

ASX/Media Release

18 October 2016

Botanix to present at 7th Annual Australian Microcap Investment Conference

Perth, Australia; 18 October 2016: Medical dermatology company Botanix Pharmaceuticals (“Botanix” or “the Company”) has been invited to present today at the 7th Annual Australian Microcap Conference in Melbourne.

Botanix Executive Director Matthew Callahan will present the latest information about the Company’s investment opportunity, the skin disease product market and lead product BTX1503. The conference is the largest in Australia focused on the microcap sector and is held over two days on Tuesday 18th and Wednesday 19th October 2016.

Mr Callahan’s presentation is attached to this press release and available [here](#) (under ‘Reports and Presentations’).

About Botanix Pharmaceuticals

Botanix Pharmaceuticals is dedicated to developing next generation therapeutics for the treatment of serious skin diseases. Our mission is to improve the lives of patients battling acne, psoriasis and atopic dermatitis, by providing new treatment options for conditions that currently are inadequately addressed or are treated with therapeutics that are burdened with side effects profiles. Botanix is harnessing the untapped potential of a synthetic active pharmaceutical ingredient known as cannabidiol, which is currently being studied for the treatment of epilepsy, pain, arthritis and schizophrenia and has a well-established safety profile. Botanix is preparing for the first human trials with synthetic cannabidiol utilising a proprietary drug delivery system (Permetrex™) for direct skin delivery of the therapy.

For more information on Botanix, please visit www.botanixpharma.com or follow us on Twitter @Botanixpharma.

For more information, please contact:

General enquiries

Matt Callahan
Botanix Pharmaceuticals Ltd
Executive Director
P: +1 215 767 4184
E: mcallahan@botanixpharma.com

Investor Relations

Rebecca Wilson
WE Buchan
P: 0417 382 391
E: rwilson@buchanwe.com.au

Media enquiries

Arthur Chan
WE Buchan
P: (02) 9237 2805
E: achan@buchanwe.com.au



ASX:BOT

www.botanixpharma.com



Notice

This presentation prepared by Botanix Pharmaceuticals Limited ("**Company**") does not constitute, or form part of, an offer to sell or the solicitation of an offer to subscribe for or buy any securities, nor the solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issue or transfer of the securities referred to in this presentation in any jurisdiction in contravention of applicable law. Persons needing advice should consult their stockbroker, bank manager, solicitor, accountant or other independent financial advisor.

This document is confidential and has been made available in confidence. It may not be reproduced, disclosed to third parties or made public in any way or used for any purpose other than in connection with the proposed investment opportunity without the express written permission of the Company.

This presentation should not be relied upon as a representation of any matter that an advisor or potential investor should consider in evaluating the Company. The Company and its related bodies corporate or any of its directors, agents, officers or employees do not make any representation or warranty, express or implied, as to the accuracy or completeness of any information, statements or representations contained in this presentation, and they do not accept any liability whatsoever (including in negligence) for any information, representation or statement made in or omitted from this presentation.

This document contains certain forward looking statements which involve known and unknown risks, delays and uncertainties not under the Company's control which may cause actual results, performance or achievements of the Company to be materially different from the results, performance or expectations implied by these forward looking statements. The Company makes no representation or warranty, express or implied, as to or endorsement of the accuracy or completeness of any information, statements or representations contained in this presentation with respect to the Company.

It is acknowledged that the Company will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this presentation except as required by law or by any appropriate regulatory authority.

