Actinogen Medical Annual General Meeting

Chairman's Address

29 November 2017

Dr Geoff Brooke, Chairman, Actinogen Medical

Good morning and welcome to Actinogen Medical Limited's annual general meeting for 2017.

My name is Geoff Brooke and since March this year, I have been chairman of the Company.

I actually wrote this address a couple of weeks ago, outlining the progress the Company has made this year. However, as most of you would be aware, the Company made two significant announcements this morning which I must address up front.

Firstly, over the past two days, with the help of Forrest Capital, we placed $3.66M at 4c to sophisticated investors, and we have commitments for an additional $1.6M subject to shareholder approval. These new shares come with 1 option for every 2 shares purchased, exercisable at 6c and they expire on March 31, 2019. In addition, all shareholders will receive 2 for 15 "Loyalty" options with the same terms.

With this cash, the company is now fully funded to well past the top line data read out of our phase II trial in Alzheimer's disease. The board believes the market's uncertainty of the Company's cash reserves through to the end of the trial has been one of the major reasons why we have seen stagnation in the stock price throughout 2017.

Secondly, the Company today announced that we will undertake an interim analysis on safety and efficacy data collected from the first 50 patients enrolled in the trial. We believe not having data until mid-2019 was a further significant reason why there has been little trading in the stock this year.

Approvals to implement this interim analysis have been received from all study sites in the USA, and the FDA has acknowledged the receipt of the required documentation. Approvals from the study sites in Australia and the UK are still pending, however they are expected before the end of the year.

The design of XanADu remains unchanged, including the efficacy and safety endpoints and the total patient numbers planned for the study.

As the proposed interim analysis is being performed on only 50 patients, and the full study is expected to include up to 174 patients, statistically valid conclusions on the efficacy of Xanamem in Alzheimer's disease are unlikely from these data. However, the interim analysis report, which will be provided by an independent Data Safety Monitoring Board, could identify early efficacy and safety trends.

I hope shareholders appreciate the significance of both of these milestones.

Before discussing the past year, I'd like to take a few moments to reflect on what attracted me to Actinogen Medical ahead of being appointed as Chairman in March.

I first heard of Actinogen 3 odd years ago, when the then chair and Bill Ketelbey, the CEO, came to visit me pitching the company for an investment from the fund I was running at that time, GBS Venture Partners. I was impressed with the science and the opportunity, but felt they needed to achieve a couple of milestones before GBS could be interested. In particular, I wanted to see further animal data, further human safety data and an agreement from the regulators (in particular the FDA) to commence a phase II clinical trial.

We stayed in touch, and earlier this year, they came back to me having achieved all I had asked for. Given that by that stage I had taken a step back from my full-time venture capital role and sold my interest in GBS, I agreed to join the Actinogen board and take over as chair.

As I mentioned in our last shareholders' newsletter, in my opinion, you won't often come across a biotech company with proprietary technology as rigorously researched, scientifically-plausible and as well-managed as Actinogen Medical and its lead candidate drug, Xanamem.

Of real interest to me is the concept that Alzheimer's disease - one of the most significant diseases facing the modern world – could potentially be treated with a small pill, which may simply be kept in the patient's medicine cabinet.

This is in stark contrast to many of the large molecule protein-based drugs currently being trialled in the Alzheimer's space, which typically require administration via intravenous infusions. Many of these approaches are cumbersome, expensive and difficult to continue over the long term.

Current estimates show that there are approximately 50 million Alzheimer's disease sufferers worldwide and this number is set to double every twenty years.

In Australia alone, over 400,000 people have the disease, with 90,000 new cases recorded just last year. Dementia is also now the leading cause of death in Australian women and is expected to be the leading cause of death overall with-in five years' time, overtaking cardiovascular disease and cancer.

Worryingly, current treatments provide only limited symptomatic benefit and once a patient fails on these, there are no alternatives. The need to find new therapies, such as Xanamem has also 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.

This past year has been a watershed year for our Company in which we have received regulatory approvals to run our latest clinical trial around the world and subsequently commenced a Phase II trial, XanADu in the USA, the UK and Australia.

This was an enormous milestone for the management team to achieve.

The first regulatory approval for our XanADu trial in January this year from the FDA, arguably one of the most demanding regulatory authorities globally, led to a succession of trial approvals from the MHRA in the UK, the Therapeutic Goods Administration (TGA) in Australia and numerous ethics committees, as well as ultimately the successful enrolment of the first patient in Australia in May this year.

In fact, during September this year, our first patient enrolled in the trial completed the full 12-week treatment period, as well as the 4-week follow-up phase, marking a significant further milestone for the Company.

As it stands today, 44 patients have been enrolled into XanADu and all 20 study sites across the USA, the UK and Australia are open for patient recruitment. The study remains on track to enrol the last patient in Q4 2018 and to produce top-line results in May/June 2019.

Importantly and as I mentioned earlier, a full year before these results are released, Actinogen will conduct an interim efficacy and safety analysis on XanADu's first 50 patients with these data expected in Q2 2018. This interim analysis will give Actinogen, our shareholders and the wider medical community, an important touchpoint on our progress with XanADu and another defining moment in the development of Xanamem following more than a decade of research.

This past year has also seen a significant advancement in terms of awareness of Actinogen Medical and Xanamem within the global Alzheimer's research and biotech communities.

Until July 2016 very little had been published or presented on Xanamem whilst all the developmental research was underway. Starting with the Alzheimer's Association International Congress in Toronto in July 2016, the Company began presenting data at major international meetings culminating in the publication of the first human data in the British Journal of Pharmacology in February this year.

