

ASX ANNOUNCEMENT

18 January 2016

Broker Presentation

Announcements Office
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

Attached are the presentation slides for a presentation that will be given by Recce's executive team shortly.

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About Recce Ltd

Recce Ltd (ASX: RCE), led by Dr Graham Melrose, is a world-leader in synthetic-polymer antibiotics. RECCE® antibiotics have been synthesised by an extremely simple and economic method.

RECCE® antibiotics have shown in laboratory tests that they have continued activity against bacteria including superbugs, even after repeated use.

Recce is positioned to achieve milestones in both pre-clinical trials for FDA purposes and the development of a pilot plant for flow-system manufacture of RECCE® antibiotics - that should drive significant value for the Company.



Investor Presentation



“One of the greatest threats
of human health today”

World Health Organisation

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ALL CURRENCY AMOUNTS ARE IN AUD UNLESS STATED OTHERWISE.

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PROSPECTUS

The company has issued a supplementary prospectus intended to be read with the replacement prospectus dated 21 September 2015, issued by Recce Ltd (ACN 124 849 065). This supplementary prospectus is dated 23 November 2015 and was lodged with ASIC on that date. The ASIC and its officers take no responsibility for the contents of the supplementary prospectus or the replacement prospectus.

Key Risk Factors

- Regulatory tests still to be done may reveal weaknesses in the efficacy/safety profile of RECCE® antibiotics
- Competitive antibiotics may arise, and redesign of Recce's objectives may result
- Access to the employment or services of specialists may be at times limiting
- Patents may be challenged
- Highly speculative.



Business Overview

Why are RECCE® antibiotics important?

- Continued use of commercial antibiotics has led to antibiotic-resistant bacteria superbugs - major world health issue
- RECCE® antibiotics are unlike anything developed before
- **RECCE® antibiotics kill superbugs (G+ & G- bacteria) – and keep-on killing them**

ASX Listing and IPO

- Funds from IPO used over 2 years: **\$5M**
- Post listing valuation: **\$13.7M**
- Price/share: **\$0.20**
- Shares on issue post-IPO: **68,491,449**
- Over-subscribed: **Listed 15 January 2016**
- IPO Day 1 Performance: **\$0.30 (close); 50% gain; Highest on ASX**

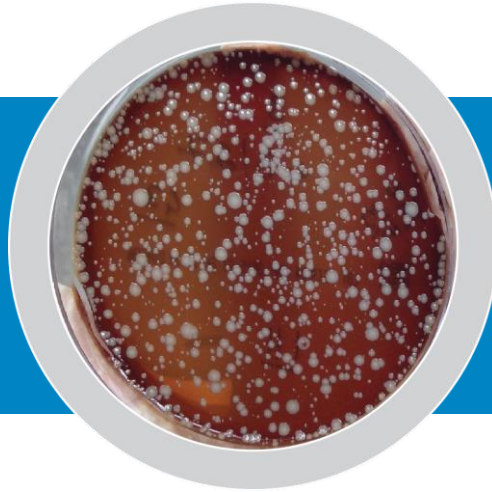
Technical Developments (\$K)		
	<u>Year 1</u>	<u>Year 2</u>
Pilot Manufacture	255	310
Laboratory Development	430	430
Overseas animal safety/efficacy tests	750	465
Patents	120	120
Total	1,555	1,325
Cumulative Total	2,880	



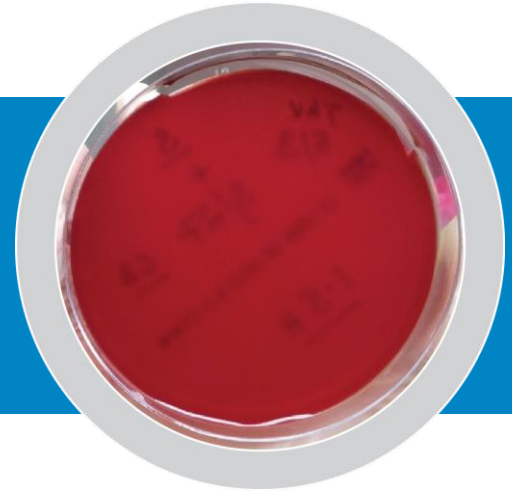
Technology Overview – *E. coli* (superbug)



