

11 September 2014

## ASX Company Announcement

### ASTHMA RESEARCH AGREEMENT WITH TELETHON KIDS INSTITUTE

#### Highlights

- **Sun Biomedical to fund ground-breaking research to identify genes and immunobiological mechanisms that are predictive of asthma and that could become new therapeutic targets.**
- **A capital raising of \$0.825 million by issuing 82.5M shares at 1 cent per share to sophisticated investor clients of Forrest Capital, resulting in working capital of approximately \$1.8 million.**
- **Proceeds of the Placement (which is under the Company's share issue capacity under ASX listing Rule 7.1 and 7.1A) will be applied to support our future research in the area of asthma and other respiratory conditions as well as our existing business.**

The Board of Sun Biomedical Limited (ASX: SBN) is pleased to announce the signing of a research agreement in the area of Asthma with Telethon Kids Institute in Subiaco, Western Australia.

Under the arrangement, Sun Biomedical will fund the first stage of potentially ground-breaking research to identify genes which have potential utility as a diagnostic and/or therapeutic target that are predictive of asthma (preventative approach).

The objective of this project is to perform a detailed study of immune responses to house dust mite (HDM) in allergic subjects with or without asthma, to determine if there is a specific pattern of immune responses associated with asthma.

HDM allergy is a significant risk factor for asthma in many countries. Allergic sensitisation induced by exogenous allergenic molecules (HDM allergens) is the result of exposure of organs of the human body to such molecules. In this interplay, intrinsic properties of the exogenous proteins and environmental co-factors certainly play a role, but host-immune factors are of crucial importance to explain why only a subset of individuals exposed to such an allergen develop asthma.

Predisposition for developing an allergy is the result of a complex multifactorial interplay of genes and environment. To understand the immuno-biological mechanism of sensitisation to allergens, their interaction with relevant structural and immune cells during mucosal exposure and entry, is of the utmost importance. Understanding of these mechanism(s) could lead towards development of novel first-in-class therapeutic molecules with disease modifying potential.

This study will be based on a two stage design. The discovery cohort will consist of 15 house dust mite allergic subjects with asthma and 15 house dust mite allergic subjects without asthma. The validation cohort will consist of another 30 house dust mite allergic subjects (15 with asthma and 15 without asthma). The validation cohort will be used to replicate the findings from the discovery cohort.

The project will be led by Dr Anthony Bosco from Telethon Kids Institute using his experience in studying gene networks that orchestrate immune responses to allergens. The project will also be advised by Professor Patrick Holt who is a world-renowned researcher in the field of asthma and particularly mechanisms of initial onset of the disease.

“We welcome the chance to participate in this important and potential high impact research. There is growing interest from the international pharmaceutical industry in this preventive approach. Until now the industry has been focused exclusively on developing new anti-inflammatory therapeutics to treat established asthma. We believe the research at Telethon Kids Institute will lead to practical solutions for sufferers with Asthma. More than two million Australians have asthma and approximately 235 million suffer from this condition globally” said Dr Anton Uvarov, Executive Director at Sun Biomedical. “It is also a privilege to begin our relationship with Dr Anthony Bosco and Professor Patrick Holt given our long term interest in this disease area”.

Under the terms of the agreement, Telethon Kids Institute will grant Sun Biomedical an option for Sun Biomedical to negotiate exclusively with Telethon Kids Institute for the purpose of entering into an agreement for the commercialisation of the project IP.

The Company has previously stated its intent to add assets to its biotechnology portfolio and has identified Asthma and related respiratory conditions as an area to prioritize our investments. Sun Biomedical will continue to explore acquisitions and licensing opportunities in this area of research.

Howard Digby  
Executive Chairman  
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**About Sun Biomedical:**

Sun Biomedical Limited is an international biotechnology company with assets in the area of occupational drug testing. The Company is commercialising new improved versions of its “Oraline®” hand held multi drug test device while also looking to increase its biotechnology investments.

For more information about Sun Biomedical visit its corporate website at [www.sunbiomed.com.au](http://www.sunbiomed.com.au)