



VGI HEALTH TECHNOLOGY LIMITED (NSX:VTL)

Investor Update July 2021

VGI Health Technology Limited
ACN 111 082 485



WELCOME

Greetings from VGI Health Technology Limited (NSX:**VTL**), the new name for Azure Heath Technology Limited. Whilst the change of name has been approved by shareholders and ASIC, the effective date for trading in the Company's shares under our new name is the commencement of trading on Wednesday 14 July 2021. Welcome to our first shareholders and investors update as a **public biotechnology company**. I look forward to sharing exciting news with you on a regular basis from now on as we take our journey of growth and development.

Since our recent debut on the National Stock Exchange on 28 May 2021, our immediate focus is launching our nutraceutical products in the US and the advancement of our clinical development program for Non-Alcoholic Fatty Liver Disease (NAFLD) and Pancreatic Adenocarcinoma (pancreatic cancer).

Our first major announcements cover the US launch of our nutraceutical products and the appointment of a major US manufacturer, plus an Initiation Report assessing VTL issued by one of Australia's most experienced biotechnology industry research analysts.

Thanks for your ongoing support and interest in our Company.



Dr Glenn Tong

Chief Executive Officer and Managing Director
VGI Health Technology Limited

VTL GAINS TRACTION IN THE USA

After three years of focused research and development and pilot manufacturing trials, VTL celebrated the first US-based manufacturing run for two patented nutraceutical products in March 2021. VTL has now expedited the US launch of NE1-Elite® and NE1-Heart® for sale in the US, and as we speak, we are holding discussions with a wide range of well-established distributors in the US.

VTL recently signed a manufacturing and supply agreement with a US manufacturer, Altipure LLC, for finished nutraceutical products for sale and clinical study drugs for our clinical studies. Altipure LLC was introduced to us by our Scientific Advisory Board Member Dr Jordan Moon and we were very impressed during the manufacture of our clinical study drugs with the efficiency and professionalism of their staff. We are confident that the same attention to detail and diligence that Altipure showed in the manufacture of our study drugs will flow through to the manufacture of our finished products for sale.



In another company first, the inaugural US shipment of finished products was received in the company's warehouse in Florida, USA, marking another major milestone for growth in the USA. While people who do not know our history might see little to be excited about in several plastic-wrapped pallets arriving on the back of a truck at our warehouse, let me put this into context. The original patent for our novel delivery method for tocotrienols was filed ten years ago in November 2011. Since then, there have been many laboratory experiments, manufacturing trials, clinical studies, patent registrations (we now have granted patents in the US, the EU, Japan and Australia amongst other major markets) and about \$15M in equity capital and non-dilutive funding raised along the way. So when those pallets arrived signalling the start of actually putting these finished products on shelves for sale to customers out in the real world, it was a very exciting milestone for VTL.

How the NE1 brand was born

VTL is very proud of our two nutraceutical products: NE1-Elite® reduces Delayed Onset Muscle Soreness (DOMS) and improves muscle recovery after exercise while NE1-Heart® improves the maintenance of heart health for the discerning US consumer.



At least two or three times a week, I have someone coming up to me while I am near my parked car and they ask “Mate, what does your number plate NE1ELT mean?” This is my cue to tell passers-by the NE1-Elite® story. After we observed that using our special patented delivery system, tocotrienols can have a dramatic effect on Delayed Onset Muscle Soreness (DOMS) (as in it pretty much removes all traces of DOMS) and improve the way sportspeople enjoy their sports, we decided that our nutraceuticals would be branded as “NE1”, as in “Anyone can be Elite” and “Anyone can have a Healthy Heart”. So back to the answer to the question. Vic Roads in 2014 only allowed a maximum of six characters for customised number plates and they rejected a proposal for “NE1ELITE” so I had to improvise and put “NE1ELT” on my number plate. NE1-Elite® and NE1-Heart® are international trademarks now proudly owned by VTL. These two nutraceutical products are being marketed in the US as dietary supplements and are listed as Listed Complementary Medicines on the Australian Therapeutic Goods Administration's (TGA's) Australian Register of Therapeutic Goods (ARTG) so are approved for sale in Australia.

NAFLD and Pancreatic Cancer Phase II Clinical Studies are moving forward

On the drug development side of our business, VTL looks forward to the Australian arrival of clinical study drugs that have been manufactured in the US, with the expected arrival in August 2021. Half of the study drugs (IVB001) are destined for VTL's NAFLD Phase II clinical study and the other half (IVB003) for VTL's Pancreatic Cancer Phase II clinical study. Together with DataPharm Australia Pty Ltd, VTL is progressing with the recruitment of clinical study sites in Australia for both studies and expect to appoint the Lead Clinical Study Sites for both studies in the next one to two months.

