PharmAust LIMITED

ASX: PAA

ACN 094 006 023

Investor Presentation
AGM 2016

November 2016

Disclaimer

DISCLAIMER

This presentation has been prepared by PharmAust Limited (ASX: PAA) (ACN: 094 006 023) (the "Company"). It does not purport to contain all the information that a prospective investor may require in connection with any potential investment in the Company. You should not treat the contents of this presentation, or any information provided in connection with it, as financial advice, financial product advice or advice relating to legal, taxation or investment matters.

No representation or warranty (whether express or implied) is made by the Company or any of its officers, advisers, agents or employees as to the accuracy, completeness or reasonableness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this presentation or provided in connection with it, or any omission from this presentation, nor as to the attainability of any estimates, forecasts or projections set out in this presentation.

This presentation is provided expressly on the basis that you will carry out your own independent inquiries into the matters contained in the presentation and make your own independent decisions about the affairs, financial position or prospects of the Company. The Company reserves the right to update, amend or supplement the information at any time in its absolute discretion (without incurring any obligation to do so).

Neither the Company, nor its related bodies corporate, officers, their advisers, agents and employees accept any responsibility or liability to you or to any other person or entity arising out of this presentation including pursuant to the general law (whether for negligence, under statute or otherwise), or under the Australian Securities and Investments Commission Act 2001, Corporations Act 2001, Competition and Consumer Act 2010 or any corresponding provision of any Australian state or territory legislation (or the law of any similar legislation in any other jurisdiction), or similar provision under any applicable law. Any such responsibility or liability is, to the maximum extent permitted by law, expressly disclaimed and excluded.

Nothing in this material should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in the Company.

FUTURE MATTERS

This presentation contains reference to certain intentions, expectations, future plans, strategy and prospects of the Company. Those intentions, expectations, future plans, strategy and prospects may or may not be achieved. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. The performance and operations of the Company may be influenced by a number of factors, many of which are outside the control of the Company. No representation or warranty, express or implied, is made by the Company, or any of its directors, officers, employees, advisers or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved.

Given the risks and uncertainties that may cause the Company's actual future results, performance or achievements to be materially different from those expected, planned or intended, recipients should not place undue reliance on these intentions, expectations, future plans, strategy and prospects. The Company does not warrant or represent that the actual results, performance or achievements will be as expected, planned or intended.

US DISCLOSURE

This document does not constitute any part of any offer to sell, or the solicitation of an offer to buy, any securities in the United States or to, or for the account or benefit of any "US person" as defined in Regulation S under the US Securities Act of 1993 ("Securities Act"). The Company's shares have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any US person without being so registered or pursuant to an exemption from registration including an exemption for qualified institutional buyers.

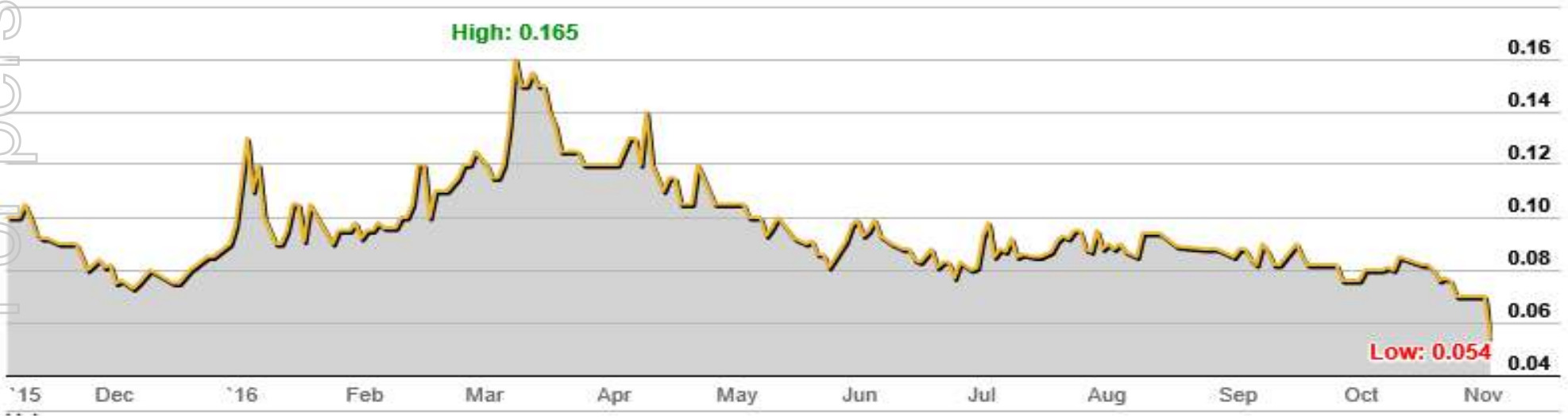
Financial Snapshot

PharmAust Limited	
ASX Code	PAA
Shares on Issue	92.5 million
Market Cap. (at 7c per share)	$6.5 million
Cash (30 Sep 2016)	$423k
R&D Tax Incentive Application	$406k
Debt	$562k
Epichem Annual Sales (est)	**$2.4 million**

