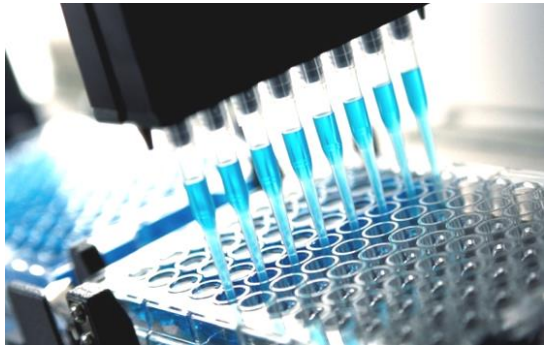
A Next Generation Stem Cell Company

Dr Ross Macdonald, CEO, Cynata Therapeutics Limited

February, 2015

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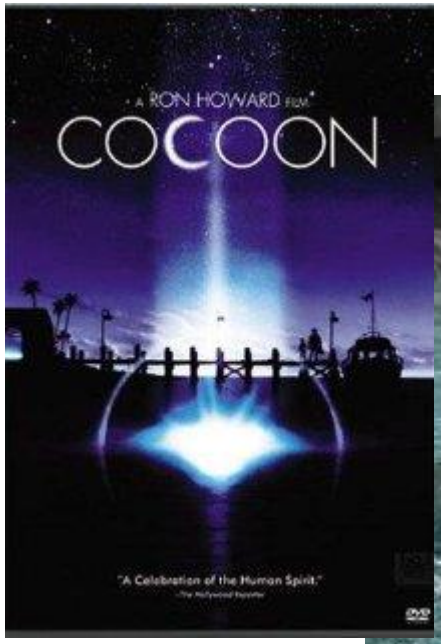
Cynata Therapeutics Ltd Key Facts

ASX:	**CYP**
Commenced Operations:	**November, 2013**
Market Cap (20 Feb 15):	**A$58m**
Shares on Issue:	**66.0m**
Cash (30 Dec 14):	**A$6.2m (~24 months runway)**
Number of shareholders:	**~1150**
Business focus:	**Regenerative medicine: mesenchymal stem cells**

Major holders:	Celtic Capital Pte Ltd	4.01%
	Mr Ian Dixon	3.61%
	Prof Igor Slukvin	3.61%
	John W King Nominees Pty Ltd	2.84%
	Top 25 shareholders	*50%*

+ 5,000,000 27/9/18 unlisted $0.40 restricted options, 50% to each of RM and SW, vesting upon attainment of performance hurdles

Regenerative Medicine



Why are Mesenchymal Stem Cells Important?

Mesenchymal Stem Cell (MSC) therapies are here and now:

Spinal cord injury	Neurodegenerative diseases (eg MS)
Eye diseases (eg AMD)	Chronic wounds
Stroke	Myocardial infarction (heart attack)
Graft-versus-host disease (GvHD)	Bone fracture; cartilage repair
Osteoarthritis	++++

- ~280* open clinical studies using MSCs in areas of major unmet medical need, eg stroke:
  - US market for stroke therapies estimated to approach $1b by 2017[1];
  - cost of strokes in US: $39b p.a. with 795,000 patients p.a.[2]
- Particular relevance to chronic diseases of ageing
- Profound legislative changes to expedite stem cell therapies (eg Japan)

*www.clinicaltrials.gov

1. GlobalData: Acute Ischaemic Stroke Market Value 2013
2. US Centre for Disease Control and Prevention

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Cynata's Stem Cell Manufacturing Breakthrough

- Cynata recently announced the validation of its Cymerus™ MSC manufacturing technology for therapeutic scale-up: **so what?**
- Currently, commercial-scale manufacture of MSC products is a major practical & regulatory challenge
  - Donor reliance: different donor = different stem cell = different product
  - Invasive procedure: eg bone marrow extraction
  - Limited expansion potential: supply constraint
  - Impure MSC populations: immunogenicity

= <u>inconsistent clinical results, low margins and regulatory uncertainty</u>

Cynata's Cymerus™ technology facilitates commercial-scale manufacture of a consistent, reproducible product:

… "better, cheaper, faster"

Cymerus™: World-first MSC Manufacturing Technology

- Completion of tech transfer at Waisman Biomanufacturing:

From the lab bench….to:

GMP process development, scale-up, validation, documentation

WAISMAN BIOMANUFACTURING

- Confirmation that the Cymerus™ process can be scaled-up, enabling reproducible manufacture of a consistent MSC product in a GMP environment
- Manufacture of MSCs for clinical program now underway

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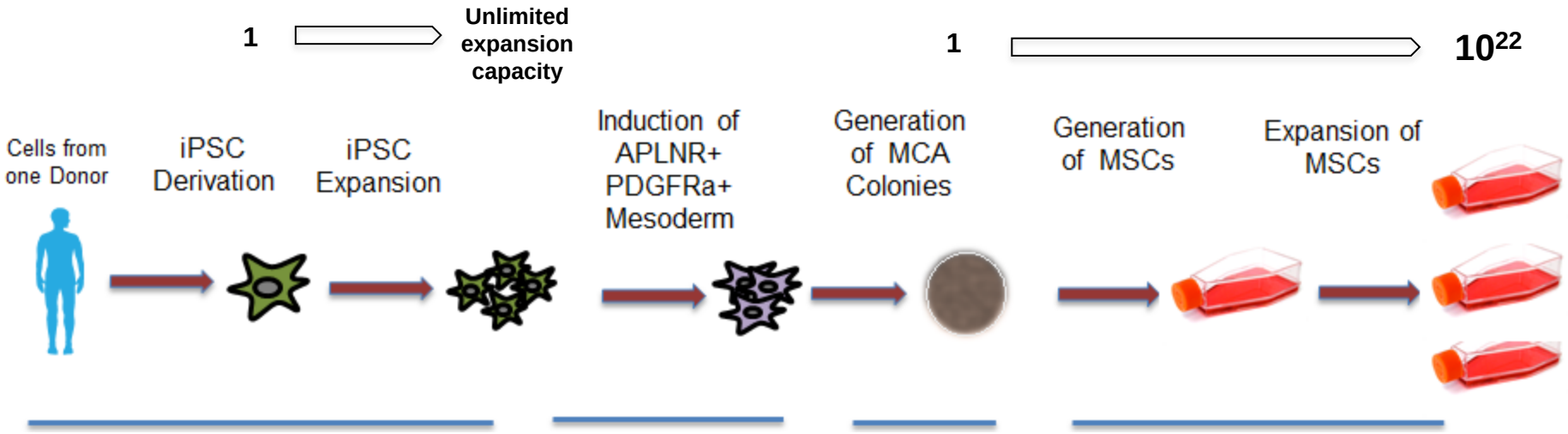
Cynata's Stem Cell Manufacture (Cymerus™)



- No more cottage industry: commercial scale manufacture
- Unlimited MSC stem cell doses from single, one-time donor
- Reproducible, clinical grade premium quality MSCs
- Consistent quality = consistent efficacy = pharmaceutical product

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Manufacturing issues attracting global attention

Cytotherapy, 2013; 15: 2–8

International Society for Cellular Therapy ISCT®

REVIEWS

The mesenchymal stromal cells dilemma—does a negative phase III trial of random donor mesenchymal stromal cells in steroid-resistant graft-versus-host disease represent a death knell or a bump in the road?

JACQUES GALIPEAU

Departments of Hematology & Medical Oncology and Pediatrics, Emory University Winship Cancer Institute, Atlanta, Georgia, USA

"the most egregious divergence between [commercial and academic MSC products] is the scale of product expansion. The industrialization of MSC manufacturing has favoured the production of large lots of 10,000 doses from each volunteer donor"

"the hypothesis that cells approaching replicative exhaustion are functionally distinct from manufactured MSCs devoid of such exhaustion … may provide a mechanistically based rationale justifying use of modestly expanded MSCs for GvHD"

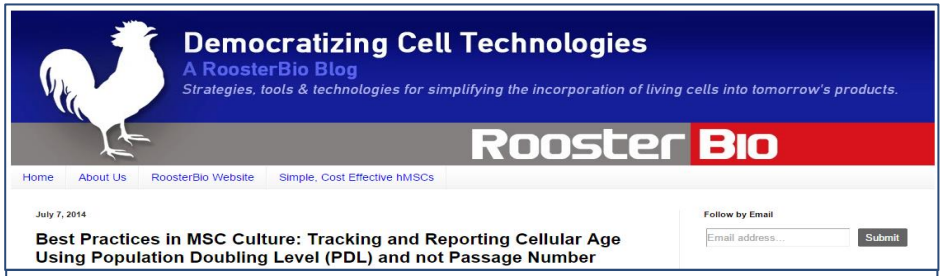
ASBMT American Society for Blood and Marrow Transplantation

