SUN Biomedical Limited

Acquisition of *Dimerix Bioscience* – A Clinical Stage Biotechnology Company

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Executive Director

Investor Presentation
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Dimerix Bioscience

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Company Overview After Acquisition and Settlement

Corporate Overview

ASX Code:	SBN
Share Price:	$0.01
Market cap:	$13.2m
Cash:	$3.5m
Shares on issue:	1323.6m
Performance Shares:	225.0m
Options:	111.7m

Board of Directors

Dr James Williams
Executive Chairman
BSc(Hons), PhD, MBA

Co-founder of iCeutica (acquired by Iroko Pharm in 2011, 2 FDA approved drugs), co-founder of Yuuwa Capital (life sciences VC), former Managing Director of Resonance Health (ASX.RHT)

Dr Anton Uvarov
Executive Director
MSc, PhD, MBA

Currently Non-Executive Director of Actinogen Medical (ASX.ACW), former Healthcare Equities Analyst at Citigroup (US)

Mr Howard Digby
Non-Executive Director
BE(Hons)

Former senior roles at IBM, Adobe, Gartner and the Economist Group, former Executive Director of Cynata Therapeutics (ASX.CYP)

Dr Sonia Poli
Non-Executive Director
MSc, PhD

Currently Chief Scientific Officer at Addex Therapeutics (SWX.ADXN), formerly held senior leadership position with Hoffman la Roche

Acquisition Breakdown

	Sun Biomedical	Dimerix
Shares	413.6m	750m
Performance Shares		225m
Options	80.9m	30.9m
Cash	approx. $3.5m (before transaction expense)	

$1.6m placement @ $0.01 to issue 160m shares

Clinical Pipeline and Technology

DMX200	Lead candidate in Phase 2 for Chronic Kidney Disease and others
GPCR-HIT assay	Receptor Heteromer Investigation Technology for Drug Discovery
Oraline® Family	Saliva based drug tests
Asthma Diagnostics and Therapeutics	Proof-of-concept stage, in partnership with Telethon Kids

Dimerix Transaction Overview

Lead program: **DMX200 – Phase 2 asset for treatment of Chronic Kidney Disease**

- Human PoC study commenced Austin Hospital
- Development program focused on fast-track to IND and orphan designation
- Combination of 2 drugs with extensive human data
- Patent applications in National phase (accepted in Australia)

Discovery platform: **GPCR-HIT: enabling next generation GPCR drug discovery**

- Pipeline of four additional pre-clinical programs
  - Diabetic Retinopathy and Non Alcoholic Steahepatitis (NASH) ready for POC
- Current MSAs with two top 10 pharma companies
- Granted IP giving broad protection

Highly credentialed Board and Management team

Dimerix Clinical and Pre-Clinical Programs

Drug	Indication	Pre-clinical	Ph I	Phase II	Phase III	Status
DMX-200	Chronic Kidney Disease					Phase II recruiting
DMX-300	Non Alcoholic Fatty Liver Disease (NASH)					Ready for animal studies
DMX-400	Diabetic Retinopathy					Ready for animal studies
DMX-500	Cancer Fatigue					complete in-vitro work on target
DMX-600	Multiple Sclerosis					complete in-vitro work on target
Assay Technology	Contract resesearch Distribution and/or co marketing					Active with 2 top 10 Pharma Discussions underway

- DMX-200 Phase 2 clinical program currently recruiting
- Multiple pipeline opportunities with all programs going straight to Phase 2
- 2 top 10 pharma engagement for GPCR platform

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DMX-200: Market Need

The total chronic kidney disease (CKD) market achieved total sales of $11 billion in 2012 (Source: Decision Resources, 2014)

- Current market includes erythropoietin-stimulating agents (ESAs), phosphate binders, calcium mimetics, active vitamin D analogues, antihypertensive agents, IV irons and emerging CKD therapies for the CKD non-dialysis and dialysis patient populations
- 26 million US CKD patients: 8.5m patients at or beyond Stage 3
- CKD is still growing due to cardiovascular disease, obesity & diabetes
- US Sales from Stage 5 CKD and exceed $2B
- CKD Stage 3 and 4 are a largely untapped market

