

24 May 2016

## Company Strategy Update

- Positioning ATL1103 for re-licensing
- Progressing ATL1102 commercialisation plans
- Initiating search for value adding new development pipeline opportunities
- Capital management initiatives

In light of regaining control of all rights to ATL1103 from Strongbridge Biopharma (Strongbridge) as advised on 29 April 2016, Antisense Therapeutics (ANP or the Company) is in the process of re-evaluating and refocusing its corporate strategy moving forward. Accordingly the Company wishes to update shareholders on the current status of its clinically advanced product portfolio.

Consistent with its strategy of commercialising drugs that are shown to be successful in clinical testing, ANP is seeking licensing or other partnerships with pharmaceutical companies to progress further development of its lead products ATL1103 & ATL1102. The Company is also following up potential non-dilutive funding and other partnership opportunities to advance these programs. While ANP may continue to undertake further value adding work on its lead products, the Company has no current material funding commitments with respect to its lead products.

### Positioning ATL1103 for re-licensing

The Company continues to receive encouraging clinical data on the effects of longer dosing with ATL1103 as advised in the ATL1103 Higher Dose Study – Update on 9 May 2016. In addition, the US Food and Drug Administration (FDA) has granted Orphan Drug designation to ATL1103, thus providing a number of regulatory benefits and additional value the Company would seek to capitalise on in partnering interactions.

As a result of its 12 month partnership with Strongbridge and the significant development progress achieved under the collaboration, ANP has received a total value over the duration of the partnership of approximately \$10 million in the form of fees, manufactured drug material, toxicological testing and payment of costs in relation to high dose study conducted to date which will be leveraged in ANP's re-partnering plans.

### Progressing ATL1102 commercialisation plans

The feedback from potential pharmaceutical development partners indicates there is a greater partnering interest in Secondary Progressive-MS (SP-MS) than in Relapsing Remitting MS (RR-MS) where ANP have tested ATL1102, however the Company believes ATL1102 has good potential in treating SP-MS patients based on data generated from the RR-MS work (i.e. the observed B cell reductions). The Company intends to provide a detailed update on ATL1102 shortly as it seeks to finalise a number of components of the refocused strategy on ATL1102.

### Initiating search for value adding new development pipeline opportunities

With recent addition of US based directors William Goolsbee and Dr Gary Pace to the Company's Board, ANP is looking to capitalise on their expertise, experience and global networks in life sciences to lead the process for identifying new attractive growth opportunities that will resonate with global capital markets to complement the Company's existing product pipeline (recognising that these are intended to become partnered programs), whilst utilising ANP's available cash resources in the most efficient manner. ANP looks forward to updating shareholders on further details as they become available.

## **Capital management initiatives**

As previously advised, all shares in ANP owned by Strongbridge will be cancelled, resulting in a reduction of 8.5% of the issued capital in the Company for no consideration.

Furthermore, to reposition the Company's share register, ANP proposes to implement a facility for the sale of less than marketable parcels of shares in the Company. Further details will be available in the Notice of Meeting to be sent to shareholders to seek approval for Strongbridge share cancellation and facilitation of the less than marketable parcel facility.

In light of the recent developments and strategic initiatives outlined above, the Company is also assessing the status of the existing listed loyalty options due to expire in January 2017. The Company will continue to monitor their alignment with future development milestone and cash flow considerations.

ANP is also pleased to acknowledge that further to Syngene Limited (former shareholder in ANP) entering into voluntary members' liquidation, its full remaining holding of shares in ANP was recently purchased from liquidators by a private supportive investor in Antisense Therapeutics.

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## **About Antisense Therapeutics Limited**

Antisense Therapeutics Limited is an Australian publicly listed biopharmaceutical drug discovery and development company. Its mission is to create, develop and commercialise second generation antisense pharmaceuticals for large unmet markets. Antisense Therapeutics has 4 products in its development pipeline that it has in-licensed from Ionis Pharmaceuticals Inc. (formerly Isis Pharmaceuticals Inc.), a world leader in antisense drug development and commercialisation - ATL1102 (injection) which has successfully completed a Phase II efficacy and safety trial, significantly reducing the number of brain lesions in patients with relapsing-remitting multiple sclerosis (RRMS), ATL1103 drug designed to block GHr production which in a Phase II clinical trial, successfully reduced blood IGF-1 levels in patients with the growth disorder acromegaly, ATL1102 (inhaled) which is at the pre-clinical research stage as a potential treatment for asthma and ATL1101 a second-generation antisense drug at the pre-clinical stage being investigated as a potential treatment for cancer.