

PharmAust enters option to license agreement with Elanco for dog cancer treatment

18 April 2018 – Perth, Australia: PharmAust Limited (ASX:PAA), a clinical-stage oncology company, is pleased to announce it has entered into an Option Agreement with Elanco US Inc (“Elanco”) to develop monepantel as a novel therapy to treat cancer in dogs.

Under this agreement, Elanco will supply PharmAust with GMP-grade monepantel for use in clinical trials in dogs to determine the anti-cancer potential of the drug. Under the agreement, PharmAust has granted Elanco an option (“the Elanco Option”) to negotiate for an exclusive, worldwide royalty bearing commercial licence to use PharmAust’s intellectual property in the field of treatment of cancer in animals.

PharmAust will manage clinical trials that will assess the efficacy and safety of monepantel in dogs diagnosed with various cancers. PharmAust will also fund the costs of the clinical trials and will provide Elanco with regular updates including a final report at the end of the study.

Key features of the Agreement include:

- The parties are Elanco US Inc and Pitney Pharmaceuticals Pty Limited, a wholly owned subsidiary of PharmAust;
- Elanco will supply PharmAust with GMP-grade monepantel for use in its planned clinical trials in dogs;
- PharmAust has granted Elanco an option to negotiate for an exclusive, worldwide royalty bearing commercial licence to use PharmAust’s intellectual property in the field of treatment of cancer in animals;
- The Elanco Option will continue for a period ending six months after receipt of the final report for the relevant canine trial that is the subject of the Option Agreement
- Upon Elanco’s exercise of the Elanco Option, the parties shall enter into a negotiation period not lasting more than six months to agree the terms of the license agreement, including commercial payments to PharmAust. Should Elanco not proceed to exercise the option PharmAust will be free to seek alternative commercialisation partners.

PharmAust CEO, Dr Richard Hopkins commented “We are delighted to have entered into this agreement with Elanco, which helps build a relationship with a potential commercial partner. The agreement also secures PharmAust with supply of GMP-grade monepantel for use in clinical trials for dogs with cancer.”

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About PharmAust (PAA):

PAA is a clinical-stage company developing targeted cancer therapeutics for both humans and animals. The company specialises in repurposing marketed drugs lowering the risks and costs of development. These efforts are supported by PAA's subsidiary, Epichem, a highly successful contract medicinal chemistry company which generated ~Aus\$3.05m in revenues in the 2017 FY

PAA's lead drug candidate is monepantel (MPL), a novel, potent and safe inhibitor of the mTOR pathway - a key driver of cancer. MPL has been evaluated in Phase 1 clinical trials in humans and dogs. MPL treatment was well-tolerated and produced a significant reduction in key prognostic biomarkers. PAA is uniquely positioned to commercialise MPL for treatment of human and veterinary cancers as it advances the drug into Phase 2 clinical trial.