Pre-infection



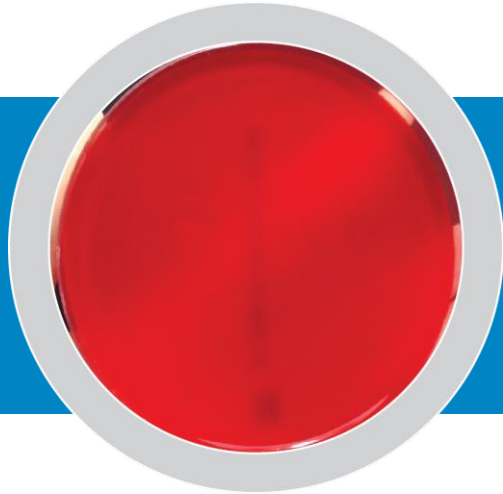
Full infection



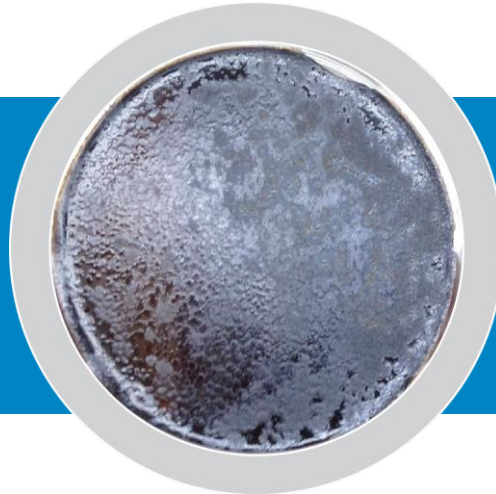
After 1 hour treatment with
RECCE[®] synthetic antibiotic

Complete kill

Technology Overview – *P. aeruginosa* (superbug)



Pre-infection



Full infection



After 1 hour treatment with
RECCE[®] synthetic antibiotic

Complete kill

RECCE[®] antibiotics kill at practical speeds

Rates of kill of standard bacteria

<i>S. aureus</i>	<i>E. coli</i>	<i>P. aeruginosa</i>	<i>S. pyogenes</i>	<i>C. difficile</i>
20 – 60 minutes	20 – 60 minutes	1 – 24 hours	20 – 60 minutes	20 – 60 minutes

Rates of kill of Superbugs

<i>S. aureus</i>	<i>E. coli</i>	<i>P. aeruginosa</i>	The same kill-rates for standard bacteria and their superbugs
20 – 60 minutes	20 – 60 minutes	1 – 24 hours	



RECCE® antibiotics do not Fail

Number of repetitive uses before displaying loss of antibiotic activity

<i>S. aureus</i>	<i>E. coli</i>	<i>P. aeruginosa</i>
Commercial antibiotic 8	Commercial antibiotic 4	Commercial antibiotic 10
RECCE® Antibiotic >25		

After repetitive use, the commercial antibiotic loses activity; **RECCE® antibiotic DOES NOT**