- US based medical dermatology company
- Focused on new treatments for acne, psoriasis, and atopic dermatitis
- Utilising a *synthetic* form of cannabidiol as the drug active - pharmaceutical grade and commercially scaleable
- Exclusive license to a new skin drug delivery system - Permetrex™
- Following faster path to market than usual oral drug development pathway
- Experienced team with more than 10 FDA approvals between them

Drug active:

- synthetic cannabidiol

Initial Product:

- acne

Drug delivery system:

- Permetrex™

Business focus:

- medical dermatology

+ Corporate Overview*

4

Directors & management own \approx 23% of the new Company

Corporate*

ASX	BOT
Offer Price	\$0.020
Cash raised under the Offer	\$3,500,000
Share Price (@ close 11/10/16)	\$0.043
Market Capitalisation (@close 11/10/16)	\$17.4 million

Team*

Chairman	Graham Griffiths	<ul style="list-style-type: none"> • Nearmap • Pointerra • iintegrate
Exec Director	Matt Callahan	<ul style="list-style-type: none"> • iCeutica • Churchill Pharma • Orthocell
Exec Director	Dr Bill Bosch	<ul style="list-style-type: none"> • iCeutica • Elan Drug Technologies • Nanosystems
Director	Rob Towner	<ul style="list-style-type: none"> • bioMD • Triangle Energy • Cornerstone Corporate

Shareholding Structure*



+ Market opportunity ... medical dermatology

Particularly attractive segment of the pharma industry:

- many drugs with significant side effects
 - pipeline of new products is very thin, despite multi-billion dollar markets
 - development of dermatology products is more cost efficient and faster than oral/injectable
- ➡ from start-up to first safety and efficacy trials within 12 months for < \$3.5 million invested