Additionally, Xanamem, and the cortisol hypothesis that underpins the development of Xanamem, gained further important visibility through a raft of recent publications supporting the association between persistently raised cortisol and the development of Alzheimer's disease.

In particular, a study by the Australian Imaging, Biomarker and Lifestyle (AIBL) research consortium in Australia, demonstrated a clear association between raised cortisol and the risk of developing Alzheimer's disease. It concluded that therapies designed to lower cortisol may be beneficial in the management of the disease. This study provides further strong endorsement for Xanamem and Actinogen's XanADu clinical trial.

The cortisol hypothesis underpinning the development of Xanamem proposes that persistently raised cortisol in the brain is associated with the development of Alzheimer's disease and that inhibition of this excess cortisol presents a promising way to treat the disease. Raised cortisol has also been associated with a range of other diseases, offering the potential for Xanamem to provide benefit in treating other conditions apart from Alzheimer's.

Actinogen Medical is progressing Xanamem for several indications. For example, it is working with Edinburgh University on a proposal to study Xanamem in diabetes cognitive impairment, and discussions continue with various research units on testing Xanamem in other diseases.

The Company ultimately hopes to demonstrate Xanamem's potential across a range of diseases, mitigating the risk of a binary outcome in one disease area.

This year we also significantly strengthened the Actinogen Board, with the appointment of pioneering drug developer and former Amgen Inc. Executive, Dr George Morstyn as Non-Executive Director, effective 1 December 2017.

Dr Morstyn, a physician by training, brings extensive drug development experience to the board. He was Senior Vice-President of Development and Chief Medical Officer at US biotech giant, Amgen, having joined Amgen in its early years when the company was a small biotech. At Amgen, he oversaw the clinical trialling and ultimate marketing approval of many new products and their subsequent successful commercial launches.

George is already working with Actinogen's research and development team to guide and optimise the development of Xanamem for Alzheimer's disease and the cognitive impairment associated with other neurodegenerative diseases.

I have known and worked with George for many years now and sincerely appreciate his willingness to help the Company. We welcome him.

I would also like to take this opportunity of thanking Dr Anton Uvarov, who left the board earlier this year. Anton played a founding formative role in the company and I wish him well in his other current roles.

At this time, I also would like to thank the previous chair, Martin Rogers, who resigned in January to pursue a role in private equity. Martin also played a significant formative role in Actinogen, and we wish him every success with his new venture.

Going into 2018, we have a very exciting year ahead of us as we look to the results of our interim analysis, ramp up patient enrolment in XanADu and hopefully initiate Xanamem studies in other diseases. The hard work by our management team over the past few years has set us up well to deliver on our plans. In a year from now we expect to be close to full enrolment of XanADu, and to be able to demonstrate the true value of Xanamem in Alzheimer's disease, a few months later.

I'd like to take this opportunity to thank our outstanding CEO, Dr Bill Ketelbey, and our other fellow Board member - Dr Jason Loveridge, who both put up with me calling them at what is only ever odd hours, looking to discuss the Company's business. Additionally, I would like to thank the Actinogen staff for their tremendous hard work over the last year. Their ongoing dedication and passion for our business is palpable and I hope you will take time to introduce yourselves to them after this meeting, in order to gauge their enthusiasm first hand.

Lastly, the biggest thanks goes to our shareholders, both old and new - many of whom have been patiently waiting for results of the hard work done by our management team. Thank you for sticking with the Company and we sincerely hope you will be well rewarded for your support.

We'll now go through the formal part of the AGM, before I hand over to Bill for his presentation. I'd like to remind you to stay back after the formal items of business today to hear from our special guests, leading Alzheimer's researchers Professor Ralph Martins and Associate Professor Kathryn Goozee.

Professor Martins and Associate Professor Goozee are Co-Founders and Directors of KaRa Minds, one of our leading XanADu research sites. They will share their thoughts on Xanamem, and their experience to date in recruiting patients into the XanADu trial.

Thank you.

Dr. Geoff Brooke
Chairman

ENDS

Actinogen Medical
Dr. Bill Ketelbey
CEO & Managing Director
P: +61 2 8964 7401
E: bill.ketelbey@actinogen.com.au
@BillKetelbey

About Actinogen Medical

Actinogen Medical (ASX: ACW) is an ASX-listed biotech company focused on innovative approaches to treating cognitive decline that occurs in chronic neurodegenerative and metabolic diseases. Actinogen Medical is developing Xanamem a promising new therapy for Alzheimer's disease, a condition with a multibillion dollar market potential. In the US alone, the cost of managing Alzheimer's disease is estimated to be US$250bn, and is set to increase to US$2tn by 2050, outstripping the treatment costs of all other diseases. Alzheimer's disease is now the leading cause of death in the UK and second only to ischaemic heart disease in Australia

About Xanamem™

Xanamem's novel mechanism of action sets it apart from other Alzheimer's treatments. It works by blocking the excess production of cortisol - the stress hormone – through the inhibition of the 11β-HSD1 enzyme in the brain. This enzyme is highly concentrated in the hippocampus and frontal cortex, the areas of the brain most affected by Alzheimer's disease. There is a strong association between chronic stress and excess cortisol that leads to changes in the brain affecting memory, and to the development of amyloid plaques and neural death – all hallmarks of Alzheimer's disease.

About XanADu

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 mil dementia due to Alzheimer's disease. XanADu, will enrol 174 patients at 20 research sites across Australia, the UK and the USA. The trial is registered on www.clinicaltrials.gov with the identifier: NCT02727699, where more details on the trial can be found, including the study design, patient eligibility criteria and the locations of the study sites.

Actinogen Medical encourages all current investors to go paperless by registering their details with the designated registry service provider, Link Market Services.