Stage	Kidney Function	Prevalence, US
1	Normal kidney function but altered urine findings, structural abnormalities or genetic traits	
2	Mildly reduced kidney function, and other findings point to kidney disease	
3	Moderate Impairment	7.6m
4	Severe Impairment	0.4 m
5	Failure	0.5m
	US Total	**8.5m**
Source	National Kidney Foundation 2002 (USA) US Renal Data Service 2009 Annual Data Report	

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DMX-200: CKD Market Segmentation

Causes of CKD: segmented market = different regulatory and reimbursement pathways

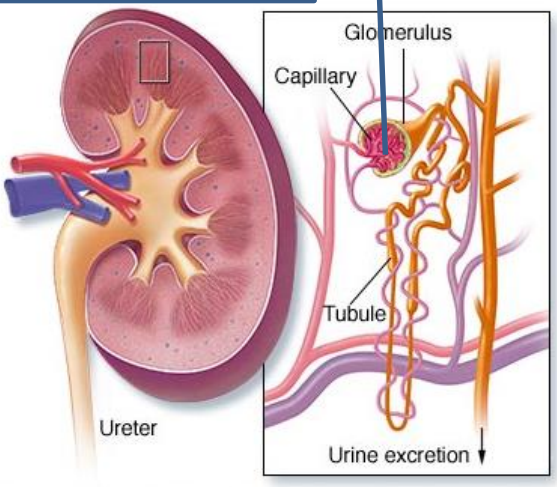
Disease	Example	Prevalence
Diabetic Kidney Disease	Diabetes Type 1, Diabetes Type 2	34%
Non-diabetic Kidney Disease	Glomerular Diseases - Primary (unknown), AutoImmune, Infection, Drugs	24%
	Vascular Diseases - Hypertension, Large vessel Disease, Microangiopathy	14%
	Tubulointerstitial Diseases - Infection, Obstruction, Drugs	3%
	Cystic Diseases - Polycystic kidney disease	Familial
Transplant Kidney Disease	Chronic Rejection Drug Toxicity Other	
Unallocated		25%

Several of these are classified as "orphan indications" and these will be the initial focus for DMX200

DMX-200: Initial Focus on Nephrotic Syndrome, an Orphan Disease

- **Nephrotic Syndrome** - non-specific disorder where kidneys are damaged; characterised by proteinuria; may also have hypoalbuminemia, hyperlipidemia and edema.
- Gold standard diagnosis of nephrotic syndrome is 24 hour urine protein measurement (proteinuria)
- Regulatory pathway: small trials of <1 year duration to show complete or partial remission of proteinuria
- Estimated annual patients in US with Nephrotic Syndrome is 20,000 - 25,000

Nephrotic Syndrome - tiny filters in glomeruli are "broken" causing blood proteins to escape into the urine

