

Investor Update

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Key Investment Highlights:

ASX: ACW

Market cap: Approximately A\$30m

- Actinogen's lead compound, Xanamem™, is a potential treatment for Alzheimer's disease and its early symptomatic stage, mild cognitive impairment
- Its novel mechanism of action blocks the production of cortisol – the "stress" hormone, in the hippocampus and frontal cortex, the areas of the brain most impacted by Alzheimer's disease
- Excess cortisol – often linked to chronic stress – has been shown to lead to reversible memory loss
- The current estimate of the healthcare cost for Alzheimer's is around \$US250bn in the US alone
- Actinogen is fully funded for the next stage of clinical development
- Tight capital structure with the top-20 shareholders owning more than 70% of the equity
- Xanamem™ has achieved successful positive results in pre-clinical and clinical studies
- Final Phase 1 study results expected mid-2015; Phase II efficacy study planned for 2016

Message from the Chairman

Welcome to the first investor update for Actinogen Medical. I am excited to provide this update given our new commercial focus on treating Alzheimer's disease and mild cognitive impairment following the acquisition of the novel drug Xanamem™ late last year.

Xanamem™ represents a novel approach to treating Alzheimer's disease – a condition with a significant unmet medical need that threatens to place a huge burden on society. It blocks the production of cortisol – the "stress hormone" – which appears to contribute to the cognitive impairment, amyloid plaques and neural death associated with Alzheimer's disease.

The Board of Actinogen Medical was attracted to Xanamem™ for several reasons: this new approach to treating Alzheimer's is backed by pre-clinical and clinical data supporting the novel mechanism of action around suppression of the "stress hormone" cortisol. Early development of Xanamem™ was supported by a medical research charity, the Wellcome Trust which invested \$25 million over seven years on product development. This combined with the successful completion of the first Phase 1 trial, is excellent validation for an asset at this stage of development. **Further independent validation comes from the respected financial information organization, Thompson Reuters, which recently rated Xanamem™ (UE2343) as one of the top five drugs in Phase 1 development in the global pharmaceutical or biotech industries.**

Alzheimer's disease is one of the most common forms of dementia and has a debilitating effect on patients and their loved ones. Alzheimer's is also growing rapidly: the American Alzheimer's Association estimated that the healthcare cost of the disease was \$US250 billion in 2013, and by 2050, the cost of care for people with the disease in the US alone is expected to be \$US1.08 trillion, outstripping the cost of treating all other diseases.

While there are four different drugs on the market they only treat the symptoms of Alzheimer's to some degree.

There are currently no drugs that can significantly alter the course of the disease and one is badly needed.

With the development of Xanamem™, we are hopeful of finding an effective treatment for Alzheimer's disease in its earlier stages, at the onset of mild cognitive impairment, or when patients first start to demonstrate early symptoms of the disease.

With a tight capital structure, Actinogen Medical is fully funded to advance Xanamem™ through to the next stage of clinical development and is currently undertaking a second Phase I multiple ascending dose trial in healthy volunteers with results expected in mid-2015. We intend to initiate a Phase II study in patients in 2016.

A hallmark of success in startup companies is the quality of their management and ability to deliver and since acquiring Xanamem™, we have been focused on building the foundation of a strong, professional team with the skills required to move development forward. **The Board is very pleased to welcome Dr Bill Ketelbey as Chief Executive Officer, who brings a wealth of commercialisation and clinical research expertise with more than 30 years' experience in the industry.** This includes senior medical and management roles at global pharmaceutical giant, Pfizer in Australia and the APAC region. Bill was responsible for leading the development of a number of best-in-class medicines in a broad range of therapeutic areas and was in charge of developing Aricept™, the market-leading Alzheimer's disease drug.

Investors can look forward to the team undertaking the next exciting stage of clinical development of Xanamem™ with ethics approval expected shortly and the next set of data due out in mid-2015.

I look forward to sharing details on Actinogen Medical's progress in the months ahead and would like to thank all shareholders for their ongoing support as we embark on this exciting new commercial venture.