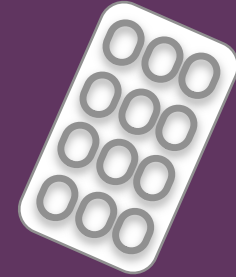
Market opportunity in acne



3 billion

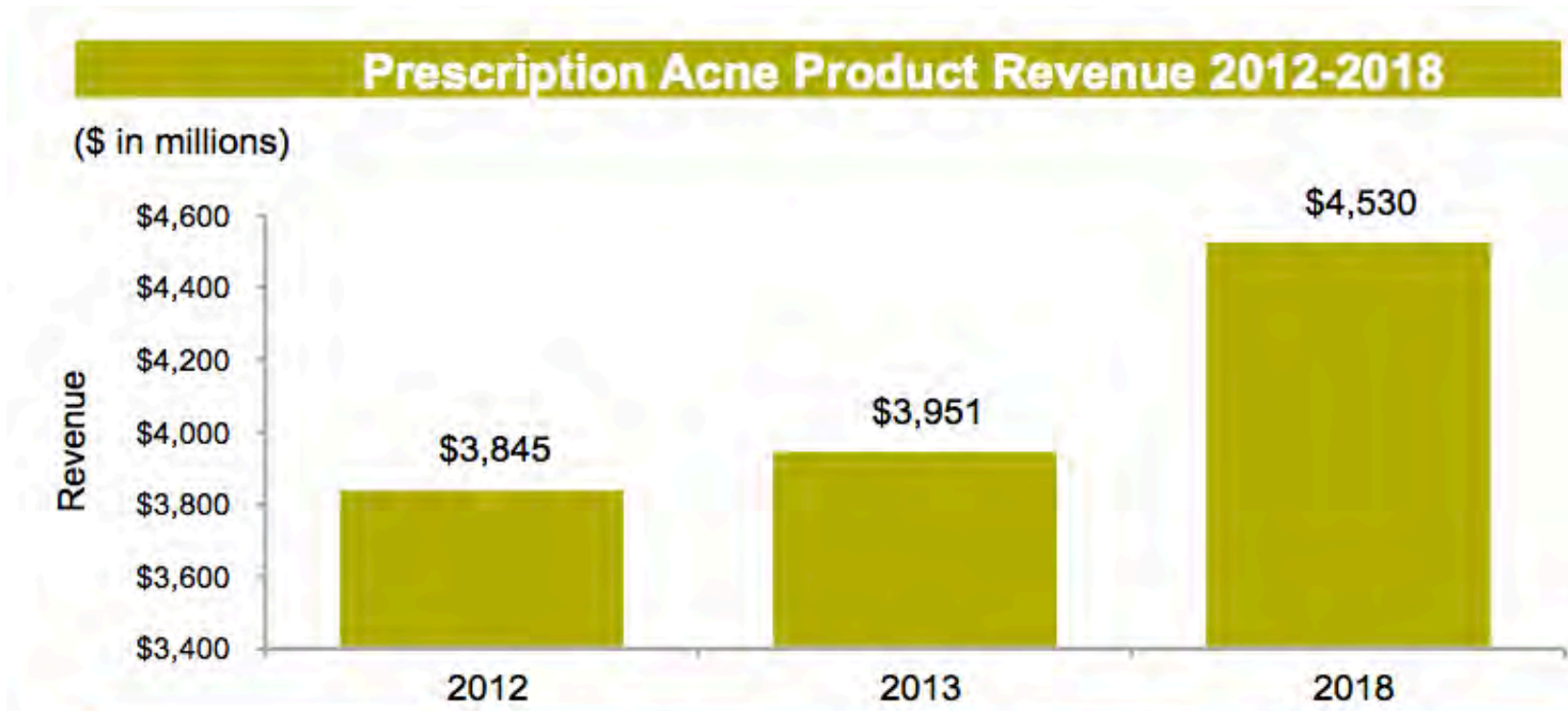


50 million



0

+ Acne prescription and OTC markets rapidly growing



The non-prescription (OTC) market is worth \$2.4 billion⁽³⁾

- 1) BCC Research, May 2013. Skin Disease Treatment and Global Markets.
- 2) Symphony Health Solutions, Pharmaceutical Audit Suite for 2012 as reported in Dermira S1
- 3) IBIS Research July 2014

+ Cannabidiol active drug showing promising results...

8

Cannabidiol Drug Shows Gains

New York Times

DEA Reduces Requirements for FDA Approved Clinical Trials

Wall Street Journal

GW Pharma Announces Positive Phase 3 Results

Bioshares

INSYS receives orphan drug designation from FDA

Market Wired

GW Pharma Raise \$252 million

Streetinsider

+ ...but the source of drug supply is important...



botanix
PHARMACEUTICALS



Extracted and purified

100+ chemicals

Multiple impurities

Scaled up to \approx 1kg

Not registered with FDA

Must comply with FDA's
"Guidance on Botanicals"