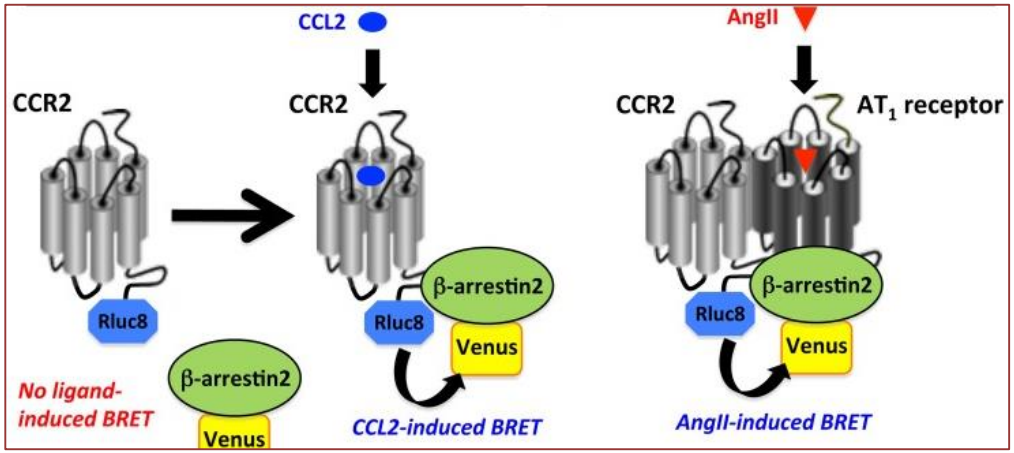


Source: Mayo Foundation

Nephrotic Syndrome is an "orphan disease" with single clinical endpoint: reduce proteinuria

Indicative of potential in larger CKD groups – e.g. Diabetic Nephropathy

What is DMX-200?



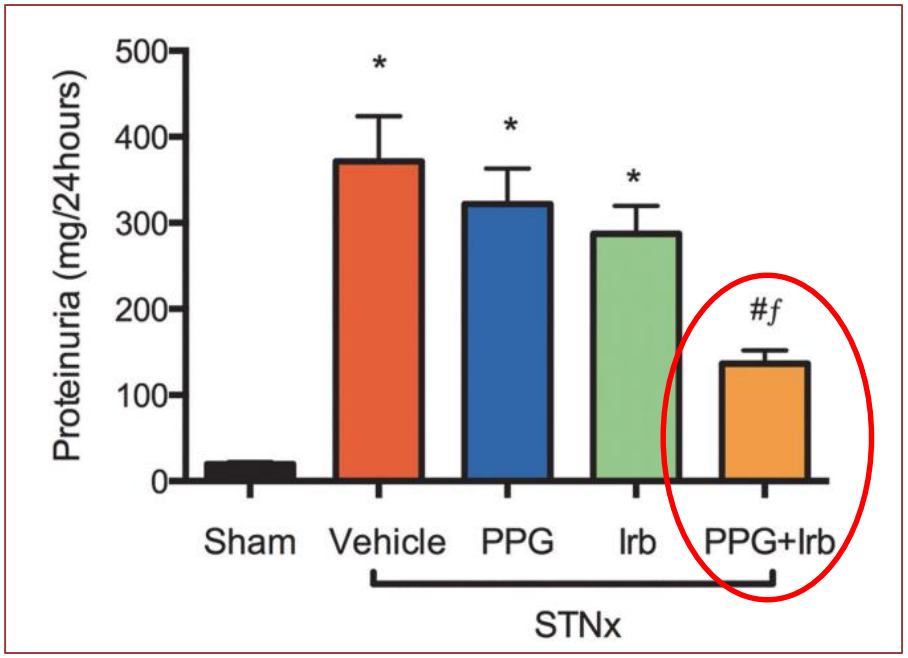
Source: Dimerix, PLoS One 2015

- DMX-200 is a combination of propagermanium (PPG, Chemokine Receptor 2 (CCR2) antagonist) and Irbesartan (Irb, angiotensin II receptor type 1 (AT1) antagonist). Based on strong scientific rational recently published by Dimerix in top peer-reviewed journal
- Both PPG and Irb are safe to use in humans
- Strong IP position surrounding the drug combination
- Potential for orphan drug designation and breakthrough therapy

DMX-200: Strong Pre-Clinical Evidence

Proteinuria in STNx rats (progressive kidney disease animal model)

STNx rats developed proteinuria of a level more than an order of magnitude higher than in controls. In contrast to propagermanium (PPG) or Irbesartan (Irb) monotherapies, treatment with DMX-200 (PPG+Irb) was associated with a significant and more profound reduction in proteinuria.



