Investor Newsletter

October 2017





Bill Ketelbey CEO Actinogen Medical

First patient completes XanADu

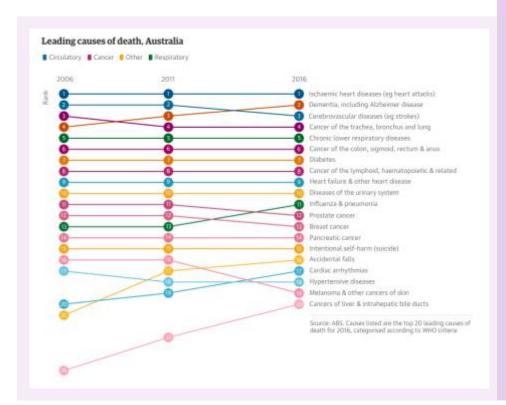
XanADu, Actinogen's proof-of-concept Phase II trial in mild Alzheimer's disease, continues to make solid progress since initiating earlier this year.

In May, Professor Jonathan Sturm of the University of Newcastle enrolled the first patient at the Central Coast Neurosciences Research site in New South Wales, Australia. This news was quickly followed by announcements that several trial sites in the UK and US had also enrolled and treated their first patients.

Buoyed by enrolling the first patient in May, recruitment into the study has steadily increased, with all 20 study sites across the US, the UK and Australia now open and actively screening and enrolling patients into the trial. In early September, Actinogen Medical accomplished the significant milestone of having the first patient complete the full 12-week treatment period and the 4-week follow up phase.

As of the date of this newsletter, the Company is pleased to report that XanADu has already enrolled 34 trial patients, representing 20% of the total number of patients required for the study.

XanADu is a Phase II double-blind, 12-week, randomised, placebo-controlled study to assess the safety, tolerability and efficacy of Xanamem[™] in subjects with mild dementia due to Alzheimer's disease. XanADu will enrol 174 patients at 20 research sites across Australia, the UK and the US.



Dementia is now the leading cause of death in Australian women

Last year, dementia, including Alzheimer's disease, overtook heart disease as the leading cause of death in Australian women. This sobering development in population health was reported by the Australian Bureau of Statistics at the end of September 2017.

"In 2016, dementia became the leading cause of death among Australian women," James Eynstone-Hinkins, Director of Health and Vital Statistics at the ABS, said.

"Improvements in treatment and prevention of heart disease have contributed to increased life expectancy, but this has also led to increased deaths from conditions such as dementia, which affect predominantly very elderly Australians," he continued.

"In 2006, dementia was the fourth leading cause of death in Australia. Yet in barely 10 years Alzheimer's has risen to become the biggest threat to women's health and the second leading cause of death in Australians overall. These are extraordinary statistics and it would not surprise me at all if in another five years, we see dementia overtaking heart disease to become the overall leading cause of death in Australia," said Dr Bill Ketelbey, CEO of Actinogen Medical.

"Dementia, including Alzheimer's, has become the biggest health problem of our time, and we need to ensure that every possible opportunity is taken to advance the development of novel therapies -- such as Actinogen's Xanamem -- to overcome this mounting problem," he concluded.



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Why I'm excited about Actinogen

A letter from Actinogen's new Chairman

In my 30 years' experience as a medical doctor turned biotech venture capitalist, I rarely come across biotech companies with drugs in development as rigorously researched, scientifically-plausible and well-staffed as Actinogen Medical Ltd (ASX:ACW), and its drug, Xanamem.

For me, what was -- and remains -- most interesting about Actinogen is the concept that Alzheimer's disease, one of the most significant diseases facing the modern world, can potentially be treated with a pill, which can simply be kept in the patient's medicine cabinet.

Many of the drugs trialled in this space include approaches which are extremely cumbersome for patients, such as antibody infusions requiring patients to attend a clinic and have the drug administered by doctors or nurses. This can be expensive for many people and difficult to continue long term, as the process often requires a dependence on family members and friends – and of course, repeated injections or infusions are unpleasant.

It's 2017, and we have yet to develop a medication that effectively addresses one of the biggest threats to modern society. Current estimates show that about 50 million people globally are afflicted by Alzheimer's disease. In Australia alone, over 400,000 have the disease, with 90,000 new cases recorded just last year.

The need to find effective new therapies to treat, and ultimately prevent, Alzheimer's disease has never been more urgent. I believe that Actinogen is well positioned to potentially play a major role in addressing this disease, whilst much of its competition is falling by the wayside as more complicated approaches fail in clinical trials.

For Actinogen, the Xanamem approach to treating Alzheimer's disease, through lowering cortisol in the brain, has been published in leading medical journals and presented at major medical congresses, whilst the Company's clinical program is being managed by a first class, highly experienced pharmaceutical development and management team.

Importantly, earlier this year, a long term independent study, sponsored in part by the CSIRO and a number of universities and medical research institutes (the ABIL study), published data on hundreds of participants showing that raised cortisol is associated with the development of Alzheimer's disease. The study concluded that lowering cortisol levels may assist in mitigating the cognitive decline in Alzheimer's disease. Xanamem, through its inhibition of cortisol production in the brain, is aligned with this premise, and hence could represent a major advance in the treatment of Alzheimer's disease.

Xanamem, with its simple pill approach to the treatment of Alzheimer's is certainly an attractive proposition, whilst the Alzheimer's market, which is already massive, is only poised to grow each year.

If Xanamem's clinical development is successful, it could prove to be a major breakthrough for those patients suffering from Alzheimer's disease and provide a significant return for Actinogen's shareholders.

May I take this opportunity to thank the Actinogen shareholders for their continued support.

Dr Geoff Brooke, MBBS, MBA

Chairman, Actinogen Medical



Dr Geoff Brookes Chairman Actinogen Medical

Dementia Awareness Month & World Alzheimer's Day

Globally, awareness of Alzheimer's disease, and advocacy for Alzheimer's patients continues to increase in tandem with the rising tide of patients presenting with the disease. September was particularly important for those affected by Alzheimer's and dementia, with September being Dementia Awareness Month and the 21st, World Alzheimer's Day.

To mark these important events, Actinogen led an active social media campaign to raise awareness of Alzheimer's through its network of researchers, investors and patients and their advocates, and highlighting the urgent need for the development of effective new therapies for this dreadful disease.