Martin Rogers

Chairman

Actinogen Medical

[@MartinRogers](https://twitter.com/MartinRogers)

Appointment of Dr Bill Ketelbey as Chief Executive Officer.



*Dr Bill Ketelbey, Chief Executive Officer
Actinogen Medical*

With only four Alzheimer's therapies on the market and with their benefit to many patients marginal at best, there is a huge need for more effective therapies.

Dr Bill Ketelbey was appointed as Chief Executive Officer on December 15, 2014 and brings significant pharmaceutical industry experience to Actinogen, spanning drug development and commercialization in numerous fields, including Alzheimer's disease. His excellent network and strong relationships in the Alzheimer's research community and pharmaceutical industry will be a great asset to Actinogen Medical.

We asked Bill a few questions about his experience and why he chose to join Actinogen Medical:

From Pfizer to Actinogen Medical, - why?

I come from a medical background, having trained and worked in a number of fields of medicine including neurosurgery, before embarking on a career in the pharmaceutical industry. A major highlight of my career to date was my involvement in the development of the leading Alzheimer's dementia drug Aricept™ during my time at Pfizer. The impact of this drug on the medical profession and the Alzheimer's community was immense as it represented the first effective treatment for Alzheimer's patients. It gave me enormous insight into the power of medical innovation to make a substantial difference to patients, and society as a whole.

However, there is so still much to done. With only four Alzheimer's therapies on the market and with their benefit to many patients marginal at best, there is a huge need for more effective therapies. I was attracted to Actinogen Medical, as I believe that by developing Xanmem™ and bringing it to market, we have a magnificent opportunity to make a very meaningful positive impact for investors, the medical profession, patients and their carers and for society as a whole.

With an excellent world-class Board and investor support, a startup like Actinogen Medical is the ultimate agile

Achievements and Outlook

27 August 2014	Acquisition of Corticrine Limited announced
27 August 2014	A\$2 million raised through share placement to sophisticated investors
27 August 2014	Appointment of Mr Martin Rogers as Chairman and Dr Jason Loveridge as Non-Executive Director
27 August 2014	Appointment of Xanmem™ inventor Professor Brian Walker and Corticrine co-founder Professor Alan Boyd to Actinogen's Scientific and Clinical Development Advisory Panel
5 November 2014	Two new European Patents allowed for Xanmem™
1 December 2014	A\$103,500 R&D tax incentive refund received for FY2013-14
15 December 2014	Appointment of Dr Bill Ketelbey as Chief Executive Officer
Mid-2015	Expected release of second Phase I Trial results
2016	Expected start of Phase II efficacy study in patients with Alzheimer's and mild cognitive impairment

and fast moving vehicle to drive a drug candidate like Xanamem™ through to commercialisation. Over three quarters of drugs on the market from the major pharmaceutical companies, like Pfizer, originate from biotech startups just like Actinogen Medical. I look forward to being able to drive and influence the development of Xanamem™ through to commercialisation.

Why are you passionate about the treatment of Alzheimer's?

There are very few diseases that spark an emotional response like Alzheimer's. To see a loved one, who was once mentally sharp, lose the vital function of memory, in a slow and inevitable decline – is painful enough, but to have few effective treatment options only serves to amplify the despair.

There is an immense need for a new treatment for Alzheimer's. As our population ages, this disease is growing rapidly. It's estimated that in North America a person develops Alzheimer's every minute with the number of patients doubling by 2050. In the next 30 years, the cost of caring for Alzheimer's patients is going to overwhelm all other medical costs, unless new effective treatments are developed. I find it immensely gratifying to be able to use my skills and experience to work on developing another effective treatment for this dreaded disease.

What roles have you held in the pharmaceutical industry?

Prior to joining Actinogen Medical, I worked at Pfizer for 19 years. My most recent role was Regional Vice President of Medical Affairs for Pfizer's Primary Care Business Unit for Australia and New Zealand, Japan, Canada, Korea and prior to this I was the Country Medical Director for Pfizer Australia

and New Zealand. In these roles, I was responsible for leading the development of a number of significant medicines in a range of therapeutic areas. This included the development and subsequent commercialisation of Aricept™, the market leading therapy for Alzheimer's.