CLINICAL RESEARCH

Long-Term Complications, Immunologic Effects, and Role of Passage for Outcome in Mesenchymal Stromal Cell Therapy

Lena von Bahr, Berit Sundberg, Lena Lönnies, Birgitta Sander, Holger Karbach, Hans Hägglund, Per Ljungman, Britt Gustafsson, Helen Karlsson, Katarina Le Blanc, Olle Ringdén**

"[lower] number of MSC expansion passages could be correlated to both better response and better survival"

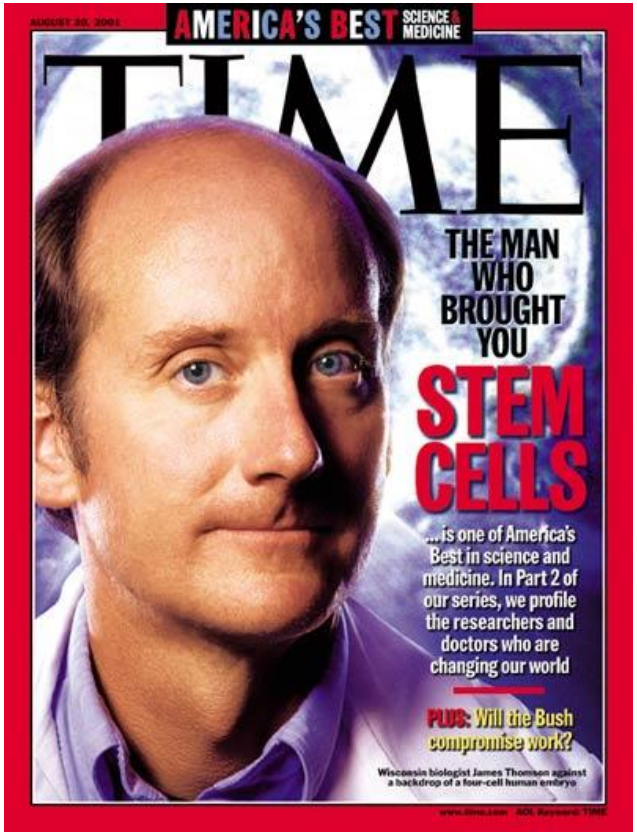


"it is well documented that cell phenotype and function can be compromised the older a cell is"

"the regulators are going to ask that you define experimentally, backed up with data, the maximum PDL that will be used for clinical use. Lack of data in this area will likely not keep one out of a Phase 1 trial, but the further the product progresses in development and the clinical pipeline, this type of information is typically mandatory"

Cynata's Cymerus™ : Outstanding Pedigree

THE UNIVERSITY of WISCONSIN MADISON



- Inventors include Dr James Thomson
  - In 1998 derived the first human embryonic stem cell line
  - 2007 derived human induced pluripotent stem cells
- Prof Igor Slukvin, co-founder and author of >70 publications in the stem cell field
- In-licensed intellectual property includes several issued US patents as well as a broad estate of issued and pending patents

