ASX/Media Release

7 January 2018

Botanix presents at San Francisco Dermatology Summit

- Botanix presented at the annual Dermatology Summit, as part of the JP Morgan Healthcare Conference in San Francisco, California
- Botanix showcased the BTX1503 acne program and highlighted plans for early Q1 data availability
- Botanix also engaged with several large dermatology companies on potential collaborative commercial opportunities for the Permetrex™ technology

San Francisco, 7 January 2018: Medical dermatology company Botanix Pharmaceuticals Limited (“Botanix” or the “Company”) is pleased to release a new investor presentation, which the Company presented at the 2018 Dermatology Summit meeting in San Francisco, California on 7 January 2018, as part of the JP Morgan Healthcare Conference week.

The presentation at the Dermatology Summit was used as a platform to provide potential partners and key industry opinion leaders with an update on the Company’s lead acne program BTX 1503. Substantial interest was generated in anticipation of the first patient data, which is scheduled for early Q1 CY2018. A successful outcome in this Phase 1b patient study will open up a range of opportunities for Botanix, given the lack of new FDA drug approvals for acne in the last 20 years and will also substantially de-risk the broader Botanix dermatology focused pipeline.

Botanix was also able to highlight the progress of its second clinical program for the treatment of atopic dermatitis (BTX 1204), which is rapidly enrolling across 4 clinical sites in Australia. Data from the BTX 1204 study is planned to be available in Q2 2018.

During the Summit, Botanix engaged with several global pharmaceutical companies that have an interest in utilizing the Permetrex™ drug delivery technology for their own development programs that have experienced challenges in clinical studies. Botanix is currently collaborating with a number of specialist dermatology and general pharmaceutical companies with the Permetrex™ formulation technology and expects to continue to generate revenue from these collaborations in 2018.

Botanix has a number of further presentations and meetings scheduled this week with some of the world’s leading dermatology companies during the course of the JP Morgan Healthcare Conference and related events in San Francisco.

About Botanix Pharmaceuticals

Botanix Pharmaceuticals is a clinical stage medical dermatology company, which is dedicated to developing next generation therapeutics for the treatment of serious skin diseases. Our mission is to improve the lives of patients battling acne, psoriasis and atopic dermatitis, by providing new treatment options for conditions that currently are inadequately addressed, or are treated with
therapeutics that are burdened with side effects profiles. Botanix is harnessing the untapped potential of a synthetic active pharmaceutical ingredient, known as cannabidiol, which has a well-established safety profile. Botanix has successfully completed its first-in-man studies with BTX 1503 and is currently conducting a follow-on clinical trial with acne patients and a newly announced clinical trial in atopic dermatitis patients for BTX 1204. The Company has an exclusive license to use a proprietary drug delivery system (Permetrex™) for direct skin delivery of active pharmaceuticals in all skin diseases and plans to progress the development of BTX 1503 for acne and its pipeline of other Permetrex™ enabled products alone, or in collaboration with partners.

For more information on Botanix, please visit www.botanixpharma.com or follow us on Twitter @Botanixpharma.

For more information, please contact:

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**Investment highlights**

Botanix is one of the most compelling emerging companies on the ASX

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**Dermatology Focused**

- Targeting a **multi-billion dollar market for acne therapeutics** with no new products approved in the last 20 years
- Patient study data for acne planned for **1Q CY2018** and atopic dermatitis data in **2Q CY2018**

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**Novel Approach**

- Lead products based on synthetic form of widely-studied drug “cannabidiol” - greatly enhances the probability of clinical and regulatory success
- **Exclusive global rights to use Permetrex™ delivery technology** for all skin diseases, with potential to deliver near term partnerships and revenues

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**Experienced Team**

- Predominantly US based leadership team with **20+ FDA approvals** between them
- Advanced lead product from formulation to successful clinical trial **within 12 months** and **advanced second product into clinic within 18 months**
Corporate overview

Medical dermatology company with a clear path to commercialisation and a highly aligned Board and management team