Technology – How it works

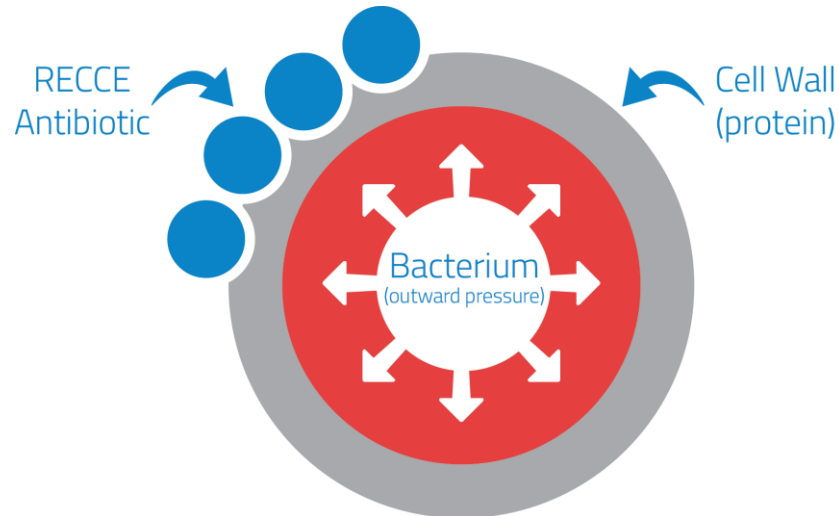
Recce's Response to the Global Health Problem

An entirely new/novel human new antibiotic has not come onto the market since 1962.

RECCE® antibiotics attack protein in the cell wall of ALL bacteria – outward pressure causes only them to rupture.

Only Bacteria have internal pressures of at least 2 atmospheres.

The blood of humans is normally free of bacteria - so that in the blood, the only bacteria are unwanted bacteria.





Manufacture

Natural vs Synthetic – Recce's theory

- **Commercial antibiotics** are mainly **naturally derived**; **RECCE® antibiotics** are **synthetic**
- Recce's theory is that **NATURE WILL HAVE ALREADY FORMED SUPERBUGS TO THESE NATURAL ANTIBIOTICS**
- Differently, **NATURE WILL NOT HAVE FORMED SUPERBUGS TO SYNTHETIC ANTIBIOTICS** (simply because **synthetic polymers** have not pre-existed in nature).



Pre-formed
natural superbugs

Contain natural antibiotics



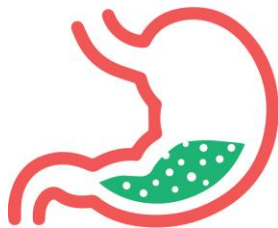
NO Pre-formed
natural superbugs

Synthetic antibiotics

Improved Manufacture

1. Higher Quality

Prior to Recce



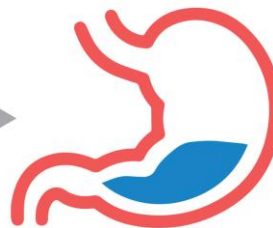
Product not dissolved
- inactive against bacteria

Product can be used in human stomach



(Why: product soluble < pH 4)

RECCE PROCESS



Product dissolved
- active against bacteria

2. Lower raw-material and labor, on-going expenses



Inefficient

>100% expense savings



(Why:

- No raw material losses
- No purification steps
- No waste disposal)



Efficient

Improved Manufacture

3. Simple plant design

Prior to Recce



RECCE PROCESS

Simple design - lower construction cost



(Why: Production from 6 to only 1 step)



4. Manufacturing plant smaller



Plant 100x smaller - lower construction cost



(Why: Rate of manufacture 100x faster; over a given period, quantity manufactured = size of each batch x rate of manufacture)





The Board

Board of Directors

The board-structure is appropriate to the current needs of Recce – and will change as the needs change.



Board of Directors



Dr Graham Melrose, BSc(Hons), PhD, MBA, FRACI, CChem, FAICD

- **Founder of Recce and inventor of RECCE® antibiotics**
- Previously, founded Chemeq Ltd and under his leadership and R&D direction, achieved over a three-year period, the top capital gain of all companies listed on the ASX, and average MCap approximately \$500M
- Earlier, a senior academic in the University of NSW's Department of Applied Organic Chemistry; then R&D at Oxford and Munich universities
- **Executive Director and Chief Research Executive of Johnson & Johnson (Aust) Pty Ltd in Sydney, with global responsibilities, particularly in the Asia-Pacific**
- Established and operated for some ten years, an industry-leading **marketing** consultancy.



