- ③ Clinically validate the drug candidate in our target species with world-class university partners and GMP/GLP approved Clinical Research Organisations;
- ④ Develop successful drug candidates into novel medicines with innovative and bio-available delivery systems with proprietary Intellectual Property; and
- ⑤ Align CannPal with strategic commercialisation partners via an out-licence model for marketing the product after successful phase I and II trials.

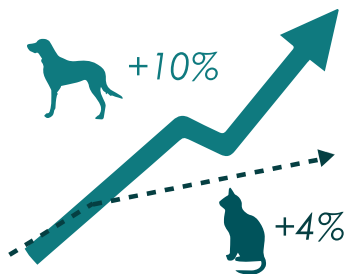
Why Animal Health?



Number of pets



There are 86m cats in the U.S and 78m Dogs



2002 - 2012 data shows significant pet lifespan increase

Increase in spend



\$60.3B total spend on pets in 2015, a 6% increase

Easier to develop



Animal drugs are cheaper and quicker to bring to market

\$103b

Sales for all pet products and services in 2016 globally

CAGR of 4.9%



Companion pet drug market forecast from 2015 to 2025

5 companies held over 50% of the market share in 2015



The Opportunity in Pain



- The total global companion animal market for NSAID's, a preferred treatment option for pain, was worth over US\$1.4 billion in 2015;
 - Pets are living longer and over 60% of dogs aged between 7 and 11 years will experience arthritis;
 - There're no pain drugs approved for chronic use in cats in the US (over 3 consecutive days);
 - According to The Veterinary Cancer Society, cancer is the leading cause of death in 47% of dogs and 32% of cats, with pain the most common side effect requiring palliative care;
 - NSAID's dominate the market despite label warnings, side effects and toxicities;
- R&D in animal health is slowing and market leaders have maturing portfolios. Consolidation is the growth strategy for major players looking for competitive advantage by adding new therapeutics to their portfolios.

“Consolidation is the major growth strategy for large players”



Animal Pharma = Opportunity



“Elanco Animal Health has licensed the animal health rights to Galliprant (grapiprant tablets) from Aratana Therapeutics. Galliprant is an FDA-approved therapeutic for control of pain and inflammation associated with canine osteoarthritis”



2016



Total deal value ;

US\$85 million

Including an upfront payment of
US\$45 million and ongoing
royalties, milestone bonuses and
KPI's

Animal Pharma = Opportunity



“Zoetis will purchase Nexvet for a purchase price of US\$6.72 per share, representing an aggregate equity valuation of approximately US\$85 million. The acquisition will strengthen Zoetis’ pipeline of solutions for chronic pain management in dogs and cats, which represents an area of high-need in companion animal health.”



Total deal value;

US\$85 million

(Nexvet’s lead drug candidates were at Phase III at the time of takeover)

Nutraceutical Opportunity



While CannPal is pharmaceutical focused, the Company is also researching the therapeutic potential of cannabinoids that have been derived from the less regulated hemp plant, for potential early revenue generation through nutraceutical product development.

The Company is investing in short and cost effective safety studies to explore cannabidiol derived from hemp for a range of unmet needs in animal health, focusing on three key areas:

- Skin care
- Inflammation/Joint Health
- Digestive Health

The Company intends to commence product development for DermaCann, indicated for skin in dogs, in Q1 2018.

DERMACANN™



***Concept Only**

Comparable Peers (05/12/17)



Medical Cannabis (ASX)	Market Cap	Price	Animal Health	Cannabis	FDA approval
Cann Group	\$317.4m	\$2.70		✓	
AusCann	\$206.2m	\$0.73		✓	
Medlab Clinical Ltd	\$138.7m	\$0.75		✓	
Queensland Bauxite Limited	\$106.4m	\$0.06		✓	
MGC Pharmaceuticals	\$104.1m	\$0.08		✓	
Creso Pharma	\$102.4m	\$0.90	✓	✓	
MMJ Phytotech Limited	\$86.72m	\$0.41		✓	
The Hydroponics Group	\$84.58m	\$0.90		✓	
Zelda Therapeutics	\$68.69m	\$0.09		✓	
Botanix Pharmaceuticals	\$33.12m	\$0.06		✓	
Pet-Biotech (global small cap)					
Aratana Therapeutics (USD)	US\$240.37m	\$5.59	✓		✓
Zomedica Pharmaceuticals	CA\$218.66m	\$2.45	✓		✓
Apiam Animal Health	\$94.04m	\$0.92	✓		✓
Kindred Biosciences Inc	US\$214.35m	\$7.70	✓		✓
Cannabis Biotech (global)					
Cara Therapeutics	US\$441.52m	\$13.54		✓	✓
Zynerba Pharmaceuticals	US\$176.34m	\$11.90		✓	✓
GW Pharmaceuticals	US\$3.17b	\$123.39		✓	✓
INSYS Therapeutics	US\$446.50m	\$6.09		✓	✓
CannPal	\$18.15m	\$0.195	✓	✓	✓



Why CannPal?



The Company has a lead drug candidate that has been de-risked through human clinical trials;



Collaborations with major veterinary research organisations and strategic partners;



A highly credentialed and relevant team to carry out the Company's clinical development plans;



Significantly reduced cost and time to market than human pharmaceutical drug development;



The Company has a low burn rate and access to R&D tax incentives, to minimize the cost of clinical trials in Australia;



An established regulatory pathway with an FDA fee waiver and import permits by the APVMA, ODC and NSW State Government;



A clear path to commercialisation, and a short term revenue strategy through the development of nutraceuticals.



Thank You

www.cannpal.com

Inquiries

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