<table>
<thead>
<tr>
<th>Trading information</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Share price (5-Jan-18)</td>
<td>A$0.077</td>
</tr>
<tr>
<td>52 week low / high</td>
<td>A$0.040 / A$0.077</td>
</tr>
<tr>
<td>Shares outstanding&lt;sup&gt;1,2&lt;/sup&gt;</td>
<td>543.1</td>
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<tr>
<td>Market capitalisation</td>
<td>A$41.8m</td>
</tr>
<tr>
<td>Cash (as at 30-Sep-17)</td>
<td>A$4.2m</td>
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<tr>
<td>Debt (as at 30-Sep-17)</td>
<td>-</td>
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<tr>
<td>Enterprise value</td>
<td>A$37.6m</td>
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</table>

Top shareholders (Jan 2018)

<table>
<thead>
<tr>
<th>Shareholder</th>
<th>%</th>
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</thead>
<tbody>
<tr>
<td>Matthew Callahan – Executive Director</td>
<td>13.0</td>
</tr>
<tr>
<td>Caperi Pty Ltd – Co-founder</td>
<td>13.0</td>
</tr>
<tr>
<td>Board and management (excl. shareholders above)</td>
<td>3.7</td>
</tr>
</tbody>
</table>

Share price performance

Source: IRESS

1. Includes 156.5m fully paid ordinary shares subject to escrow until 15 July 2018
2. Excludes 47.8m unlisted options with exercise price range of A$0.03 - A$0.07 and expiry date range of Jan 2018 to May 2020
Senior leadership: track record of success

Proven industry professionals with experience in rapid development of pharmaceuticals

Mr Matthew Callahan
Executive Director
- Developed 3 products to date that have received FDA approval, 1 pending approval
- Previous investment director of 2 venture capital firms investing in life sciences

Dr Bill Bosch
Executive Director
- 6 FDA approved products and inventor of the iCeutica SoluMatrix Technology
- Founder of NanoSystems and co-inventor of drug delivery technology NanoCrystal

Dr Michael Thurn
Chief Operating Officer
- Extensive start up life sciences experience across a range of technology platforms
- Previous MD of Spinifex Pharmaceutical, which sold to Novartis for A$700m

Mr Mark Davis
VP Clinical and regulatory
- 30 years clinical experience with 19 FDA approved products across dermatology
- Former clinical lead with Medicis and Connetics and FDA experience with cannabidiol

20+ FDA approved products

Botanix Pharmaceuticals Ltd.
Clinical programs with near term milestones

Two programs in patient studies, with partnerships on the Permetrex™ technology to augment revenue and news flow in the near term

<table>
<thead>
<tr>
<th>Product Candidate</th>
<th>Indication</th>
<th>Pre-Clin</th>
<th>Ph 1</th>
<th>Ph 1b</th>
<th>Ph 2</th>
<th>Next milestones</th>
</tr>
</thead>
<tbody>
<tr>
<td>Synthetic Cannabidiol</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BTX 1503</td>
<td>Moderate to Severe Acne</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Phase 1b patient data available 1Q CY2018</td>
</tr>
<tr>
<td>BTX 1204</td>
<td>Atopic Dermatitis</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Phase 1b patient data available 2Q CY2018</td>
</tr>
<tr>
<td>BTX 1308</td>
<td>Psoriasis</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pre-clinical testing 1Q CY2018</td>
</tr>
<tr>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Permetrex™ Enabled</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>BTX 1701</td>
<td>Mild Acne</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Pilot patient study start 1Q CY2018</td>
</tr>
<tr>
<td>BTX 1801</td>
<td>Not disclosed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Formulation complete 4Q CY2017</td>
</tr>
</tbody>
</table>
Why are we focused first on acne?

Global prescription market expected to grow to >US$4.5bn by 2018

Global prescription acne product revenues (topical and oral treatments)

Value of the global acne prescription market is expected to reach US$4.5bn by 2018¹

Annual topical prescription acne product revenues

Top branded acne products containing only generic drugs have achieved revenues of up to >US$300m p.a.²

Large demand with limited recent product development

- 50 million patients (in the US alone) used an acne product in 2015
- No new chemical entities have been approved by the FDA in the last 20 years for the treatment of acne
- Only “new” products launched were combinations of old drugs in new formulations or packaging

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¹ BCC Research, May 2013. Skin Disease Treatment and Global Markets
² Symphony Health Solutions, Pharmaceutical Audit Suite for 2012 as reported in Demira S1
How does BTX 1503 work to treat acne?