Shareholders	
Professor David Morris	7.2%
Dr Roger Aston	5.7%
Top 20	48.9%

Board & Management	
Dr Roger Aston	Executive Chairman
Mr Robert C Bishop	Executive Director
Dr Wayne Best	Non Executive Director
Mr Sam Wright	Non Executive Director

1. Ex Price $0.16, Expiry Date 3 September 2018



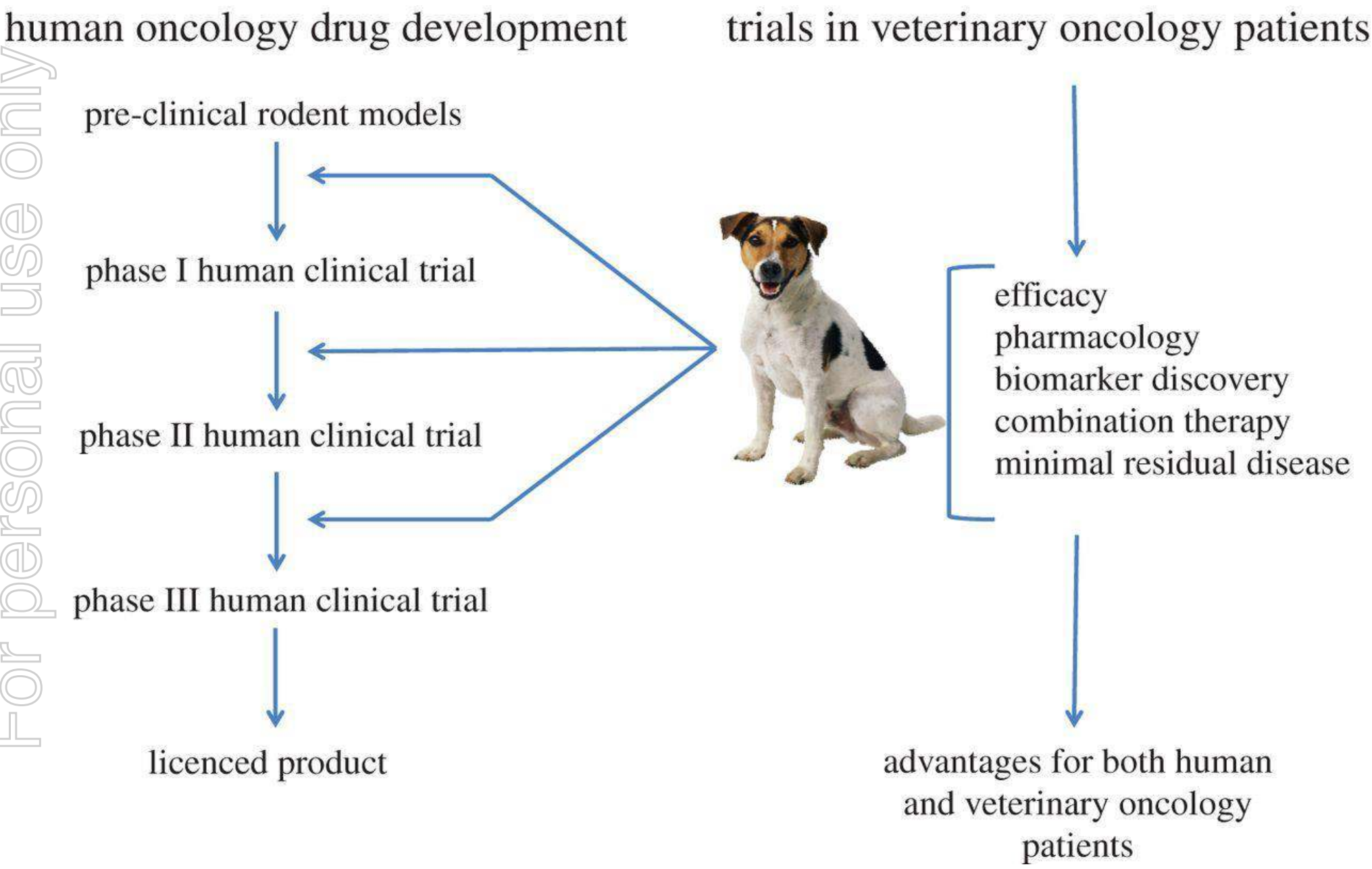
Business Overview

Proprietary Technology	• MPL Approved for Vet (Novartis Animal Health) • Patents for use in cancer PharmAust
Option with Novartis Animal Health	• Efficacy in Canine Cancer -> Option Exercise
Epichem Contract Sales	• 2016 - $2.4M • 2017 - $3.0M
Phase II Canine	• Cambridge, Sydney & Brisbane
NASDAQ	• Underwriting Agreement Joseph Gunnar & Co LLC • Funding for Phase II MAN