Synthetically manufactured

1 chemical

100% pure

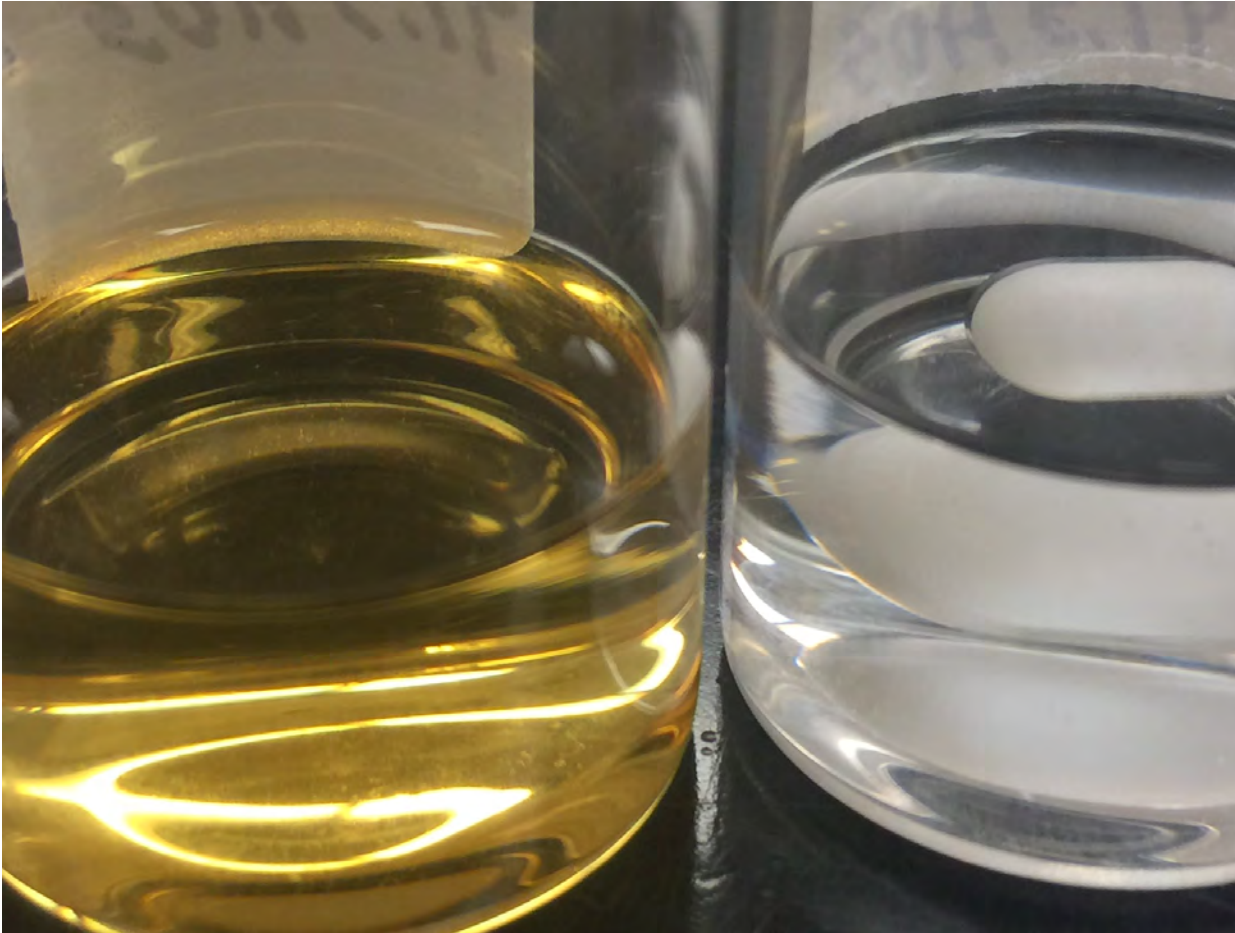
Scaled up to 50kg

Registered with FDA

No additional compliance
required

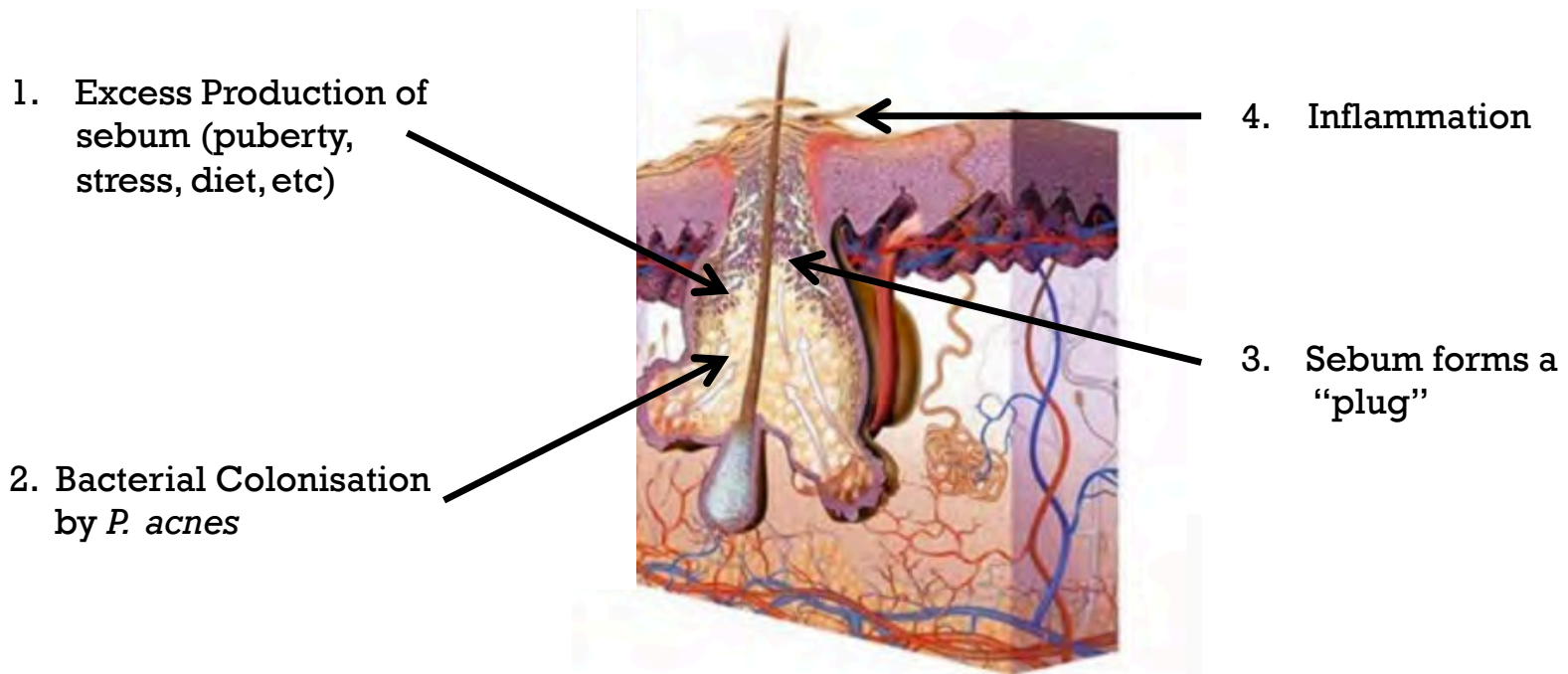


...and the difference is clear



How does acne happen?

Hair follicles become partially plugged with excess oils (sebum) and cells to form lesions of varying grades of severity