BTX 1503 utilises synthetic cannabidiol combined with a novel skin delivery technology

- Attacks *P. Acnes* bacteria
- Reduces Inflammation
- Switches off excess production of sebum
- Retards formation of sebum “plugs”

Source: Cannabidiol exerts sebostatic and anti inflammatory effects on human sebocytes (2014). The Journal of Clinical Investigation
BTX 1503 Phase 1a clinical trial results

BTX 1503 utilises synthetic cannabidiol combined with a novel skin delivery technology

Safety, Tolerability and Irritation

- BTX 1503 displayed an **excellent safety profile**
- Little to no evidence of skin irritation observed across all dose levels
- No severe adverse events recorded and the incidence of other adverse events was very low
- Most common adverse event was mild dryness - consistent with the mechanism of action of BTX 1503

Effective delivery into and deposition in the skin

Source: Cannabidiol exerts sebostatic and anti inflammatory effects on human sebocytes (2014). The Journal of Clinical Investigation
**BTX 1503 Phase 1b acne patient study**

4-week open-label study to determine the safety and tolerability of BTX 1503 solution in subjects with moderate to severe acne

**Design**

- ~20 subjects 18 years and older
- 4 Australian dermatology sites
- BTX 1503 solution BID (twice a day) applied topically
- At least 20 inflammatory and 20 non-inflammatory lesions
- Investigator’s Global Assessment (IGA) ≥ 3

**Endpoints**

- Primary endpoints – safety: adverse events (AEs), labs and local tolerability
- Exploratory endpoints:
  - Lesion counts and IGA
  - Acne questionnaire
  - Photography

**Data available early in 1Q CY2018**
BTX 1503 market positioning

BTX 1503 has the potential to be the market leading branded product for acne treatment, with few undesirable side effects

Market landscape for acne treatments

- BTX 1503 has multiple mechanisms of action that address the key pathogenic factors that cause acne – not just symptoms
- While systematic therapies (i.e. Accutane) may inhibit sebum (skin-oil) production, its use is limited by very serious side-effects
- Significant unmet need for an effective therapy that targets the causes of acne but does not have the undesirable side effects
- Leading existing treatments fetched annual revenues in the range of US$700m-US$800m when they were patented products
- BTX 1503’s patent protection is a significant competitive advantage, as all other treatments below are now generic products

<table>
<thead>
<tr>
<th>Method of action</th>
<th>BTX 1503</th>
<th>Clindamycin</th>
<th>Tretinoin</th>
<th>Adapalene</th>
<th>Minocycline</th>
<th>Erythromycin</th>
<th>Accutane</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduces excessive sebum (skin oil) production</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Anti-inflammatory</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Anti-bacterial</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Topical (applied to a specific area of the body)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Minimal side effects</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Patent protected (not a generic product)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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</tbody>
</table>
Botanix is pursuing a rapid clinical development strategy to minimise product commercialisation timing and accelerate to first revenues

- Phase 1b acne pilot study data expected to be available in early 1Q CY2018
- In October 2017, Botanix successfully completed a Pre-IND meeting with the FDA for BTX 1503 acne product – FDA confirmed the proposed development plan and data package to permit Phase 2 clinical development in the US
- BTX 1503 well placed to commence FDA regulated Phase 2 clinical study end 1H CY2018
- Phase 2 clinical study to be conducted in US and Australian sites

**BTX 1503 indicative clinical timeline (CY)**

<table>
<thead>
<tr>
<th>Event</th>
<th>4Q 2017</th>
<th>1Q 2018</th>
<th>2Q 2018</th>
<th>3Q 2018</th>
<th>4Q 2018</th>
<th>1Q 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-IND Meeting FDA</td>
<td></td>
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<tr>
<td>Phase 1b acne pilot study</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>File IND for FDA regulated Phase 2 trial</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>IND ‘Approval’ for Phase 2</td>
<td></td>
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<tr>
<td>Phase 2 multi-centre acne patient trial</td>
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</tbody>
</table>

**Milestones**
Botanix Pharmaceuticals Ltd.

Permetrex™ skin delivery technology

Permetrex™ delivers high doses of synthetic cannabidiol directly into the layers of the skin – oral administration only delivers ~6% to the blood stream and even less to the skin.

Botanix holds the exclusive rights to utilise Permetrex™ for all drugs that treat skin diseases.