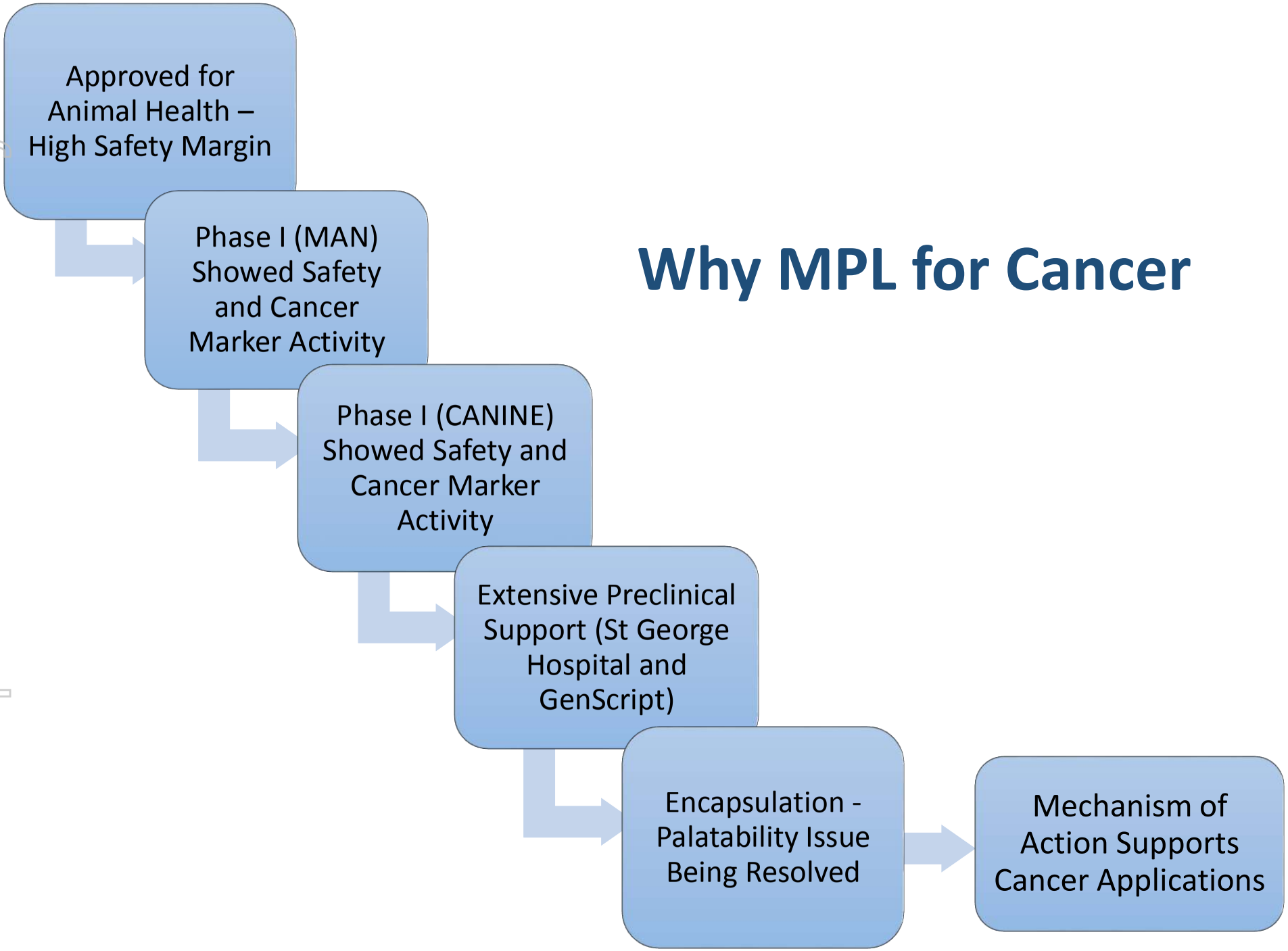
Key Drivers for 2017

- Phase II Outcome (Canine)
- Option Exercise by Novartis-Elanco
- NASDAQ Listing and Capital Raise
- Initiation Phase II (MAN)
- Growth of Epichem Business

Performance of MPL in Canines (Phase II (CANINES) Underpins Outcomes in PHASE II (MAN)