Introducing our man in the US – Richard Estalella



Richard Estalella is the President and Chief Executive Officer of VTL's US subsidiary, Invictus Nutraceuticals, Inc. Since the days when our two nutraceutical products were just concepts, Richard has been driving the development, manufacture, marketing and sales.

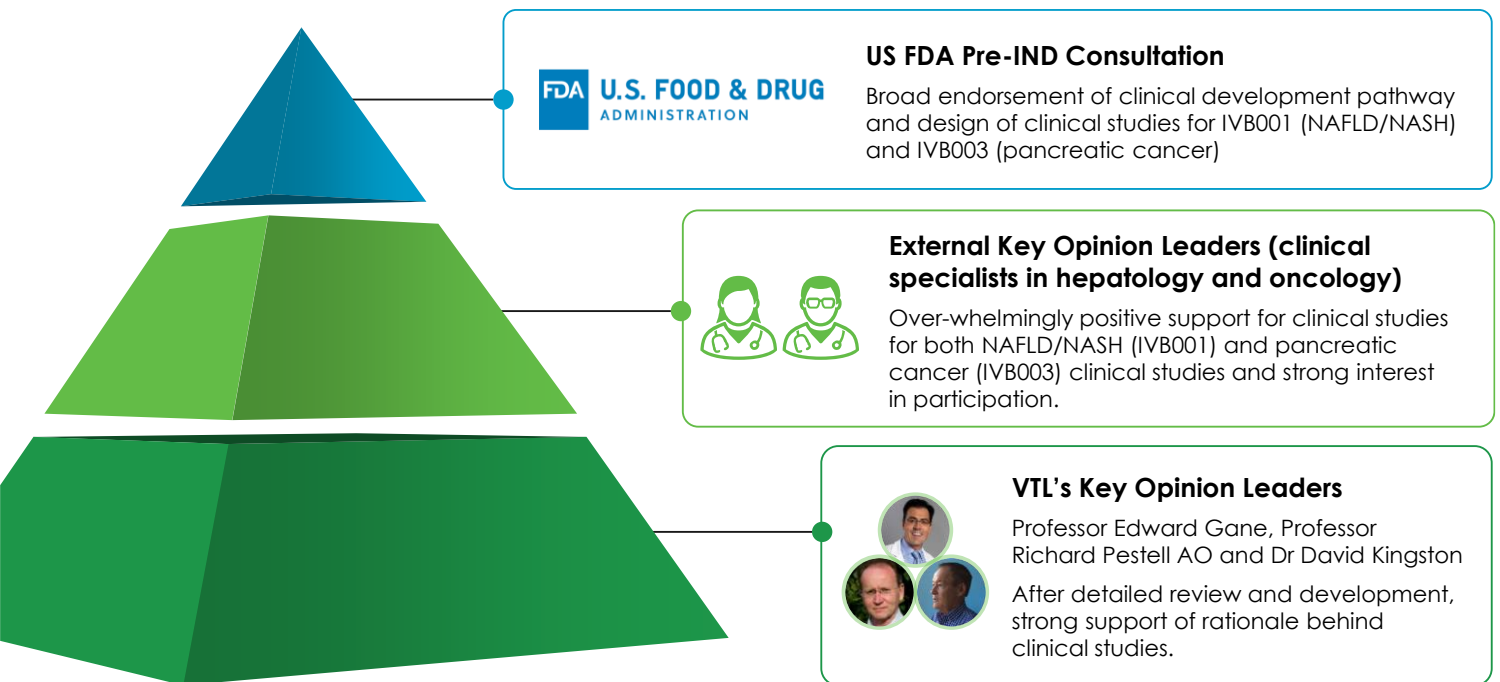
Richard was formerly the President and Chief Operating Officer of MusclePharm Corp in the US where he was responsible for managing over 50,000 retail outlets in over 100 countries and sales growth from US\$67M to US\$167M in three years. Bringing nutraceutical products to the market is a passion for Richard and something he obviously does extremely well so VTL is lucky to have him taking care of our international nutraceuticals business. In highly competitive markets like the US, you need a dedicated champion to succeed – Richard is VTL's champion.