- Unmodified Drug
  - Drug sits on the skin and is eventually wiped off

- With Permetrex™
  - Formulation technology drives drug into the skin
BTX 1204 for atopic dermatitis

Phase 1b patient study commenced in late October, with data planned for 2Q 2018

Market overview

BTX 1204: dermatitis

- **Target market:** US patient incidence estimated to be 25 million people (10% to 18% of children)

- **Market size:** estimated annual cost of treating atopic dermatitis (AD) in the US is ~US$4bn

- **Current issues:** most treatments on the market (i.e. steroids) only address the symptoms

BTX 1204 indicative clinical timeline (CY)

- Received HREC approval in late October 2017 to commence Phase 1b dermatitis patient study
- Enrolment of patients commenced in 4Q CY2017, across 4 leading dermatology clinics in Australia
- Expected study completion in 2Q CY2018
- Study demonstrates Botanix’s ability to accelerate the addition of clinical programs by leveraging previous clinical data from acne program
BTX 1204 positioning and opportunity

Targeting efficacy improvements with much better safety profile than monoclonal antibodies and high potency steroids

**IDEAL PROFILE:**
- Efficacy similar to mid-potency steroids
- Safety profile that allows long term use

**Product:** Crisaborole® - a non-steroidal anti-inflammatory PDE-4 inhibitor

**Data:** Phase 3 studies showing a pooled improvement of ~10% over placebo

**Opportunity:** Forecast to generate sales of ~US$750m p.a.

**Deal:** Pfizer acquired Anacor for US$5.2bn in late 2016

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“Perceived Safety” vs “Perceived Efficacy” matrix:

- **High-potency topical steroids**
- **Mid-potency topical steroids**
- **Low-potency topical steroids**
- **Topical calcineurin inhibitors**
- **Monoclonal antibodies**

- “The potent medications have too many side effects” - GP
- “I still have a lot of patients that complain about itch and rash persisting” - Pediatrician
Botanix Pharmaceuticals Ltd.

**BTX 1204 Phase 1b AD patient study**

4-week randomized, double-blind, vehicle controlled study to determine the safety and tolerability of BTX 1204 in subjects with mild to moderate atopic dermatitis

**Design**

- ~36 subjects 18 years and older (24 active / 12 vehicle)

- 4 Australian dermatology sites

- BTX 1204 solution BID applied topically

- At least 1 lesion (25 to 200 cm²), on the trunk, upper or lower extremities

- Signs of AD score ≥6 and ≤12

- Investigator’s Static Global Assessment (ISGA) of mild (2) or moderate (3)

**Endpoints**

- Primary safety endpoints - (AEs, labs, local tolerability and signs of AD)

- Exploratory endpoints:
  - ISGA
  - Target lesion size

*Data available in 2Q CY2018*
# Development pipeline

Development pipeline also includes other synthetic cannabidiol and Permetrex™ enabled products targeting key dermatology markets.

<table>
<thead>
<tr>
<th>BTX 1308: psoriasis</th>
<th>BTX 1701: mild acne</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Target market:</strong> ~7.5m Americans have psoriasis (most have plaque psoriasis)</td>
<td><strong>Target market:</strong> ~50m Americans have acne – symptoms vary in seriousness</td>
</tr>
<tr>
<td><strong>Market size:</strong> estimated annual costs of injectable biologic treatments in the US is ~US$20bn p.a.</td>
<td><strong>Market size:</strong> ~US$1.5bn p.a. – pilot study validated prospective activity vs. leading competitor</td>
</tr>
<tr>
<td><strong>Current issues:</strong> biologic drugs are very expensive have serious side effect issues (including lymphoma)</td>
<td><strong>Current issues:</strong> existing products use high levels of preservatives or alcohol which dry and irritate skin</td>
</tr>
</tbody>
</table>

*Intend to undertake study in pre-clinical skin models in 1Q CY2018*

*Intend to undertake small patient study in 1Q CY2018*

These products leverage data from the BTX 1503 synthetic cannabidiol clinical program and/or the Permetrex™ delivery system studies.