How will your pharmaceutical experience benefit Actinogen Medical?

Drug development is all about marshaling every resource to minimize risk and drive the highest possible certainty of a successful outcome. I bring specialist expertise in pharmaceutical medicine, in particular neurological drugs, and a solid track record of product development, registration and commercialisation thanks to my 30 years' experience in the healthcare and pharmaceutical industries. I have been behind some big wins but also experienced the disappointment of drug development failure, and the learnings that come from that. All of this experience has given me a comprehensive understanding of the regional and international healthcare environment and a deep knowledge of regulatory and research frameworks as well as a solid base of contacts within the Alzheimer's research community and pharmaceutical industry.



Facts about Alzheimer's disease

- **Symptoms typically include: memory loss and an impact on abstract reasoning, judgment and language**
- **Commonly diagnosed in patients in their 60s, with 25% of 85 year olds and up to 50% of 95 year olds developing the disease**
- **Affects nearly 36 million patients worldwide (Alzheimer's Disease International). In Australia, there are currently 320,000 Alzheimer's sufferers – by 2050, this is expected to rise to close to 1 million**
- **Is the sixth-leading cause of death**
- **By 2050, the cost of care for people with the disease in the US is expected to be \$US1.08 trillion, outstripping the cost of treating all other diseases.**

Xanamem™ – A new approach to treating Alzheimer's

STATISTICS ON ALZHEIMERS

Increasing with age

1 in 4 will get AD by age 85, and 1 in 2 by age 95. Average longevity in the developed world is already around 85 years

450,000 new cases this year

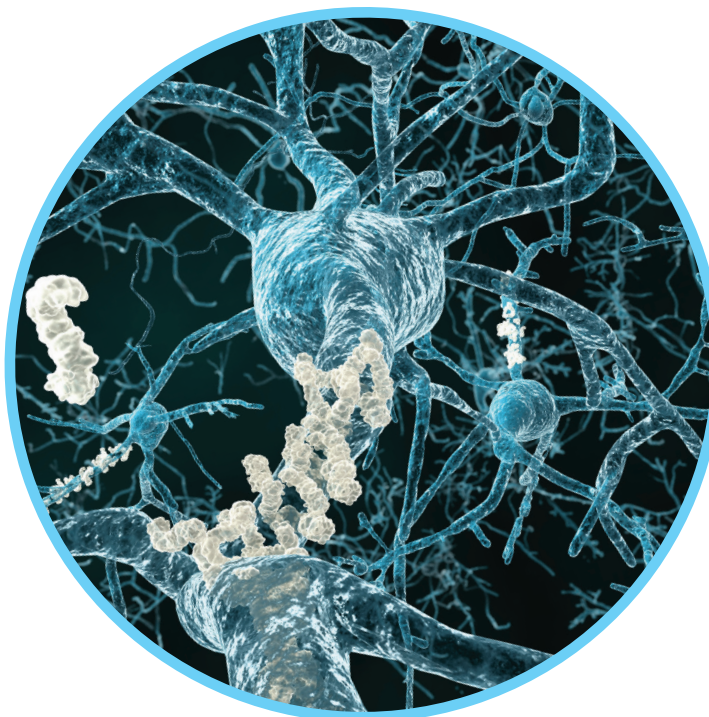
By 2030, there will be 615,000 new cases reported annually, and by 2050 that number will skyrocket to 959,000

US\$1 trillion disease by 2050

Cost of treating AD in US \$300 billion, rising to \$1trillion by 2050

Stress – the link with Alzheimer's

There is growing evidence that chronic stress and elevated cortisol, the stress hormone, leads to changes in the brain including the development of amyloid plaques and neural death with shrinkage of the brain – the hallmarks of Alzheimer's



Xanamem™ targets

Actinogen Medical has focussed on Xanamem, our lead candidate under 11β-HSD1, which activates cortisol

High levels of cortisone, and its action in animal models to produce clinical disease.



FAQ's

What is AD?

- It usually starts with short-term memory loss. Symptoms then include problems with language, disorientation, mood swings, motivation, self-care and behaviour.