Introducing our Chief Scientific Officer and Chair of the Scientific Advisory Board



Dr David Kingston is VTL's Chief Scientific Officer and Chair of our Scientific Advisory Board. David worked at Roche Pharmaceuticals for over 30 years culminating in the role of Medical Director for Roche Australia and a member of the Global Leadership Team (Clinical) of Roche/Genentech. David has taken over 40 new pharmaceutical products from the laboratory to the clinic and then to the market. He has extensive, real-world experience in Phase I to Phase IV clinical studies as well as preclinical studies. It is difficult to imagine a better person to lead VTL's drug development program.

VTL'S CLINICAL DEVELOPMENT PROGRAM



As a shareholder (or a future shareholder) I am sure you would be pleased to know that VTL's clinical development program has been extensively validated. Key Opinion Leaders (KOLs) on our own Scientific Advisory Board like Professor Richard Pestell AO and Professor Ed Gane together with external KOLs who will be leading our clinical studies have given our clinical development strategy for both NAFLD and Pancreatic Cancer overwhelmingly positive feedback. It is noteworthy that the US FDA has broadly endorsed our clinical development strategy for both indications through a formal Pre-IND Consultation process. You can have confidence that VTL's drug development program has been extensively validated by experts in the field.

WHY NAFLD?

NAFLD has no approved treatment which creates a great unmet need and the market is huge and growing rapidly (worth about US\$20-35B by 2025).

Tocotrienols are strong antioxidants, have anti-fibrotic activity and distribute preferentially to the liver. They address multiple steps in the cascade of NAFLD and have been shown to be efficacious when delivered orally in clinical studies. VTL believes that by improving the delivery of the tocotrienols using our patented delivery platforms, even better results could be seen.

"Tocotrienols address multiple steps in the NAFLD/NASH cascade including the abnormal retention of fat in liver cells (steatosis), the inflammation caused by the steatosis and the generation of scar tissue (fibrosis/cirrhosis) that results from inflammation.

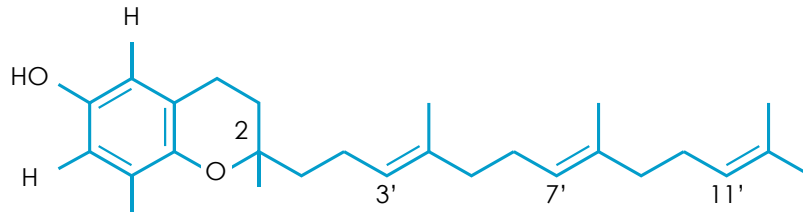
Clinical studies in another group have demonstrated that orally delivered tocotrienols have shown efficacy in addressing NAFLD/NASH. By delivering the tocotrienols directly and in a non-invasive way using VTL's transmucosal delivery platform, we are exploring an exciting potential new therapy for NAFLD/NASH.

The non-invasive delivery method maximises patient compliance which is really important for a chronic disease like NAFLD/NASH."