Source: Dimerix, PLoS One 2015

DMX200 combination therapy significantly reduces proteinuria vs. Irbesartan or CCR2 antagonist alone

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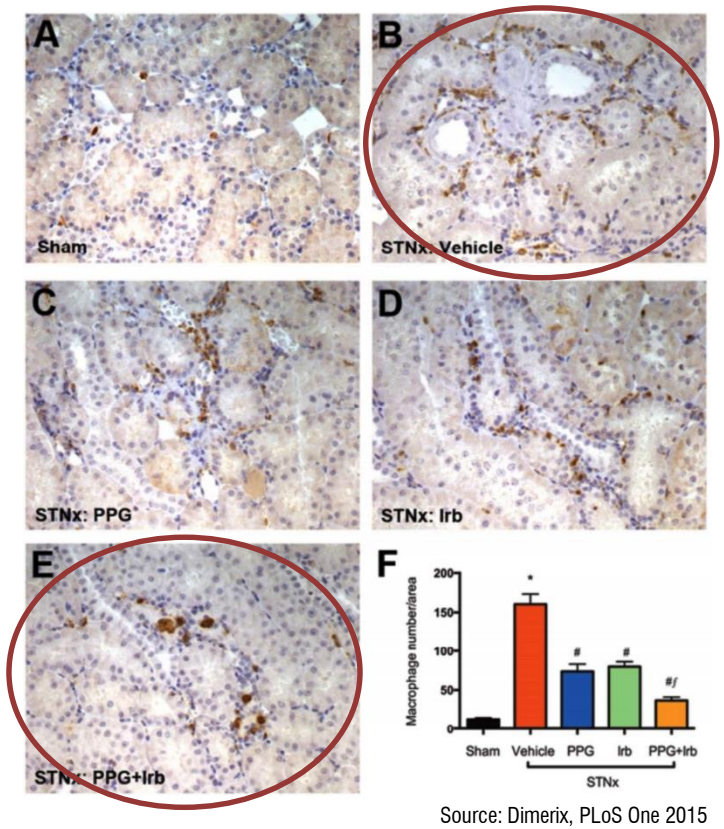
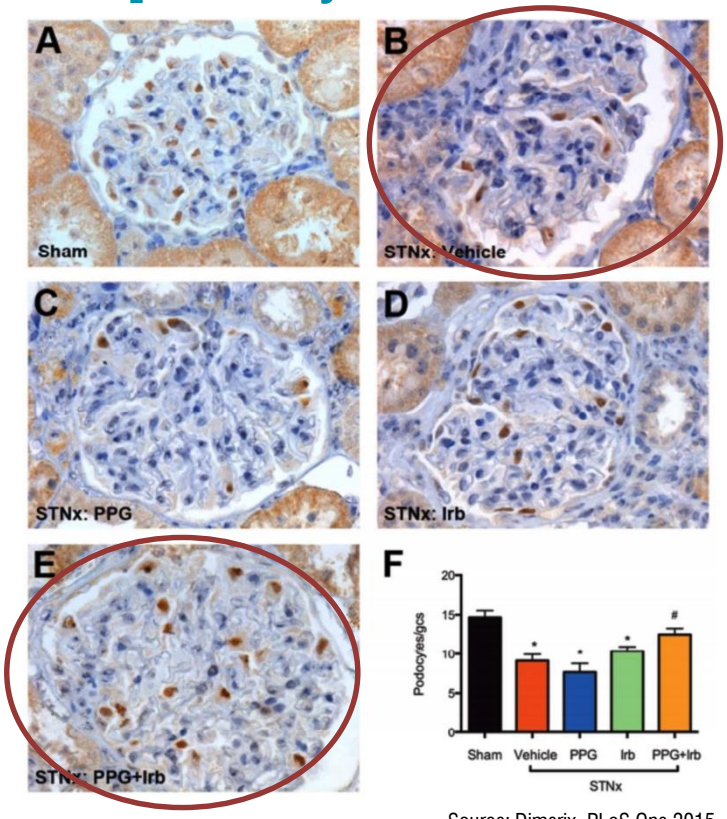
DMX200 – Improves disease pathology in STNx rats