*Ms Michele Dilizia, BSc(Med Sci), Grad Dip Bus(Mkting), BA(Journ), GAICD –
Responsible for Regulatory Matters and Microbiology*

- Qualified **Medical Scientist; specialisation is medical microbiology**
- Earlier a successful executive career in public relations and marketing for a leading retail chain
- Began with journalism and then post-graduate qualifications in business
- Market research consultant, which included marketing development of health-care and pharmaceutical products.

Board of Directors



James Graham B.Com.(Entrepreneurship), GAICD
– Responsible for Marketing

- Committee-member of W.A. Angel Investors; **entrepreneurship and marketing**
- General Manager of start-up marine company with sales in Australia, Asia and Europe
- Investor (Non-professional) in ASX-listed technology companies
- Closely **involved in the early growth and direction of Recce - initiated and facilitated funding.**



Ian Brown MBA, EiR, FAICD, FAIM

- **Has market-developed with big PharmCos - as well as listed Pharmco's on NYSE, SGX and ASX - involving IPOs, fundraising and licensing**
- Entrepreneur in Residence at INSEAD (one of Europe's top business schools)
- Has worked in Melbourne, Perth, Gothenburg, Milan and London, playing a lead-role in significant projects throughout Asia, Japan, Europe and the United States
- Executive Director/Senior Executive experience **in companies manufacturing/selling chemicals, polymers, healthcare products and pharmaceuticals.**

Board of Directors



Professor Dongke Zhang FTSE, PhD, FIChem Eng, CEng, CSci, FIEng Aust, CPEng, FAIE

- **Designed and built the first pilot plant for Chemeq**
- Technical Executive/Director of innovative technology companies
- Consultant to a range of Australia's top companies
- Awarded the status of Distinguished Professor at Curtin University; now a Professor in chemical engineering at University of WA
- Voted as **among the top 100 most influential engineers in Australia**
- **Regularly visits China** where fellowships have been established in his honour.



*CFO and Company Secretary (external to Board) - Peter Williams BBus, FCPA, MAICD – **Responsible for Financial & Compliance matters***

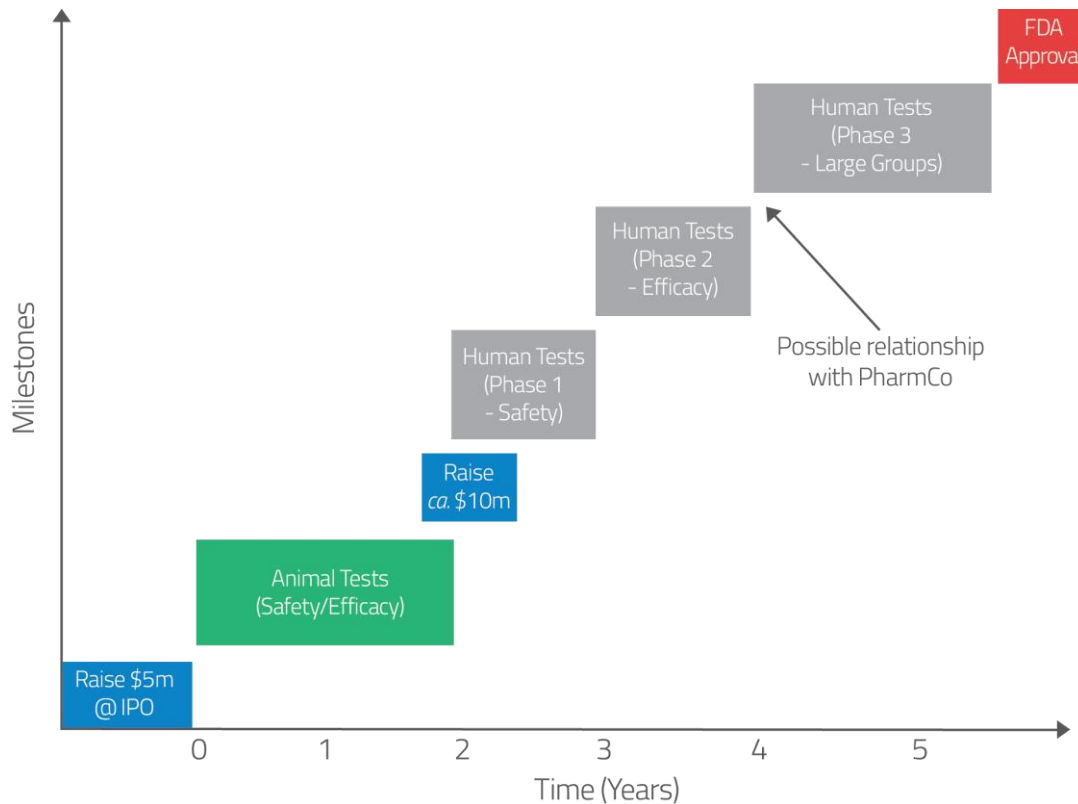
- Accomplished senior finance professional with significant commercial experience gained both domestically and internationally
- Rose from the ranks within **BHP** over some **20 years** to **Vice President Finance BHP World Minerals** (San Francisco), reporting to the Chief Executive Officer and managing all finance activities of the division including management and statutory reports, business plans, capital expenditure proposals, audit and regulatory compliance
- Has been **Chief Financial Officer and Company Secretary in a range of ASX listed companies** having research and manufacturing programs.