+ BTX1503 – novel mechanism of action in acne

12



Switches off excessive oil
or 'sebum' production



Reduces
inflammation



Blocks cell
proliferation



Reduces infection



BTX1503 also targeting a benign side effect profile

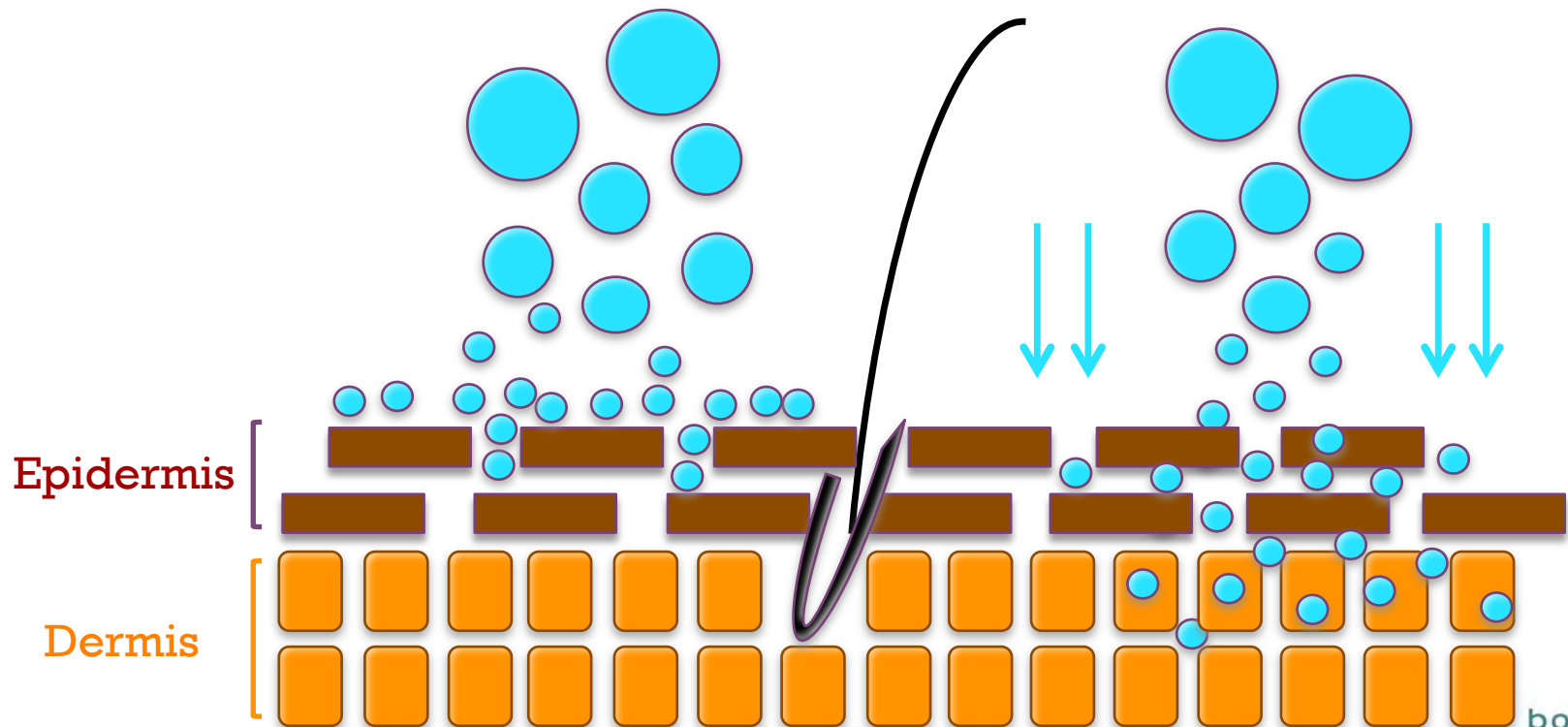
+ Permetrex™ - superior skin delivery

13

Oral delivery of cannabidiol is only 6% bioavailable

Unmodified Drug

With Permetrex™



+ BTX1503 - planned positioning versus existing acne products

14

	BTX1503	Clindamycin	Topical retinoid	Adapalene	Minocycline	Erythromycin	Accutane
Reduces Sebum	✓	✗	✗	✗	✗	✗	✓
Anti-inflammatory	✓	✗	✓	✓	✗	✗	✓
Anti-microbial	✓	✓	✗	✗	✓	✓	✓
Topical	✓	✗	✓	✓	✗	✗	✗
Minimal side effects	✓	✗	✓	✓	✗	✓	✗