↓Macrophage infiltration



Source: Dimerix, PLoS One 2015

↑Podocyte numbers



Source: Dimerix, PLoS One 2015

Pathology strongly supports physiology and pharmacology

DMX200 – Phase 2 Clinical Trial

- Treatment of Proteinuria in CKD patients
- Study design: Fixed dose combination of Irbesartan + Propagermanium
  - Enrolment: Up to 60 patients in two Parts
  - Part A: Dose escalation – Up to 5 doses x 1 month, then 2 further months at maximal dose
  - Part B: "Best dose" combination - 3 months
- Endpoint: Safety and complete or partial remission of proteinuria @24 weeks of treatment
- Trial duration: ~12 – 18 months with interim data at 6 – 9 months

Status

- Ethics approval and site initiation completed achieved at Austin Hospital. Patient screening commenced
- Ethics proceeding through local governance at 2 additional Melbourne sites

Dimerix Bioscience – Sector Activity and Precedent Transactions

Sector Activities

February 2015 Sosei acquires Heptares for US$400M and US$175M upfront

- 1 product in Phase 1 and 7 pre-clinical leads
- GPCR platform based on structure determination for drug discovery

Development programme	Indication	Development Stage
M_1 agonist	Cognitive impairment in Alzheimer's disease/ Schizophrenia/others)	Phase Ib
A_{2A} antagonist	ADHD	IND open
M_4 agonist	Psychosis (Schizophrenia/ Alzheimer's disease/others)	Pre-clinical
M_1M_4 dual agonist	Cognitive impairment and psychosis in Schizophrenia/ Alzheimer's disease/others)	Pre-clinical
CGRP antagonist	Migraine	Pre-clinical
GLP-1 agonist peptide	Diabetes	Pre-clinical
GLP-1 antagonist	Congenital hyperinsulinism	Pre-clinical
Orexin OX_1 antagonist	Addiction	Pre-clinical

Sector Activities

Chemocentryx (NASDAQ: CCXI, MCap US$315M)

- Biopharmaceutical company targeting chemokine receptor targets

  - Lead program CCX140 targeting chemokine CCR2 receptor
  - Phase II clinical trial for diabetic nephropathy
  - Dec 2014: The trial met its primary endpoint
  - Treatment with 5 mg of CCX140 added to a standard of care regimen of angiotensin converting enzyme (ACE) inhibitor or angiotensin receptor II (AT1) antagonist treatment resulted in a statistically significant ($p=0.0148$) reduction in urinary albumin creatinine ratio (UACR), beyond that achieved with control

  - Second generation compound in Phase 1 clinical trial for other renal disease indications.

  - Market cap almost doubled on release of headline data from PII study

Sector Activities

Questcor Acquired by Mallinckrodt Pharmaceuticals – Marketing Acthar® for Proteinuria in Nephrotic Syndrome

- Acthar gel (injection only, steroid).
- Acthar being repositioned for new indications including applications of chronic kidney disease (proteinuria in nephrotic syndrome).
- Significant unmet need and few treatment options has enabled headline pricing of $100,000 per treatment for the orphan indication.
- First sales for nephrotic syndrome in Jan 2011. In 2012 FY Net sales $509 million – ~50% from nephrotic syndrome. 2013: $761 million
- Acquired by Mallinckrodt in August 2014 for US$5.6B

Dimerix Key Value Drivers (0-18 months)

i. *Ethics* approval for additional clinical sites
ii. *Australian patent* for lead candidate granted
iii. Fast track of the *US patent* under Pathway Prosecution Highway
iv. *First patient in* Phase 2 Part A study treated
v. Patients at *new clinical sites* recruited in Phase 2
vi. *Orphan designation* application
vii. Second program animal *PoC completed*
viii. Phase 2 Part A *data out* (1H 2016)
ix. *US patent allowed*
x. Research *agreements and collaborations* around the GPCR-HIT assay
xi. Pre-IND meeting
xii. *Second* program start of *Phase 2* (NASH or diabetic retinopathy)