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**Psoriasis**

**Mild Acne**
Permetrex™ collaborations advancing

Third party dermatology companies working with Botanix to solve drug delivery problems for their molecules

Early collaborations leading to license discussions

- Many companies have challenges formulating drugs for delivery into the skin
- Botanix is working with multiple parties to test application of Permetrex™ technology to solve problems that have arisen in clinical studies
- Engagement generally starts as fee-for-service by Botanix
- License trigger is generally successful proof of concept human study
- Traditional license structure likely (upfront payments, milestones, royalties)
Near term key milestones and activities

Significant operational milestones expected over the next 12 months, as Botanix advances key products, broadens pipeline and undertakes corporate development

### Indicative activities and milestones

<table>
<thead>
<tr>
<th>Product</th>
<th>1Q CY2018</th>
<th>2Q CY2018</th>
<th>3Q CY2018</th>
<th>4Q CY2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BTX 1503</strong> Acne</td>
<td>Phase 1b acne patient study data announcement</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>IND (FDA) submission for Phase 2 trial</td>
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<tr>
<td></td>
<td>Phase 2 multi-centre acne patient study</td>
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<tr>
<td><strong>BTX 1204</strong> Dermatitis</td>
<td>Phase 1b study in AD patients</td>
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<tr>
<td></td>
<td>Phase 1b study data announcement</td>
<td></td>
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<tr>
<td><strong>BTX 1308</strong> Psoriasis</td>
<td>Pre-Clinical Studies BTX 1308</td>
<td></td>
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<tr>
<td></td>
<td>Phase 1b study in psoriasis patients</td>
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<tr>
<td><strong>BTX 1701</strong></td>
<td>Patient study BTX 1701</td>
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<tr>
<td><strong>Permetrex™</strong></td>
<td>Research collaborations</td>
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<tr>
<td></td>
<td>Partnership discussions for Permetrex™ enabled products</td>
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</table>
Appendix
Botanix Board of Directors

Highly credentialed Board of Directors with a proven record of building and leading successful pharmaceuticals businesses

Graham Griffiths  
Chairman  
Appointed July 2016

- 40 years executive experience in technology based companies, across sales, marketing and product development
- Former Managing Director of ipernica, responsible for acquisition and commercialisation of nearmap.com (ASX:NEA)
- Non-Executive Director of Pointerra (ASX:3DP), iperative and NGIS Australia

Matthew Callahan  
Executive Director  
Appointed July 2016

- Founding CEO of iCeutica and Churchill Pharmaceuticals
- Co-inventor of iCeutica’s SoluMatrix Technology
- Developed 3 FDA approved products
- Investment director at 2 venture capital firms
- 20 years experience in legal, IP and investment management
- Director of Orthocell (ASX:OCC) and Glycan Bioscience LLC

Dr Bill Bosch  
Executive Director  
Appointed July 2016

- 20 years experience in the pharmaceutical industry
- Co-inventor of iCeutica’s SoluMatrix Technology
- Developed 6 FDA approved products
- Developed 4 commercial nanotechnology products at Elan Corporation
- Co-founder of NanoSystems LLC and co-inventor of NanoCrystal Technology

Rob Towner  
Director  
Appointed July 2016

- 20 years corporate advisory experience
- Founder and sole director of Cornerstone Corporate
- Founding Executive Director of bioMD
- bioMD merged with Allied Health Care in 2011 to form Admedus (ASX:AHZ, $200m market capitalisation)
- Executive Director of Triangle Energy (ASX:TEG)

Commercialisation  
Corporate and IP  
Manufacturing and IP  
Financing and capital markets
Botanix executive management

Highly credentialed clinical development team with extensive expertise in leading novel products through clinical and regulatory development

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**Mr Mark Davis**  
**VP Clinical and Regulatory**

- 30 years of clinical experience with 19 FDA approved products  
- Unique experience with cannabidiol through Insys  
- Former clinical lead with Medicis and Connetics

**Dr Michael Thurn**  
**Chief Operating Officer**

- Extensive start up life sciences experience across a range of technology platforms  
- +20 years experience in drug regulation, drug discovery, pre-clinical and clinical  
- Previous Managing Director of Spinifex Pharmaceuticals

**Dr Gene Cooper**  
**Consultant**

- 40 years pharmaceutical experience  
- 10 FDA approved products  
- Expert in skin delivery  
- Inventor of Permetrex™

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**Dr Joel Gelfand**  
**Medical Director of Clinical Studies**

- Professor of Dermatology at the University of Pennsylvania  
- Expert in skin disease and clinical trial management

**Professor James Leyden**  
**Scientific Adviser**

- Professor of Dermatology at the University of Pennsylvania  
- World leading acne and skin specialist

