



### ***Company overview***

- **Current focus on cancer**
- **Lead compound already licensed**
  - First ever new Australian anti-cancer drug licensed to US pharma
  - <5 years from discovery to licensing
  - Topical drug for skin cancer
  - Partnered with Allergan Inc.
- **Other applications for lead compound and new systemic drugs in advanced pre-clinical research**

PEPLIN BIOTECH



## ***Business model***

- **Highly focused, activity-guided screening for small molecule human therapeutic drugs**
  - Reduces time/cost to lead compound status
- **Out-sourcing research to best available scientists**
  - Reduces development risk
  - Reduces fixed overheads
- **Early proof-of-concept clinical studies**
  - Quickly validates science & reduces risk of later failure
  - Reduces partnering risk
- **Partnering with larger biotech/pharma**
  - Triangulates validation of science
  - Sharpens product focus
  - Reduces clinical & regulatory risk/cost
  - Conserves capital
- **Leveraging existing portfolio**
  - Maximises returns on investment & relationships
  - Builds equity in follow-on drugs




## ***Skin cancer market***

- **1.3m new BCC/SCC cases per year in USA**
- **5m Americans with actinic keratosis**
- **75% incidence in Australia**
- **8% increase per annum worldwide**
- **Ageing demographic in 1<sup>st</sup> world countries**
- **Outdoor leisure culture for past 50 years**
- **Burgeoning skin care and beauty market**
- **Increasing awareness of skin cancer**
- **Availability of more acceptable treatment options**
- **>US\$1 billion market within 5 years**



NOVEMBER 11, 2002 \$4.99 (US) \$5.99 (CAN)

TIME

SUNPROOF

New science and good sense can protect you from **SKIN CANCER**. Here's how to be...

That topical creams are the future for treating skin cancer is a view held not only by people, like Redlich, with a financial interest in them. Says the Skin and Cancer Foundation's Marks: "I tell the young dermatology graduates not to pin their future on skin cancer surgery, because in the next few decades surgery's going to go out for the vast majority of skin cancers." Just as peptic ulcers are now treated with antibiotics rather than operated on, he says, the day may come when even melanoma—provided it hasn't spread—will be fought with a cream applied at home by the patient.

Robin Marks  
Professor of Dermatology  
University of Melbourne / St Vincent's Hospital  
TIME Magazine 11 November 2002 p.67

## Expected PEP005 Product Advantages

**In the US\$1 billion  
NM skin cancer market**

- ✓ Shorter treatment
- ✓ Less pain
- ✓ Less scarring
- ✓ Less skin discolouration
- ✓ Better overall cosmetics
- ✓ Better patient compliance
- ✓ Full spectrum of NM skin cancers
- ✓ Less risk of genetic damage
- ✓ Not immunosuppressive

(all subject to final FDA label)

## Other cancer markets

	*% share	*\$m	*\$m
TOTAL	100	19,950	20,950
Breast	36	7,382	7,382
Genital	32	6,583	6,583
G-I	9	1,995	1,995
Lung	9	1,796	1,796
Urinary	4	798	798
Blood	4	798	798
Skin	5	399	1,000
Brain	1	199	199