Development

Projected Development

Estimates by Recce, based upon FDA protocols



Intellectual Property*

Patent Attorneys: Phillips Ormonde Fitzpatrick - Melbourne

Patent Family 1		Filed		Status		Expiry
		Australia		Granted		2028
		USA		Granted		2029
		Europe		Granted		2028
		Japan		Granted		2028
		China		Granted		2028
Patent Family 2						
		All PCT Countries		Pending		2034

*Manufacturing & marketing monopoly over some 80% of world pharmaceutical market



RECCE® antibiotics – Human Markets (\$40B)

Sepsis

- “Sepsis affects over 26 million people worldwide each year - one third die”*
- “It is the largest killer of children and new-born infants in the world”
- “Sepsis is increasing at an annual rate of 8-13%”
- “In the United States, sepsis kills more people than colon cancer, breast cancer and HIV/AIDS combined”.

“Probability of life-survival recedes 6% for each hour-delay in treatment”.



This limitation makes the choice of antibiotic against sepsis, dangerous guess-work. RECCE® antibiotics kill ALL – no guess-work.

Global Sepsis Alliance

RECCE® antibiotics - Human Markets

Helicobacter pylori

- “*H. Pylori* is estimated to effect half of the worlds population”
- “It is very strongly associated with human gastritis, peptic ulcers and gastric cancer”.