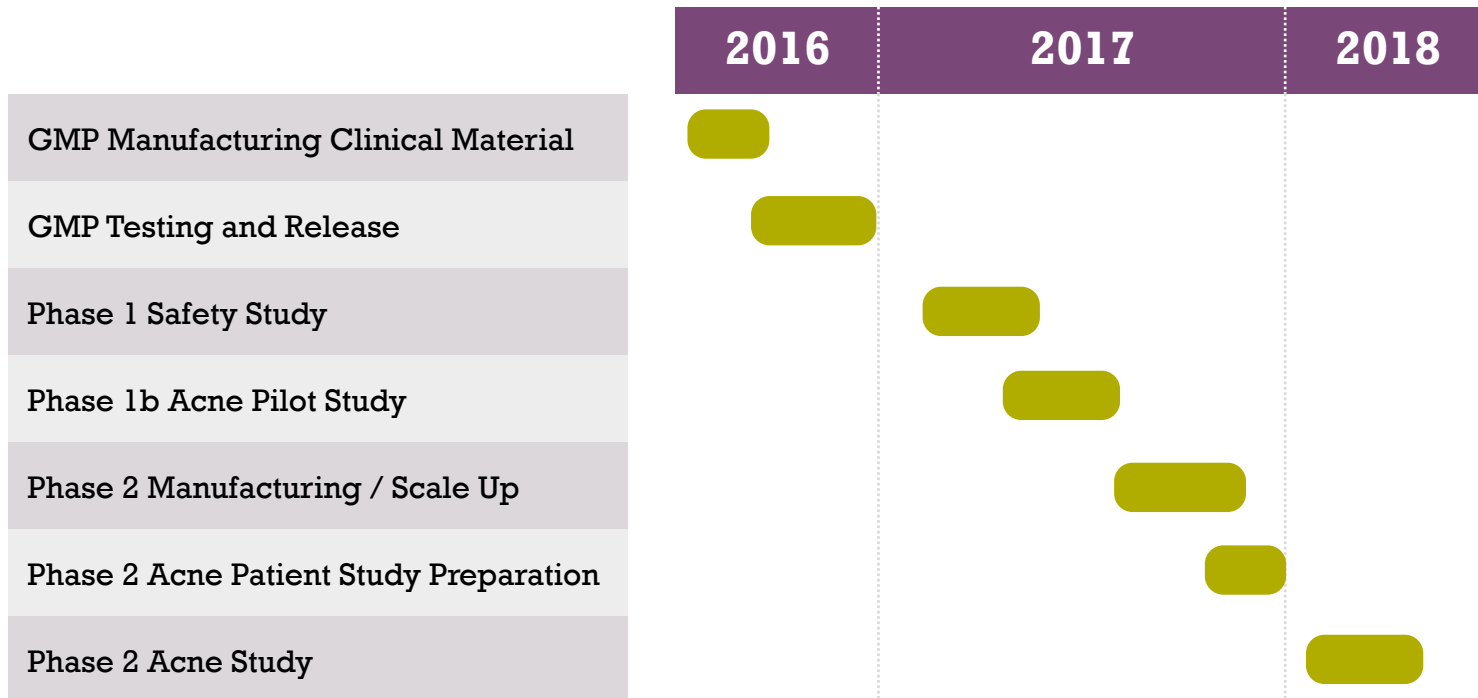
“...the ‘Holy Grail’ of acne treatments would be a topical that can influence sebum production or the physiochemical properties of sebum.”

Prof Emeritus James Leyden



BTX 1503 - planned timeline

Accelerated development timetable compared to oral and injectable drugs

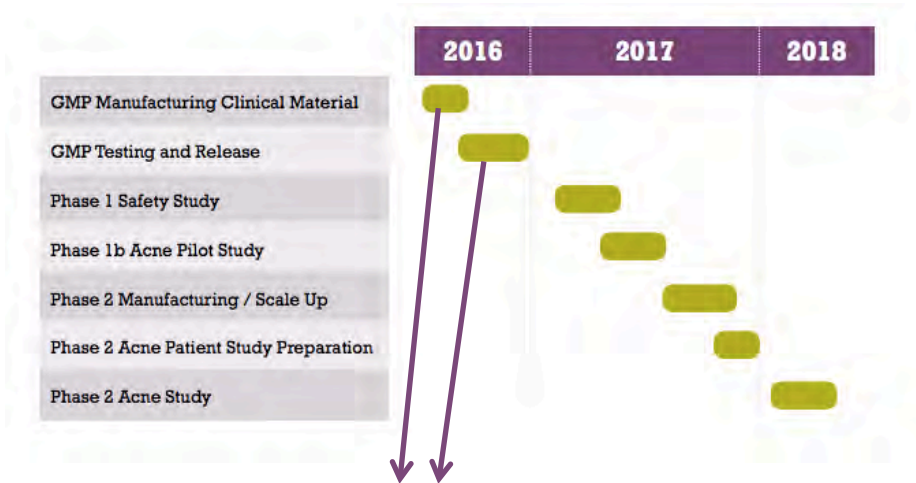


Partnering and collaboration opportunities available at each stage of development