What causes AD?

- A mix of genetic and environmental factors appear to be involved. There is now growing evidence that chronic stress with elevated cortisol plays a part.

Is it different from

- Alzheimer's disease is a type of dementia, representing

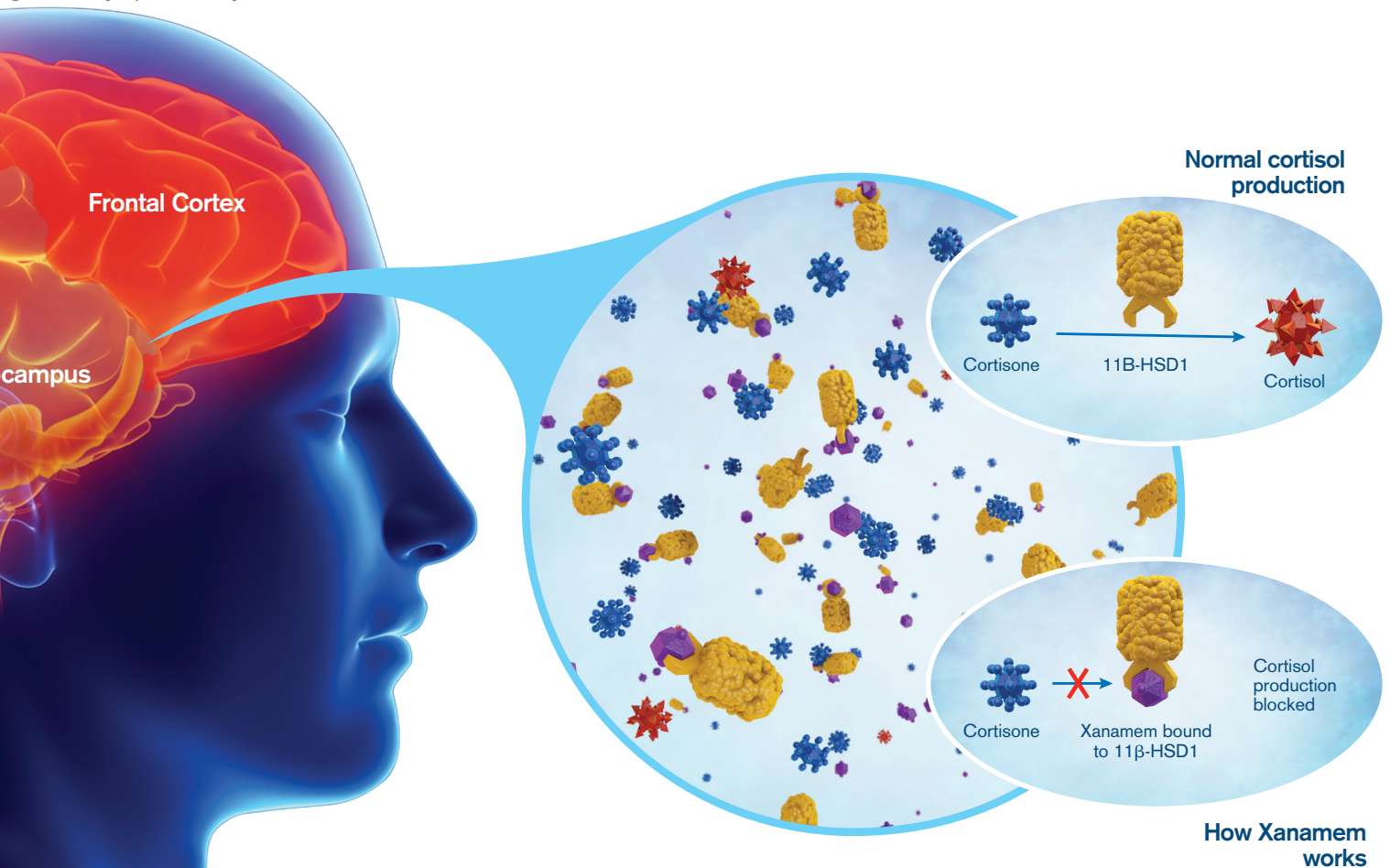
How does the stress hormone cortisol

in a new approach to treating Alzheimer's disease. Xanmem, a new development, very effectively blocks the enzyme 11 β -HSD1, which is needed to form cortisol, the stress hormone.