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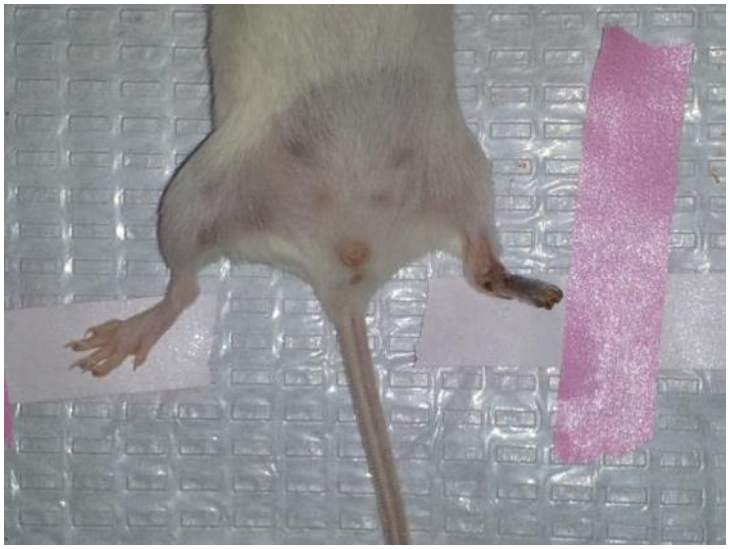
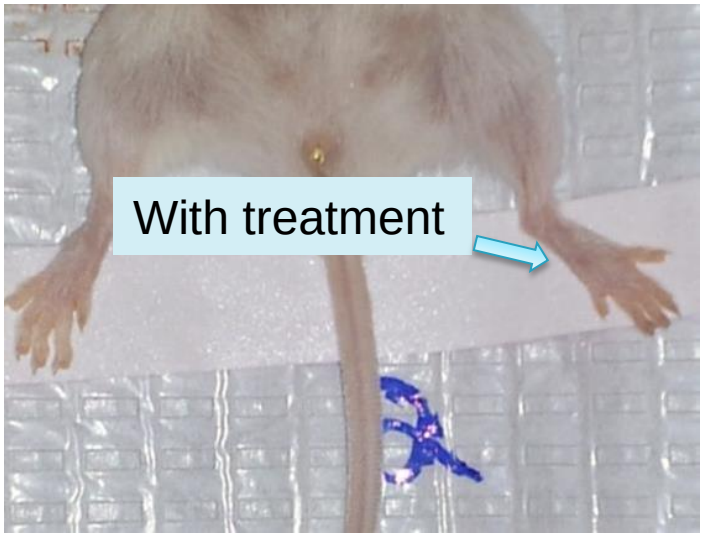
Cymerus™ Critical Limb Ischaemia Study

Control



Cymerus™ cells



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Stem Cell Company Market Valuations

Company	Mkt cap	Development stage	Partners	Cash[+]
Mesoblast (Aus)	$1.3b	5 x P3/P3 ready 1 x filed	Teva JCR Pharm	$150m
Asterias (USA)	$154m	1 x Ph1/2 ready	nil	$6.4m*
Cynata (Aus)	$27m	Manufacturing validated	pending	$6.2m

- Cynata capitalised well below comparable stem cell companies
- Cynata risk profile substantially lower
- Cynata only company able to manufacture a consistent, reproducible MSC product, independent of further stem cell donors

As at 18 Feb 2015

[+]most recent filings
*closed US$5.5m raise Feb 15
$ = AUD as converted

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Cynata Value Catalysts

- Recent achievements:
  - Validated manufacturing scale up and process development (Waisman)
  - In-licensed clinical grade iPSC line (CDI)
  - Further PoC study underway (following successful CLI study)
  - Regulatory review and roadmap
  - Partnerships (announced UWA)
  - Research coverage (Baillieu Host; BBY; both “buy” ratings)
  - Clinical trial logistics CRO
- Next steps:
  - Continued discussions with potential partners
  - Develop plans and schedule for clinical trial
  - Data from pre-clinical program and PoC study in GvHD model
  - Ongoing formal interaction with regulatory agencies (eg FDA)
  - Continued success of MSC-based therapeutics


BAILLIEU HOLST RESEARCH
30 May 2014

Baillieu Holst

Cynata Therapeutics (CYP)

INITIATION OF COVERAGE

Unlimited quantities of potent adult stem cells, no hassles

Path to Revenue

- Two routes to monetise the Cymerus™ technology

  - Make our own stem cell medicines (GvHD and others progressing): confirm efficacy; *cheaper, better, faster*
  - Capital efficient license-driven strategy: partner with big pharma/big biotech (in discussions); revenue through license fees, R&D payments and royalties; potential for M&A

- ***Cymerus™ = unlimited high quality stem cells for medicine***

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Cynata Board and Management

Executive Chairman:	**Dr Stewart Washer**
Managing Director & CEO:	**Dr Ross Macdonald**
VP Product Development:	**Dr Kilian Kelly**
Non-executive Director:	**Dr John Chiplin**
Non-executive Director and Company Secretary:	**Mr Peter Webse**

- A tight team with extensive industry, cell therapy and public company experience plus a track record of commercialising therapeutic products

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Why Invest Now in Cynata Therapeutics?

- Vibrant and expanding field of stem cell medicine
- Global demand for stem cell therapeutics (ageing population)
- Innovative technology from established & prestigious centre
- Cymerus™ overcomes critical shortcoming in commercial stem cell production
- Capital efficient, licensing-driven business strategy
- Experienced management team
- Value-accretive news flow expected in near term
- Potential revenues from therapeutic products and world-first platform technology

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Thank you for your attention

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