Why MPL for Cancer

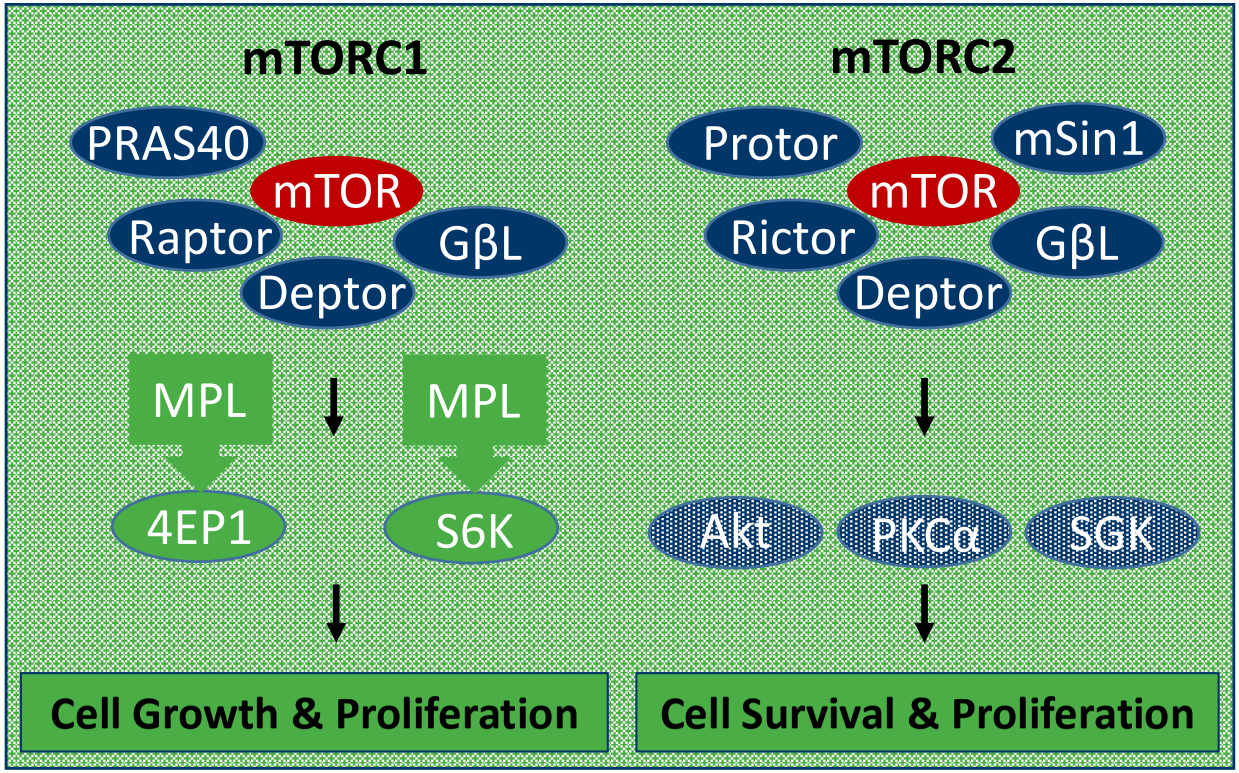


High s6k Correlates with Multiple Negative Outcomes

High s6k (p70s6k) in patients correlates with:

- ❖ Resistance to therapy
- ❖ Aggressive disease
- ❖ Poor prognosis
- ❖ High metastasis

Two complexes of mTOR
(mammalian target of rapamycin)



mTOR pathway depiction by:
Marc Dufour, Anne Dormond-Meuwly, Nicolas Demartines and Olivier Dormond
Cancers **2011**, *3*, 2478-2500; doi:10.3390/cancers3022478

Elevated p-RPS6KB1(p70s6k) is Associated with Poor Outcomes in Cancer

High p-RPS6KB1 in patients with colorectal, lung, ovarian, pancreatic and hepatic cancers correlates with:

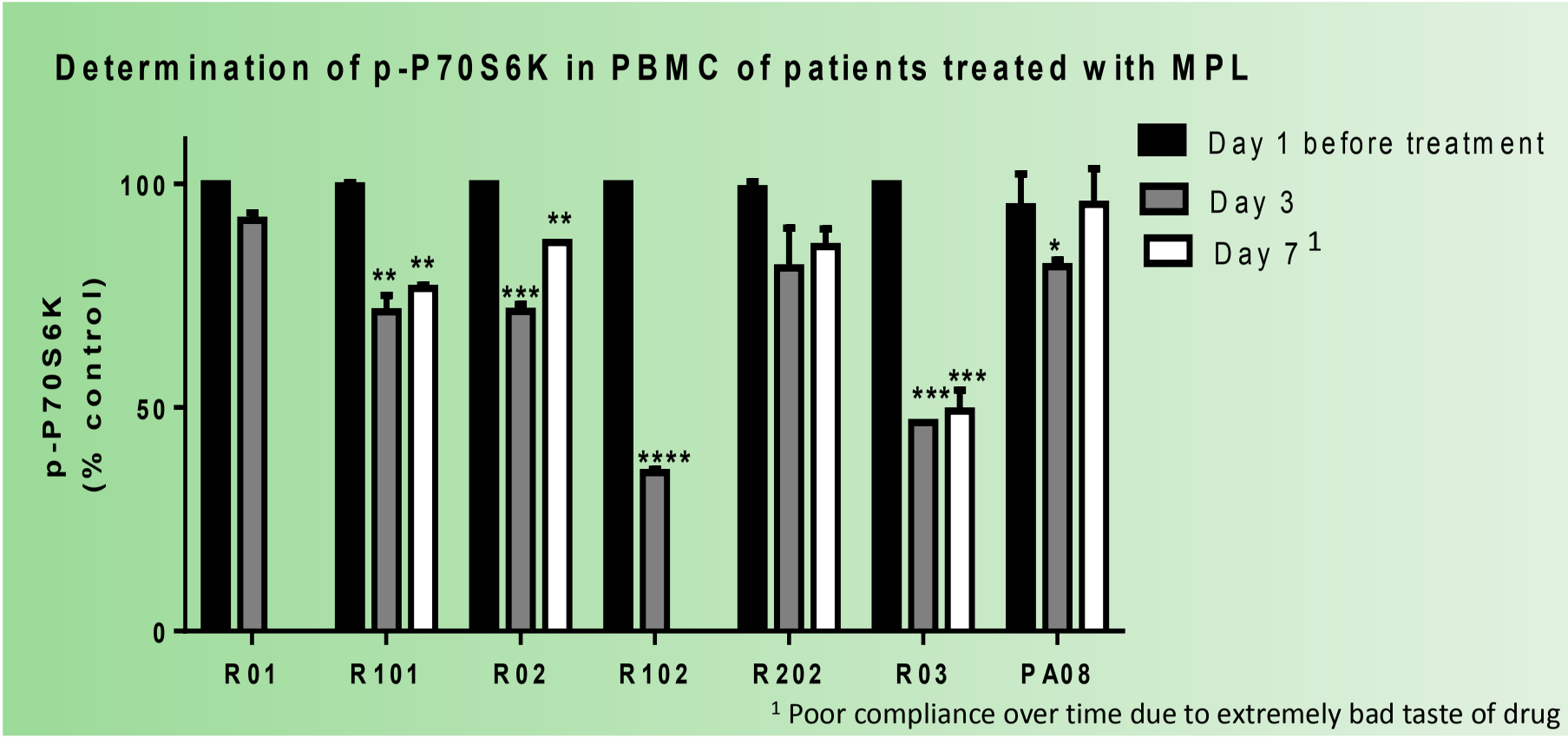
- Resistance to therapy
- Aggressive disease
- Poor prognosis
- High metastasis

1) Rapamune (Rapamycin) – sirolimus (Pfizer): kidney rejection – tested in cancers:
2015 sales = US $200 million

2) Afinitor - everolimus (Novartis): European Medicines Agency for renal cell carcinoma: 2015 annual sales = US $300 million

3) Torisel - temsirolimus (Pfizer): EMA approval for renal cell carcinoma
2015 annual sales = US $300 million

