



PHOSPHAGENICS

*Commercialising a platform
delivery system: **TPM**[®]*

AusBiotech – October 2011

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Disclaimer

This presentation contains forward-looking statements based on current expectations of future events. If underlying assumptions prove inaccurate or unknown risks or uncertainties materialise, actual results could vary materially from Phosphagenics' expectations and projections. Risks and uncertainties include general industry conditions and competition; economic conditions, such as interest rate and currency exchange rate fluctuations; technological advances and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approvals; domestic and foreign health care reforms and governmental laws and regulations.

Company Overview

Phosphagenics Ltd is an ASX-listed life sciences company in the early stages of commercializing drug delivery applications based on its novel transdermal (drugs administered via skin) TPM® - Targeted Penetration Matrix technology.

Board & Management

Jonathan Addison (Chairman and Independent Director)

Harry Rosen (President & Chief Executive Officer)

Dr Esra Ogru (Chief Executive Officer)

Donald Clarke (Independent Director)

Stuart James (Independent Director)

Sandra Webb (Independent Director)

Key Statistics (as at September 2011)

ASX Code	POH
Current Share Price	16.5 cents
52 Week High / Low	19 / 9 cents
Shares on Issue	823 million
Market Capitalisation	\$135.8 million
Net Cash	\$6.3 million as of August

Share Price Performance



Major Shareholders

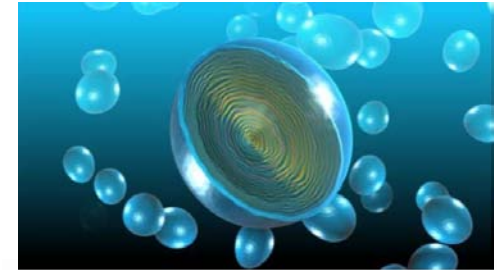
Holder Name	%
Orbis Global Equity Fund Limited	14.6
Paroha Nominees Pty Ltd	7.8
Jogra Nominees Pty Ltd	6.1
Ross Copeland	5.6
Ingalls & Snyder LLC	4.1



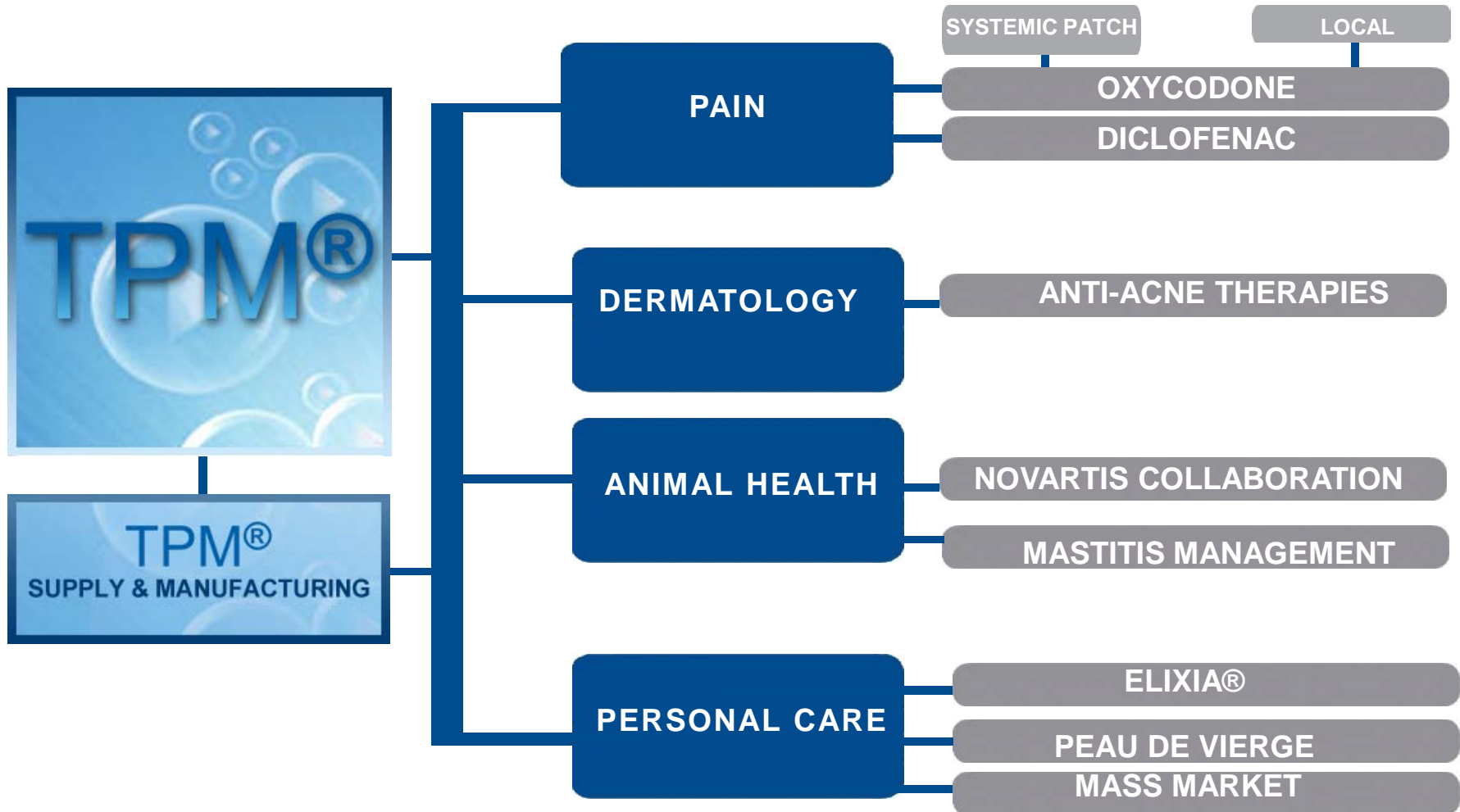
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TPM® Technology

