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www.argonaut.com PERTH +61 8 9224 6888 HONG KONG +852 3557 4888

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Botanix (BOT)

Analysts | Daniel Williamson | Ian Christie, CFA

Recommendation	SPEC BUY
Current Price	4.6 cents
Valuation	8.0 cents

Event & Impact | Positive

BOT has successfully held a Pre-Investigational New Drug (Pre-IND) meeting with the US Food and Drug Administration (FDA) for its lead acne treatment product, BTX 1503. The FDA has confirmed that the proposed development plan was adequate to support the commencement of the proposed Phase 2 clinical study.

BOT is currently conducting a Phase 1b patient study in Australia, with study completion expected by the end of December 2017. The Phase 1b study will enrol up to 20 patients with moderate to severe acne, with safety and tolerability assessed along with limited efficacy as well.

BOT also continues to develop its broader pipeline of products, including an atopic dermatitis treatment (BTX 1204), which is expected to commence a Phase 1b patient study in 4Q CY2017. At the same time, BOT continues development of its range of Permetrex enabled products, which provide opportunities for near-term revenues through licensing deals.

Recommendation

BOT has many irons in the fire and continues a rapid development timeline. Significant news flow is expected in the next 6 months, including data from acne and atopic dermatitis trials, potential Permetrex licensing deals and continued development of pipeline products. SPEC BUY call maintained.

RESEARCH:

Ian Christie | Director, Industrial Research
+61 8 9224 6872 icht Christie@argonaut.com

Matthew Keane | Director, Metals & Mining Research
+61 8 9224 6869 mkeane@argonaut.com

James Wilson | Analyst, Metals & Mining Research
+61 8 9224 6835 jwilson@argonaut.com

Helen Lau | Analyst, Metals & Mining Research
+852 3557 4804 hlau@argonaut.com

Daniel Williamson | Analyst, Industrial Research
+61 8 9224 6831 dwilliamson@argonaut.com

INSTITUTIONAL SALES - PERTH:

Chris Wippl | Executive Director, Head of Sales & Research
+61 8 9224 6875 cwippl@argonaut.com

John Santul | Consultant, Sales & Research
+61 8 9224 6859 jsantul@argonaut.com

Damian Rooney | Director, Institutional Sales
+61 8 9224 6862 drooney@argonaut.com

Ben Willoughby | Institutional Dealer
+61 8 9224 6876 bwilloughby@argonaut.com

Phil Russo | Institutional Dealer
+61 8 9224 6813 prusso@argonaut.com

Josh Welch | Institutional Dealer
+61 8 9224 6868 jwelch@argonaut.com

George Ogilvie | Institutional Dealer
+61 8 9224 6871 golg vie@argonaut.com

INSTITUTIONAL SALES – HONG KONG:

Damian Rooney | Director, Institutional Sales
+61 8 9224 6862 drooney@argonaut.com

CORPORATE AND PRIVATE CLIENT SALES:

Glen Colgan | Executive Director, Desk Manager
+61 8 9224 6874 gcolgan@argonaut.com

Kevin Johnson | Executive Director, Corporate Stockbroking
+61 8 9224 6880 kjohnson@argonaut.com

James McGlew | Executive Director, Corporate Stockbroking
+61 8 9224 6866 jmclew@argonaut.com

Ian Dorrington | Director, Corporate Stockbroking
+61 8 9224 6865 idorrington@argonaut.com

Geoff Barnesby-Johnson | Senior Dealer, Corporate Stockbroking
+61 8 9224 6854 gb@argonaut.com

Rob Healy | Dealer, Private Clients
+61 8 9224 6873, rhealy@argonaut.com

Cameron Prunster | Dealer, Private Clients
+61 8 9224 6853 cprunster@argonaut.com

James Massey | Dealer, Private Clients
+61 8 9224 6849 jmassey@argonaut.com

Chris Hill | Dealer, Private Clients
+61 8 9224 6830, chill@argonaut.com

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