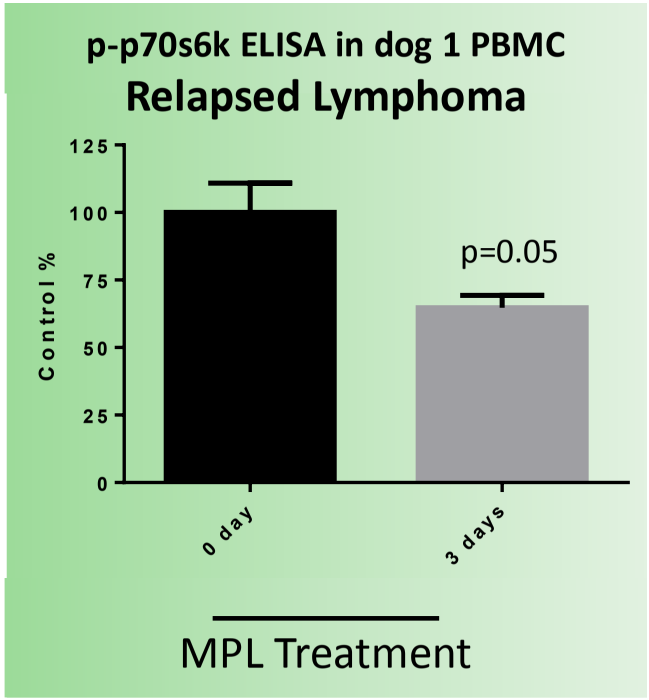
Suppression of p70s6k by MPL in Humans

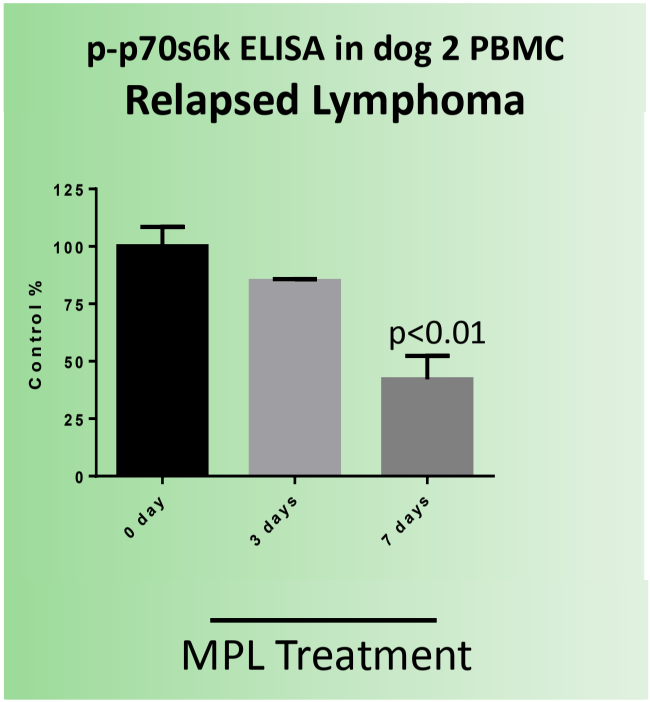


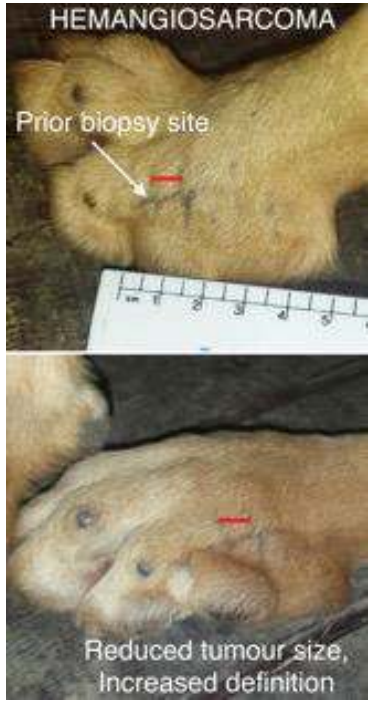
[1] Poor compliance over time due to extremely bad taste of drug

COMPARISON	SIGNIFICANT		p-VALUE
Day 1 vs. Day 3	Yes	***	0.0004
Day 1 vs. Day 7	Yes	**	0.0020

Suppression of p70s6k and tumour size and increased Quality of Life by MPL in Canines







8 dogs (Lymphoma, Melanoma, Adenocarcinoma, Osteosarcoma) – increased QOL but poor taste

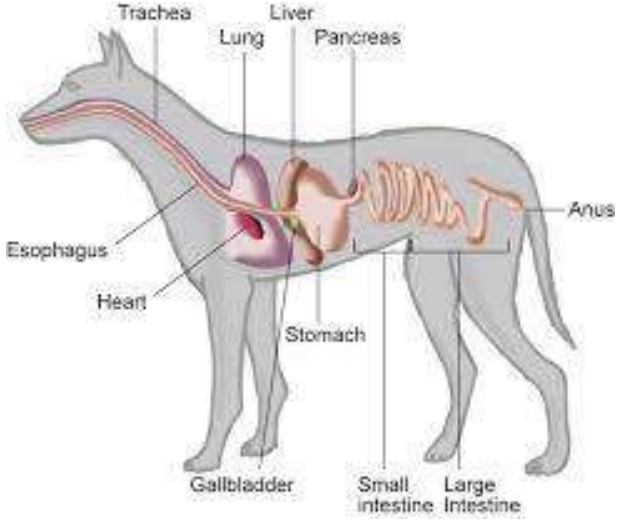
COMPASSIONATE USE CHEMOTHERAPY COMBINATION							
Dog	**Tumour Type**	**Capsule**	**Dose (mg/kg bw)**	**Combination Therapy**	**Duration (days)**	**Outcome**	**Safety Events**
Dog 1	Oral malignant melanoma nodal metastasis	Yes	3.5	Carboplatin, 250 mg/m2	28	PD	None
Dog 2	Appendicular OSA pumonary metastases	Yes	4.8	Carboplatin, 250 mg/m2	23	PD - anecdotal improved QOL	None

Canine Cancer Trial

Department of Veterinary Medicine, University of Cambridge, UK

Aims:

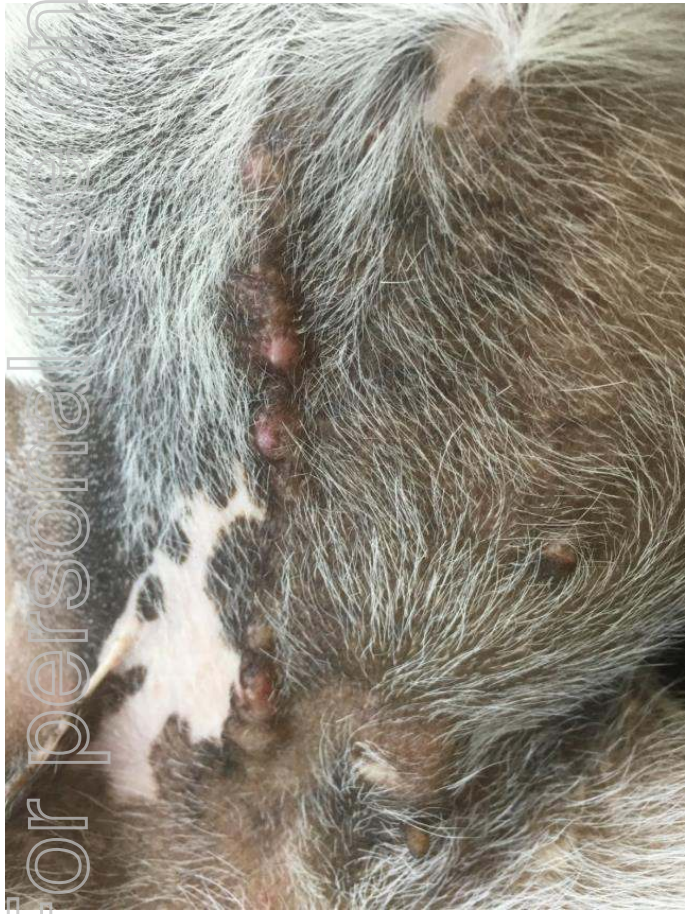
- Extend on Phase I canine cancer trial undertaken in Sydney which showed suppression of cancer marker p-Rps6kb1
- Demonstrate tumour regression or progression free survival
- Outcome trigger for Co-development with partner