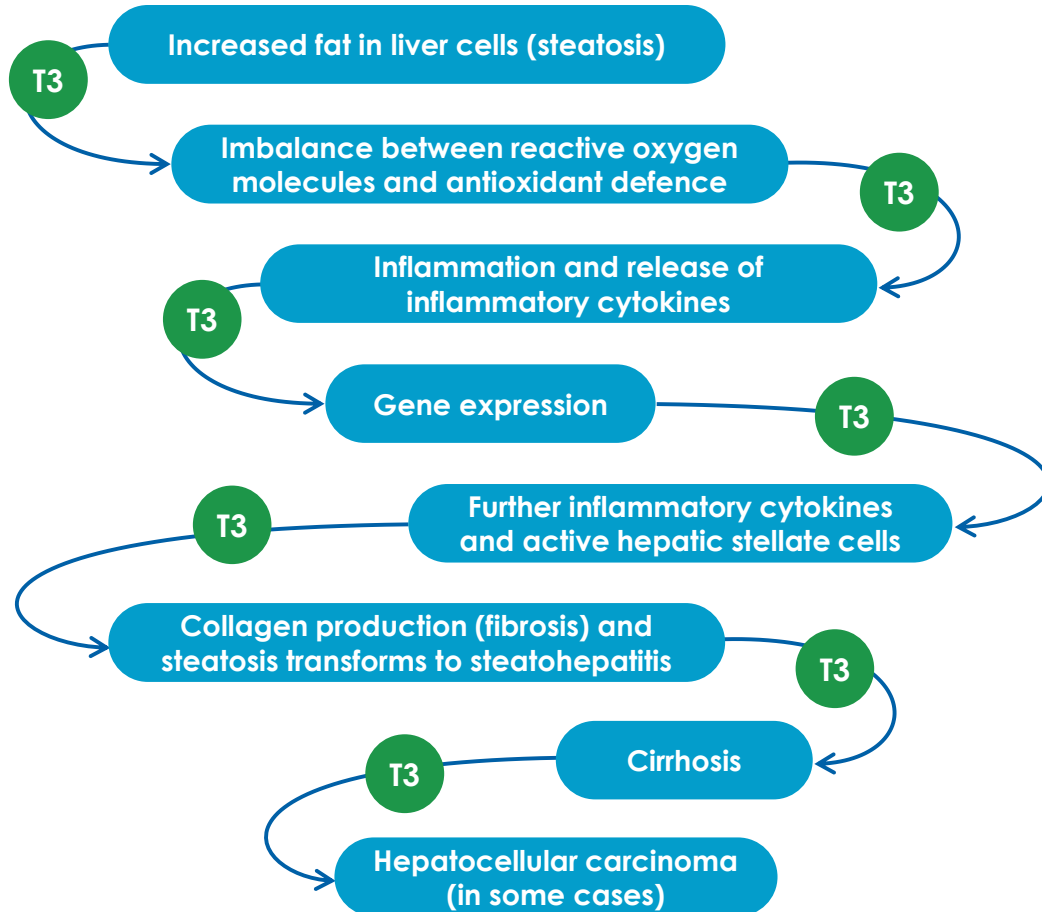


Professor Edward Gane

MBCHB, MD, FRACP, MNZM, FRSNZ, international expert on hepatology and Member of VTL's Scientific Advisory Board



Tocotrienols (T3) bolster the antioxidant defence at multiple points in the inflammatory cascade to help combat disease progression.



Ref: Hanza El Hadi et al. Antioxidants (Basel) 2018 Jan; 7(1):12. & (Magosso,E et al. Nutrition J. 2013.12:166)

Ref: <https://www.nature.com/articles/d41586-017-06926->

WHY PANCREATIC CANCER?

The currently available approved treatments for pancreatic cancer offer only incremental improvements to the quality of life and longevity of the patients so this is a great unmet need. The market is sizable (US\$4.2B by 2025), yet this is only an orphan indication which opens up some accelerated pathways and distinct regulatory and marketing advantages. Tocotrienols delivered orally have been shown to induce apoptosis (it triggers programmed cell death in cancer cells) and

inhibits metastasis (it slows down/stops cancer cells from spreading). VTL's improved delivery technology has the potential to improve the efficacy of the tocotrienols for pancreatic cancer.

"For pancreatic cancer patients, tolerance of the chemotherapy is often low because of debility and nausea and vomiting in these patients who may have had abdominal surgery and have malabsorption. VTL's TransT3 and TPD platforms for delivery of T3s have the potential to circumvent the issue of malabsorption of chemotherapies."

"T3s delivered using VTL's TransT3 and TPD platforms have the potential to provide a specific type of opportunity in treatment of human pancreatic cancer. A growing body of evidence has shown cancer stem cells within a tumor may give rise to therapy resistance and metastasis. Recent studies have shown that T3 treatment inhibits the growth of pancreatic cancer stem cells. Assessment of VTL's TransT3 and T3 prodrugs impact on pancreatic cancer stem cells in preclinical studies has the potential to provide a valuable new opportunity to impact pancreatic cancer mortality."