- Phosphagenics is a world leader in transdermal drug delivery technology: TPM® - *Targeted Penetration Matrix*
- A drug delivery system with applications across multiple products and markets
- TPM® is a unique first in class topical (localised, non-systemic) and transdermal (into the blood via the skin) drug delivery system
- TPM® can deliver small and large molecules
- TPM® is a non-invasive & non-irritant drug delivery system
- TPM® is comprised of two active components both derived from Vitamin E
- Strong intellectual patent portfolio – 23 patent families
- TPM® has USA GRAS status★



Diverse Pipeline



TPM/Oxycodone Patch

- World's first transdermal oxycodone patch
- Global development partner 3M
- Multi-billion dollar global market
 - Oxycodone brand sales total \$3.5 billion
 - Oxycodone use in US has risen 866% in the last decade



3M

TPM/Oxycodone Patch

- Advantages of the TPM/oxycodone Patch
 - Steady - state drug delivery, therefore full control of break through pain
 - Twice weekly patch system compared to twice daily oral
 - Longer duration of action - less frequency of dosing
 - Controlled release - no euphoria
 - Controlled release – reduced onset of tolerance
 - Reduced side effects
 - Less abuse-able than oral tablet form
 - Clinician preferred
 - Improved patient compliance

Successful Collaboration with 3M

- Stage 1 completed May 2011
 - Technical transfer to 3M and patch optimisation
 - Improved delivery - up to 500% increase in oxycodone delivery
 - Twice weekly patch
- Stage 2 completed September 2011
 - Scale up in Minneapolis at 3M facilities
 - Preparation of clinical trial material
- Pivotal trials scheduled to start in November 2011
- 505(b)(2) regulatory strategy



Revenue Generating Cosmeceuticals

- TPM[®] technology underpins emerging range of Personal Care products and licensing deals
- Anti-aging and anti-cellulite products are current focus, other products in the pipeline
- Three-pronged strategy to grow revenue
 - License TPM[®] to high-end global cosmetic brands such as Le Métier
 - Develop mid-market wholly-owned brands ELIXIA[®] & BioElixia[™]
 - Seek licensing / partnership with global player in mass-market sector
- In 2010, the global sales for anti-aging and anti-cellulite cosmeceutical products were +USD20 billion



ELIXIA[®]



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ELIXIA[®]

- ELIXIA[®] launched in Australia May 2011:
 - \$2m sales achieved to-date
- *BioElixia*[™] to launch in Asia October 2011:
 - Distribution with A.S. Watson Group; +7,000 stores in Asia
 - Rapid store rollout in China

A.S. Watson Group
A Hutchison Whampoa Company

MYER

 pulse
PHARMACY

 TerryWhite chemists[®]

 TVSN
TV Shopping Network

 priceline
beauty health wellbeing

 VITAMINME



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Value Drivers

- Multiple value drivers at play – Pharmaceutical and Personal Care business
 - License TPM/oxycodone patch following completion of Phase 3 for chronic pain
 - Licensing of other products, ie TPM/diclofenac topical formulation
 - Multiple licensing and partnership arrangements within Personal Care – mass market, high-end and joint venture
- Creating value by leveraging TPM[®] platform into multiple market segment and creating global strategic alliances
- Positive cash flow and sales trends within Personal Care
- Manufacturing and sale of TPM[®] for use in drugs, Personal Care products, foods and supplements for humans and animals



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