BTX 1503 – activity accelerating

Substantial risk already reduced within first 3 months of listing



- Source of synthetic cannabidiol secured
- Formulation re-manufactured using GMP components
- Pre-clinical testing underway
- Clinical packaging options refined
- Safety/irritation POC study designed and pending
- Clinical site identified and protocol finalized

+ Targeted news flow and milestones for first 12 months

17

- ✓ Appointment experienced industry leaders for clinical and manufacturing positions
- ✓ Securing synthetic cannabidiol supply
- ✓ Formalisation of world class Scientific Advisory Board
- Completion GMP Manufacturing and pre-clinical testing
- Filing TGA, DEA and/or Customs licenses
- Pipeline development progress
- Collaborative research arrangements
- New product addition to pipeline (based on platform)
- Commencement and then completion of first human trials
- Commencement and then completion of patient pilot study
- ✓ Conference presentation/attendances

+ Pipeline – multiple products leveraging the platform

18

BTX 1308 (psoriasis)

- 7.5 million Americans have psoriasis (most have *plaque* psoriasis)
- Cost of injectable biologic treatments in 2014 was \$20 billion
- Biologic drugs have serious side effect issues (including lymphoma)



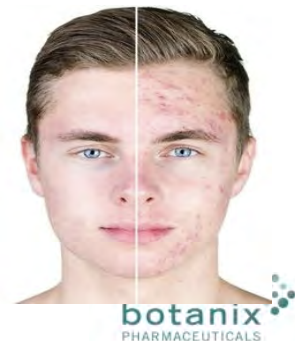
BTX 1204 (dermatitis)

- US patient incidence estimated to be 31 million people – 10 -18% of children
- Estimated annual cost of treating Atopic Dermatitis in the US is \$3.8 billion



Others

- Multiple opportunities utilizing Permetrex™ and/or synthetic cannabidiol to treat serious skin disease





Team with significant FDA success...



Matt Callahan
Director

- 3 FDA approved products
- 15 years pharma experience
- Venture capital partner



Dr Bill Bosch
Director

- 6 FDA approved products
- 26 years pharma experience
- Co-inventor of drug delivery technologies including Nanocrystal®



Mr Mark Davis
Clinical/Regulatory

- Unique experience with cannabidiol with Insys
- 30 years of clinical experience
- Former clinical lead with Medicis and Connetics



Mr Doug Bakan
Manufacturing/Quality

- 35 years manufacturing and development experience
- Former senior exec with Medicis
- Project lead for formulation



...and unique experience



Dr Gene Cooper
Consultant

- 5 FDA approved products
- Expert in skin delivery
- Inventor of Permetrex™
- 40 years pharma experience



Dr Joel Gelfand
Medical Director
Clinical Studies

- Dermatology A/ Professor at Penn
- Expert in skin disease and clinical trial management



Prof James Leyden
Scientific Advisor

- E/Professor Dermatology at University of Pennsylvania
- World leading acne and skin specialist



Prof Diane Thiboutot
Scientific Adviser

- Professor of Dermatology at Penn State University
- Leading researcher in acne and rosacea
- Pre-clinical and clinical trials services provider



Botanix ...a compelling investment case

- ✓ Significant unmet patient needs in serious skin disease
- ✓ Novel treatment for acne with a growing evidence base
- ✓ Proprietary drug delivery system
- ✓ Fast and efficient development pathway, relative to usual pharmaceutical development
- ✓ Very large markets with few competing products in development
- ✓ Experienced team with track record of FDA approvals