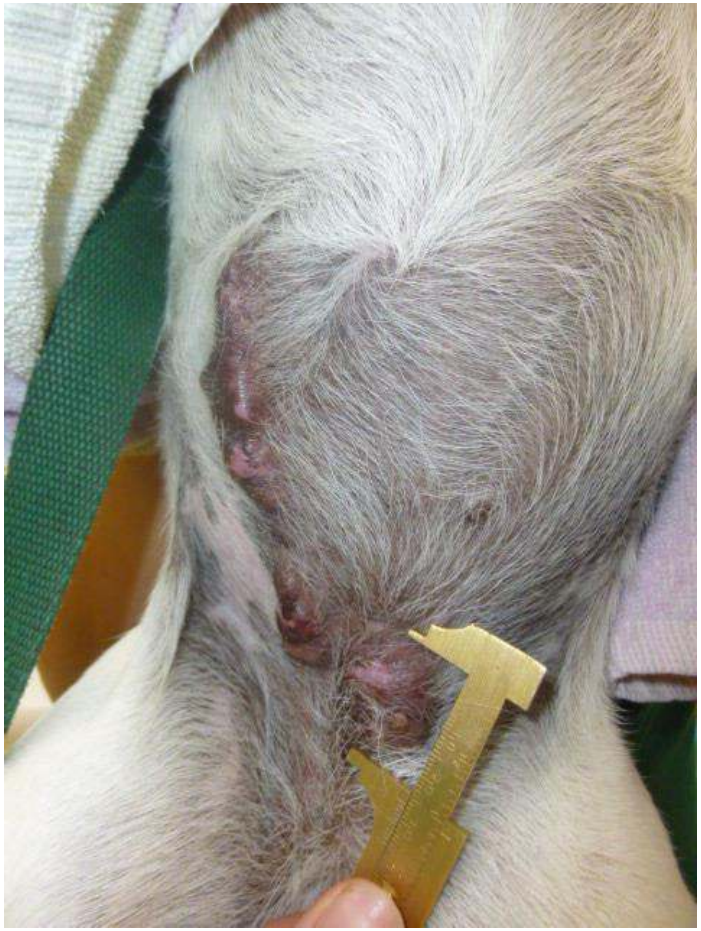
UNIVERSITY OF CAMBRIDGE

Effects of MPL in Canine Mammary Cancer

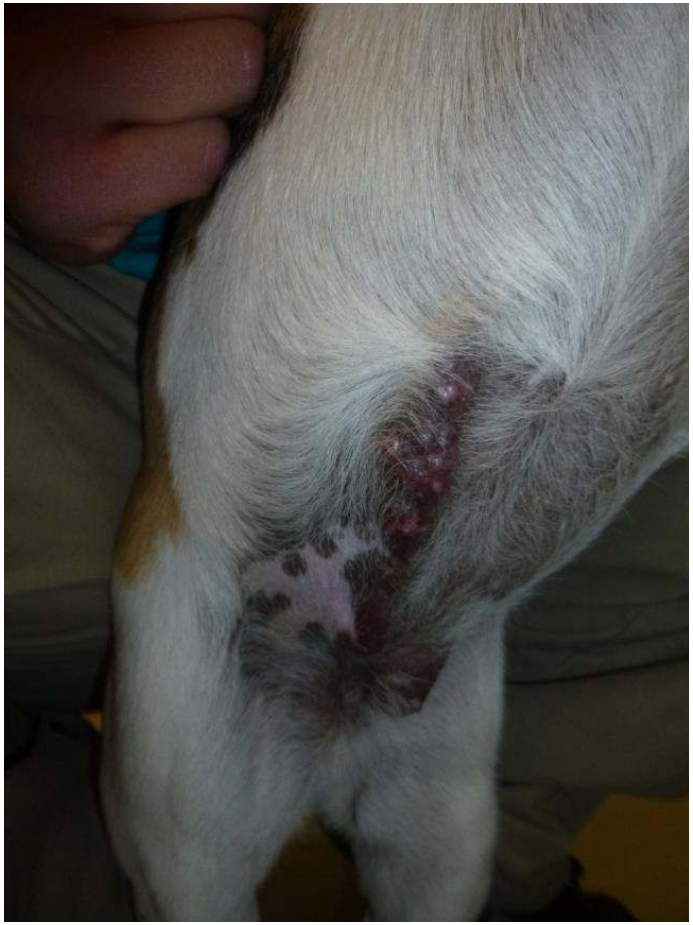
Pretreatment 1.9.16



4 Weeks 29.9.16



8 Weeks 27.10.16



Progressive Disease → Progressive Disease → Stable disease

Major palatability drawback of MPL in human and Canine Trials being Resolved by Encapsulation

GMP
Reformulation of MPL into capsules ready for Phase II

Compliance for more than 3 days of treatment in both man and canines was challenging in Phase I due to the remarkably foul taste of the MPL (Zolvix) liquid formulation manufactured by Novartis.

In Summary

MPL Achieved Key Preclinical and Clinical Endpoints

1. **Safety** – Excellent safety profile as predicted from pre-clinical models
2. **Active dose** – Identified dosage of MPL from effects on cancer markers in man
3. **Efficacy** – Determined efficacy by markers and effects on tumours (p70s6K and p4E-BP-1)
4. **Synergy** – Demonstrated synergy in mouse model systems with many cytotoxic drugs currently in use

Potential for MPL Performance in Phase II (MAN)

- Success in Phase II Canine Trials will Underpin Expectations in Phase II (MAN)
- Reformulation of MPL into Dry Powder in Capsule for Trial in MAN
- Exploratory Phase II Canine Trial will provide guidance on:
  - Types of Cancer ideally suited to MPL Therapy
  - Whether to use with Chemotherapy
  - Stage of Progression for Treatment

In Summary

- Novartis Animal Health registered Zolvix (MPL) for the treatment of parasitic diseases in animals
- Extensive manufacturing and toxicology already established by global major pharma company
- Over 50 MPL analogues are available for development and jointly owned with Nihon Nohyaku
- PharmAust holds patents on the use of MPL and other amino-acetonitriles (AADs) in cancer
- Epichem has synthesized further novel compound of MPL for PharmAust
- Underwritten US Listing and Fund-Raise in 2017 to support Phase II (MAN)

Experienced Management

Dr. Roger Aston, Executive Chairman

Dr Aston is both a scientist and seasoned biotechnology entrepreneur, with a successful track record in both fields. Previously at Wellcome Research Laboratories, Peptech, Cambridge Antibody Technology, QinetiQ, pSivida, Clinuvel, HalcyGen and Ascent Pharma Health. More recently CEO of Mayne Pharma Group.

Robert Bishop, Executive Director

30 years experience in corporate finance and equity capital markets both as a lawyer and an investment banker.

Dr. Wayne Best, Director

30 years experience in synthetic and medicinal chemistry both in academia, government and industry. He is also the Managing Director of PharmAust's subsidary Epichem Pty Ltd.

Sam Wright, Director & Company Secretary

20 years experience in the pharmaceutical, biotech and healthcare industry. Extensive experience in the administration of ASX listed companies, corporate governance and corporate finance.

PharmAust LIMITED

SAM WRIGHT
Director & Company Secretary
sam@pharmaust.com
Phone: 61 (0) 408 900 277

DR ROGER ASTON
Executive Chairman
rogeraston@pharmaust.com
Phone: 61 (0) 402 762 204

ASX: PAA

ACN 094 006 023