Helicobacter pylori in the 21st Century, v17, pg 1



RECCE® antibiotics - Human Markets

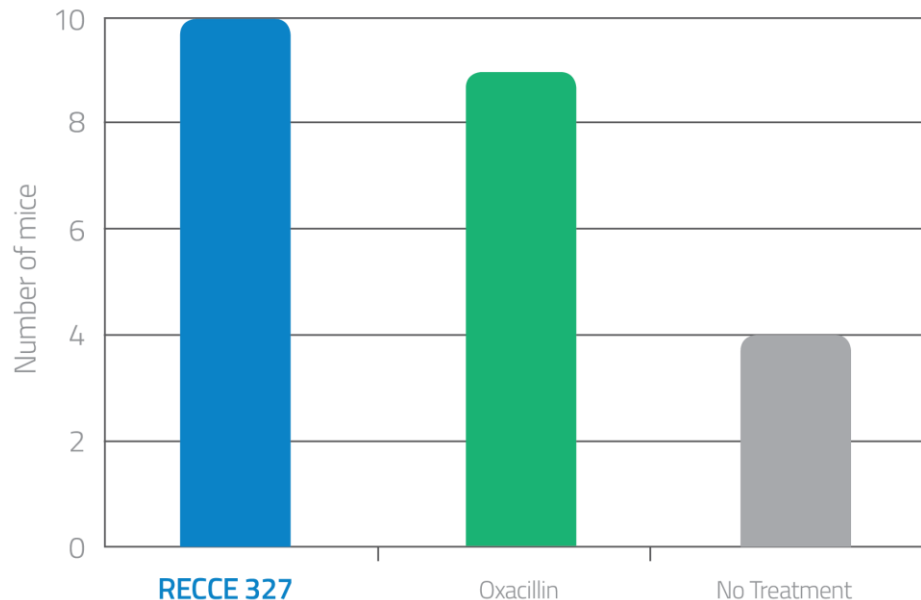
E.coli

“1.7 billion cases... of diarrhoeal disease every year... responsible for killing around 760,000 children under 5 years every year.”

World Health Organisation, Diarrhoeal Disease, Fact Sheet 330, April 2013



Number of Mice that survived
Sepsis from *S. aureus* (superbug)



Three groups of 10 mice were each infected with *S. aureus* (superbug)

- All ten mice treated with RECCE[®] antibiotic were saved
- Nine mice treated with current antibiotic (Oxacillin) survived
- Four mice that had no treatment at all, survived.

In mice, Efficacy/Safety was achieved in the presence of the superbug.

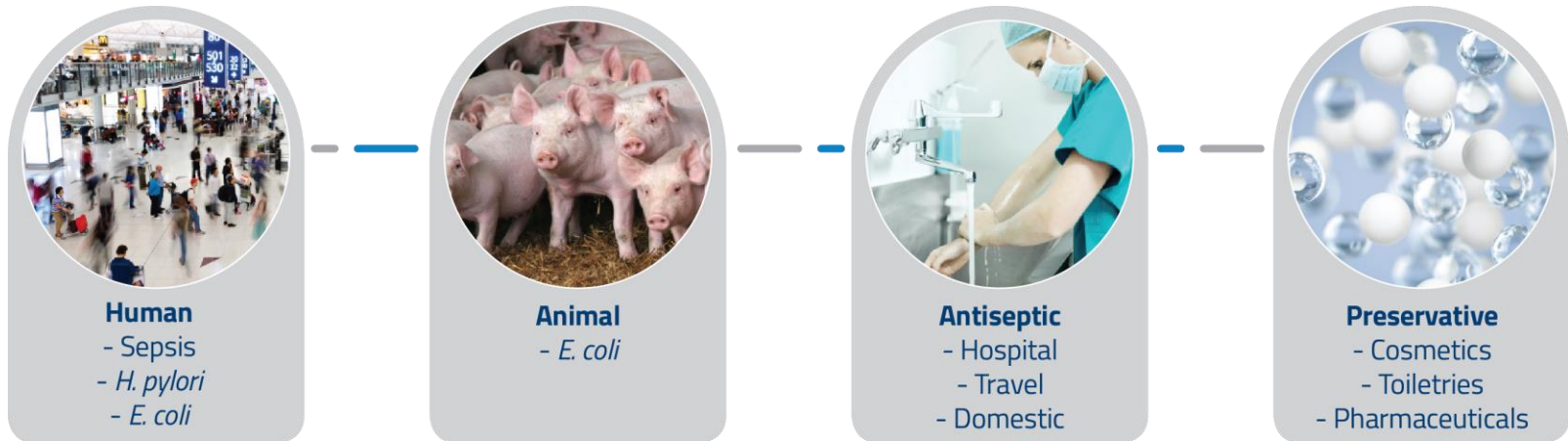
Results from an independent laboratory in USA

CONFIRMATION: Test repeated and similar results again – see ASX announcement 15 January 2016

RECCE® antibiotics – a Technology

Investment in Recce Ltd is highly speculative.

However, compared to the risk of a single opportunity from a one-use product; Recce's technology enjoys the added security of multiple product opportunities.



Corporate Directory

Lead Manager & Sponsoring Broker



Solicitors



Patent Attorneys



Investigating Accountants



Investor Relations/Media