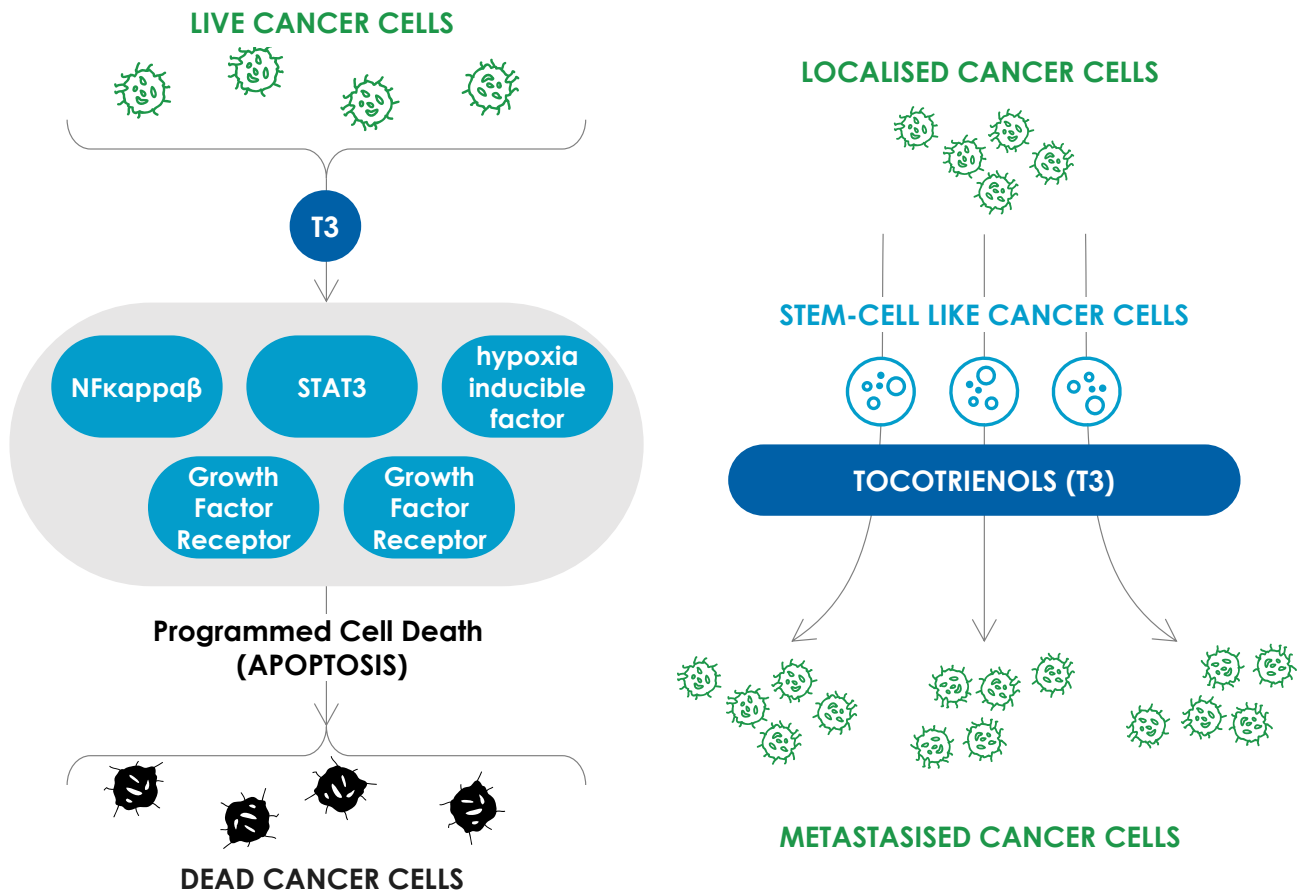
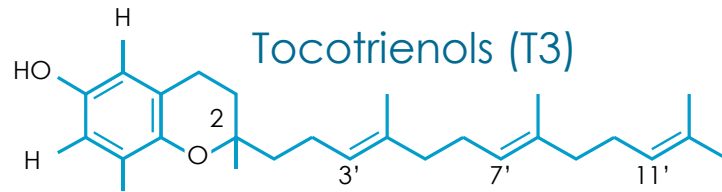


Professor Richard Pestell AO

MD, PhD, MBA, FACP, FRACP, world-renowned cancer research scientist and physician and Member of VTL's Scientific Advisory Board

"The global **pancreatic cancer treatment market** is expected to reach USD 4.2 billion in 2025, according to a report by Grand View Research, Inc. ...growing geriatric population is also expected to drive the growth during the forecast period."

Ref: <https://www.prnewswire.com/news-releases/pancreatic-cancer-treatment-market-size-worth-42-billion-by-2025-grand-view-research-inc-616104473.html>



Tocotrienols inhibit pancreatic cancer by inducing apoptosis (programmed cell death) and inhibiting metastasis (spreading of cancer cells) (Sailo et al 2018)

Ref: <https://www.prnewswire.com/news-releases/pancreatic-cancer-treatment-market-size-worth-42-billion-by-2025-grand-view-research-inc-616104473.html>

PITT STREET RESEARCH ISSUES INITIATION REPORT ON VTL

VTL is pleased to announce an Initiation Report issued by Pitt Street Research that brings focus from one of the Australia's most experienced research analysts in the biotechnology industry.

Founder and senior analyst of Pitt Street Research, Stuart Roberts, reviews the value proposition which VTL presents and how VTL's drug development and nutraceuticals business will add considerable value to the company. Mr Roberts also considers how similar companies have successfully commercialised pharmaceutical products derived from natural sources.

We thank Mr Roberts for taking time to consider VTL and compile this valuable report and recommend that you read the report to find out more about VTL.

Access the link here: <https://www.pittstreetresearch.com/vgi-health-technology>.