**Professor Diane Thiboutot**  
**Scientific Adviser**

- Professor of Dermatology at Pennsylvania State University  
- Researcher in acne and rosacea  
- Pre-clinical and clinical trials services provider
Primary strategy is commercialising BTX 1503, advancing BTX 1204, explore licensing opportunities for Permetrex™ and development of a supportive product pipeline

- **BTX 1503**: Acne
- **BTX 1204**: Dermatitis
- **Permetrex™**: Delivery technology
- **BTX 1308**: Psoriasis
- **BTX 1701**: Acne cleanser

**Near term focus**
- Clinical development and commercialisation
  - Accelerating clinical development through undertaking clinical studies in Australia, leading into a US FDA approval

**Near to medium term focus**
- Permetrex™ licensing
  - Licensing Permetrex™ delivery system to strategic parties, to generate potential near term revenue

**Medium to long term focus**
- Other pipeline products
  - Leverage data from BTX 1503 program to accelerate development of new products in psoriasis and acne cleanser

**Active pharmaceutical**
- Cannabidiol
Botanix has protected its suit of development products through various patent applications across key global markets

- Botanix currently has 12 patent applications across 6 different patent families
- Patents applications cover lead acne product and other Permetrex™ enabled products
- Patent protection targeted at key geographic regions with large and viable dermatology markets (i.e. initially filed in US and Australia, but following into the EU, UK, Japan, India, China, South America and other jurisdictions in National phase)
- Botanix positioned as the leading player in the sector – underpinned by substantial volumes of proprietary knowledge, manufacturing know-how and trade secrets
- Additional IP opportunities will be pursued on each Permetrex™ product developed internally or with partners
Recent dermatology transactions

Licensing and partnering transactions are potential monetisation options before product sales, with value increasing significantly as a product progress through the FDA process.

Dermatology transactions

<table>
<thead>
<tr>
<th>Deal date</th>
<th>Deal type</th>
<th>Licensee/Acquirer</th>
<th>Licensor/Target</th>
<th>Phase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep 2015</td>
<td>License</td>
<td>Allergan</td>
<td>Allergan</td>
<td>In Phase III</td>
</tr>
<tr>
<td>Dec 2016</td>
<td>License</td>
<td>Valient</td>
<td>Exicure (rights)</td>
<td>Completed Phase I</td>
</tr>
<tr>
<td>Jan 2016</td>
<td>Corporate</td>
<td>Sienna Biosciences</td>
<td>Anterios</td>
<td>In pre-clinical development</td>
</tr>
<tr>
<td>Dec 2016</td>
<td>Corporate</td>
<td>AstraZeneca</td>
<td>Creatitas</td>
<td>In pre-clinical development / Phase Iib</td>
</tr>
<tr>
<td>Oct 2016</td>
<td>Corporate</td>
<td>Exicure (rights)</td>
<td>Vitae Pharmaceuticals</td>
<td>In Phase II</td>
</tr>
<tr>
<td>Apr 2016</td>
<td>Asset/business</td>
<td>Leo</td>
<td>castellas (global dermatology business)</td>
<td>On market</td>
</tr>
<tr>
<td>May 2016</td>
<td>Corporate</td>
<td>Pfizer</td>
<td>Anacor</td>
<td>Completing Phase III</td>
</tr>
</tbody>
</table>

**Source:** Bloomberg, Company disclosure

Total upfront and milestone payments could exceed these figures in aggregate.

US$5,200m
**BTX 1503 key advantage: synthetic material**

Use of synthetic cannabidiol greatly increases the chance of clinical success and regulatory approval - at a much lower COGS than naturally extracted material.

<table>
<thead>
<tr>
<th>Synthetic cannabidiol</th>
<th>Naturally extracted cannabidiol</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 chemical</td>
<td>100+ chemicals</td>
</tr>
<tr>
<td>100% pure</td>
<td>Multiple impurities (anything above 0.05% needs to be identified and tested)</td>
</tr>
<tr>
<td>Scaled up to 50kg</td>
<td>Scaled up to &lt;1kg</td>
</tr>
<tr>
<td>No additional compliance</td>
<td>Must comply with FDA’s “Botanical Drug Development Guidance for Industry” 1</td>
</tr>
</tbody>
</table>

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