ASX Release **8th March 2016**

Strategy for Phase II Clinical Trial of Monepantel

First of three centers to undertake a Phase II evaluation of Monepantel has been identified

PharmAust Limited ("PharmAust") (ASX: PAA) is pleased to report that it is in detailed discussions with a leading UK-based clinical oncologist to evaluate monepantel in patients with oesophageal cancer. This will constitute a Phase II trial. Similar studies will be undertaken with patients suffering with two other types of cancer at two different centres in Australia and the US respectively.

The purpose of these Phase II studies is to identify which leading cancer(s) PharmAust should pursue for development and product registration purposes. The trials are designed to provide short-term feedback on the efficacy of monepantel (MPL). In particular, PharmAust will utilise PET-FDG (Positron Emission Tomography) analysis of patients' tumours to determine the effects of MPL.

The availability of capsule-reformulated MPL during the next 8-10 weeks from Juniper Pharma services will be the trigger for initiating treatment of patients, subject to receiving any necessary approvals from the Medicines and Healthcare Products Regulatory Agency in the UK (MHRA). The reformulation of MPL into a tasteless capsule has been necessary due to the very poor palatability of MPL (sold as Zolvix). The first trial to initiate in the UK will be a single-arm Phase II trial in patients that have failed Standard of Care.

PharmAust will report on the first centre and key personnel involved in the study in coming weeks.

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