High levels of cortisol, have been shown in human and animal studies. Signs and symptoms very similar to Alzheimer's

These include impaired memory, amyloid plaques and neural death. The effects are seen particularly in the hippocampus and frontal cortex, the areas of the brain most affected by Alzheimer's, especially early Alzheimer's

Blocking production of cortisol has been shown to reverse the negative effects of high cortisol levels in the brain.



Stress raises cortisol

Stress causes the production of cortisone from the adrenal glands. Cortisone, following activation to cortisol by the 11 β -HSD1 enzyme, binds to receptors in the hippocampus and frontal cortex of the brain.



What is dementia?

Alzheimer's is the most common form of dementia, accounting for about 70% of cases.

Why is it increasing?

- Increasing age is one of the biggest risk factors, and with the developed world life expectancy approaching 85 years, 1 in 4 are likely to develop Alzheimer's.

How is it treated?

- There are only four medications currently available however, their benefit is small. No medication effectively delays or stops the progression of the disease.

Actinogen Medical's Trial Partner: Linear Clinical Research.



Dr Janakan Krishnarajah, CEO/Medical Director of Linear

Q&A with Dr Janakan Krishnarajah, CEO/Medical Director of Linear

What is your role at Linear and with Actinogen Medical?

As Medical Director at Linear, I am the Principal Investigator for many of the clinical trials that we conduct for our pharma and biotechnology company partners. I will be leading Actinogen Medical's second Phase I trial for Xanamem™ which will further evaluate the safety and tolerability of the drug, in this instance when given on multiple occasions. We will also be investigating how the human body affects the drug's absorption, metabolism and clearance.

What is your background?

I'm a Consultant Physician specialised in Clinical Pharmacology and Internal Medicine. I have extensive experience particularly in early stage clinical trials having acted as Principal Investigator in over 40 clinical trials.

I have an interest in the commercialisation of new biopharmaceutical therapies and medical devices and have consulted for life science-focused venture capital firms and management consulting practices in the innovation industry.

I am a medical graduate (with Honours) from the University of Western Australia, a Fellow of the Royal Australasian College of Physicians, a reviewing panel member of the Clinical Drug Trials Committee at Sir Charles Gairdner Hospital and a member of the Western Australian Therapeutic Advisory Group (WATAG) and Western Australian Drug Evaluation Panel (WADEP).

Every now and again you come across a new and very exciting approach in medicine that really stands out. Xanamem™ is exactly that for Alzheimer's disease.

Actinogen Medical is pleased to announce that Linear Clinical Research, Western Australia's only dedicated early phase clinical trials facility will be the trial site for its second Phase I trial.

The facility is world class and generously government funded to attract the best in global drug development to Western Australia. Linear Clinical Research undertakes dozens of studies each year for local and international biotechnology and pharmaceutical companies. The Linear team is highly experienced in running clinical trials, both in Australia and overseas.

Linear is a purpose built facility supporting first in human through to phase II clinical studies. It's co-located within a major research precinct and tertiary teaching hospital – The Sir Charles Gairdner Hospital.

Meet Vincent Ruffles, Vice President of Clinical Research



Mr Ruffles joined the Actinogen Medical team in September 2014 in anticipation of the acquisition of Xanamem to

ensure timely regulatory filings for our upcoming clinical trial.

Mr Ruffles is responsible for the overall clinical trial project management, and ensuring oversight of the underlying strategy, scientific and regulatory direction of Xanamem™. The project management details and paperwork are vitally important to the clean execution of any successful clinical trial and Mr Ruffles is well positioned to drive this for Actinogen Medical.

Mr Ruffles is a highly experienced pharmaceutical and biotechnology professional and brings a wealth of expertise in drug development, with

extensive experience in Alzheimer's disease and related therapeutic areas. This expertise will be pivotal to Actinogen's goal to advance Xanamem™'s clinical program.

Prior to joining Actinogen, Mr Ruffles worked for a variety of leading pharmaceutical companies in clinical trial project management both overseas and in Australia, including Hoechst-Roussel (now Sanofi), Serono (now Merck Serono) and Procter & Gamble.

Mr Ruffles lives in Sydney, Australia with his wife and family.

Why are you interested in working with Actinogen Medical?

Every now and again you come across a new and very exciting approach in medicine that really stands out. Xanamem™ is exactly that for Alzheimer's disease, as it works on the inhibition of the "stress" hormone cortisol in the brain. High levels of cortisol have been shown to impact memory and cognition, and to affect the brain, particularly the hippocampus, similar to Alzheimer's disease. I'm keen to help Actinogen Medical with this novel potential treatment for Alzheimer's dementia as it's a disease where a new approach to its management is desperately needed. Being part of the team developing what could be a blockbuster drug that helps millions of people worldwide is a fantastic opportunity.

Second Xanamem™ Phase I Trial underway

Actinogen Medical is currently undertaking a second Phase I study with its lead candidate Xanamem™. The study is a multiple ascending dose trial in healthy volunteers, with results expected in mid-2015.

The Company recently received ethics approval for the trial which will commence in February 2015.

This second Phase I trial will enrol 40 healthy volunteers and evaluate how the body absorbs and metabolizes Xanamem™ and what the optimal dose should be. These data will form the basis for designing the next study - a Phase II efficacy and safety study in patients with Alzheimer's disease and mild cognitive impairment.

The first Phase 1 study of Xanamem was completed in July 2013.

Thompson Reuters rates Xanamem™ as a Top 5 Global Drug in Phase I

Respected financial research firm Thompson Reuters recently published a list of the Top 5 drugs in development globally, sourced from pharmaceutical and biotechnology companies. Xanamem™ (UE2343) was rated as one of the top 5 drugs to watch coming out of phase I development. It was highlighted as a potential promising new treatment for Alzheimer's disease for its novel approach on the inhibition of the "stress" hormone cortisol in the brain.

THE FIVE MOST PROMISING DRUGS ENTERING PHASE 1 TRIALS

DRUG	DISEASE	COMPANY
ARGX-110	Cancer	arGEN-X
ALN-TTRsc	Transthyretin amyloidosis	Alnylam
BCX-4161	Hereditary angioedema	BioCryst
PRX-112	Gaucher's disease	Protalix
UE-2343	Age-related cognitive disorders	University of Edinburgh/Argenta

Xanamem™ (UE2343) was rated as one of the top 5 drugs to watch.

Xanamem™ Video explaining the Mechanism of Action



Actinogen Medical is pleased to announce the launch of its new corporate video which illustrates how Xanamem™ works to block the development of the "stress" hormone cortisol in the brain.

High cortisol has been shown to lead to cognitive impairment and effects on the brain similar to Alzheimer's disease. This video helps the investor visualize how Xanamem™ works through its novel mechanism of action.

Link to video: http://youtu.be/dHEY_1aih4I

Actinogen Medical

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Board:

Mr Martin Rogers	Non-Executive Chairman
Dr Bill Ketelbey	Managing Director and CEO
Dr Jason Loveridge	Non-Executive Director
Dr Anton Uvarov	Non-Executive Director

Senior Management:

Mr Vincent Ruffles	Vice President of Clinical Research
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Actinogen Medical – Fast Facts

ASX Code: ACW

Market capitalization: Approximately \$30mn

Top Shareholders:

Edinburgh Technology Fund Limited	9.78%
JK Nominees Pty Ltd	7.05%
Tisia Nominees Pty Ltd	6.83%
Mr Martin Rogers	5.08%
Warmbi SARL	4.41%
Denlin Nominees Pty Ltd	4.06%
Mr Jason Peterson & Mrs Lisa Peterson	3.56%
Webinvest Pty Ltd	3.35%
Oaktone Nominees Pty Ltd	2.99%
Dr John William Ketelbey	2.48%

ACW share performance since the acquisition of Xanamem™