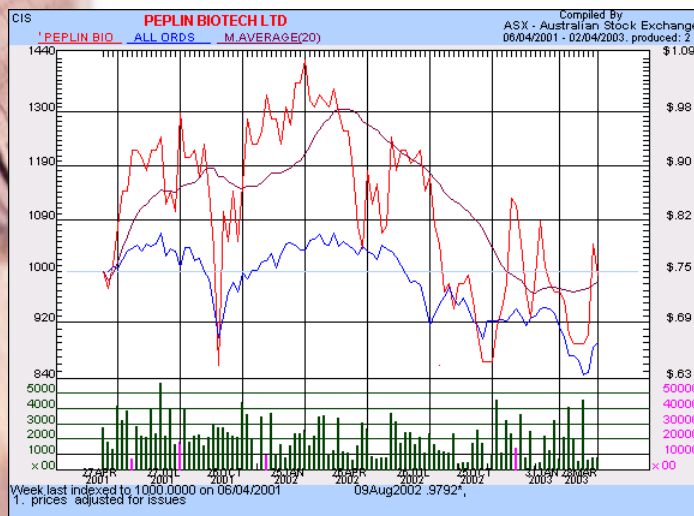
\* Source: SMI

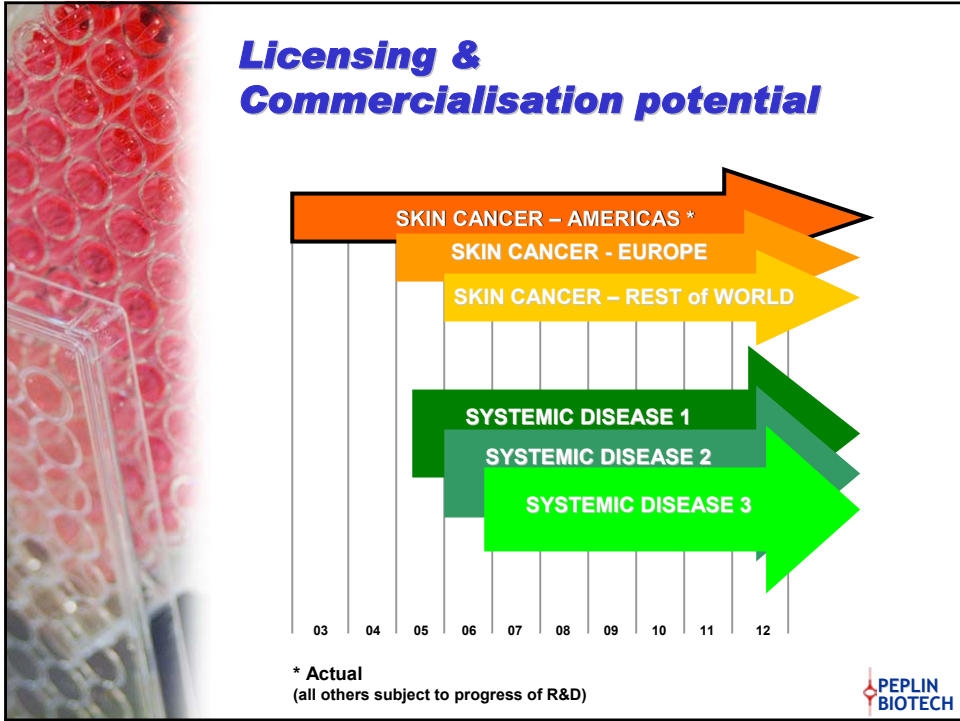
## Financial performance & position

- \$7m IPO (2000)
- \$3.25m START grant (2001-4)
- \$4.3m rights issue (2002)
- \$5.7 m cash balance (31/12/02)
- Cash burn sustainable through 2003
- Major milestone & other payments from Allergan from early 2004
- Royalty from sales (after FDA approval of AGN drug)



## Financial performance & position



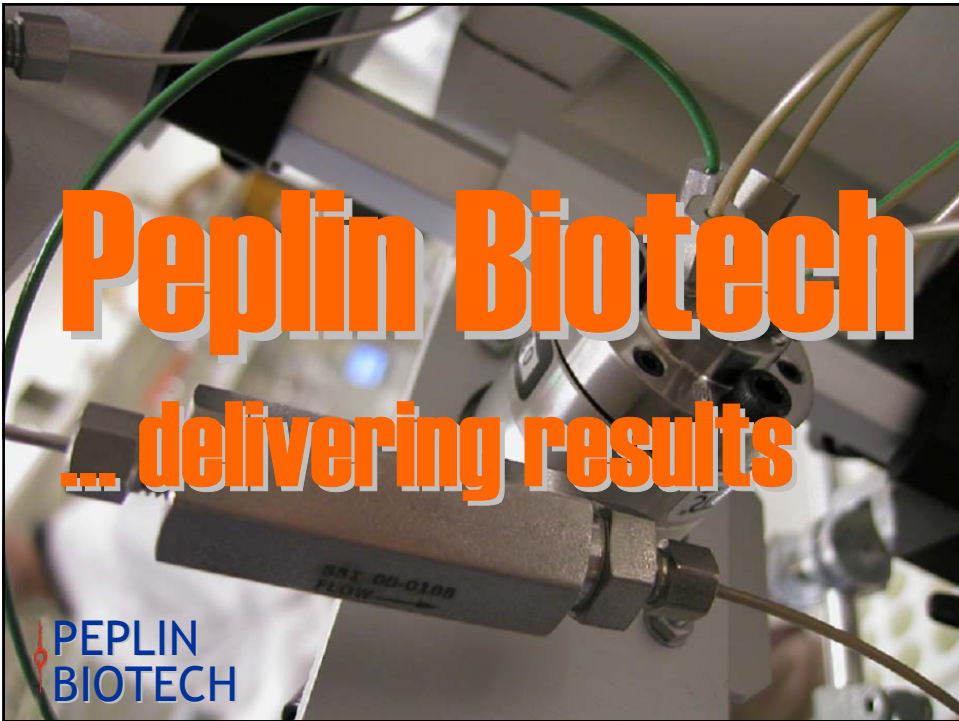


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- Possible milestones  
Next 18 months**
- **Topical PEP005 drug**
    - Completion of pre-clinical toxicology programme
    - FDA meeting (pre-IND)
    - IND filing
    - Commencement of phase I/II
    - Completion of phase I/II
    - Europe & Rest-of-World licensing strategy
    - Development of topical for non-cancer diseases
  - **Systemic PEPnnn drugs**
    - Activity in various non-skin cancer indications
    - Programmes for development
    - Partnering & co-development strategy
- PEPLIN BIOTECH



## **Key reasons to invest**

- **Compelling pilot clinical results**
  - 94% complete response by most common skin cancers
  - Major mitigation of technical risk
- **Powerful collaboration with Allergan**
  - US\$23m milestones over next few years
  - Market leader in new dermatology drugs & procedures
  - Strong royalty on marketing approval
  - Major mitigation of financial risk
- **Clear pathway to profitability**
  - Lead drug addresses huge and growing market
- **Enormous upside potential of early pipeline**
  - Numerous high-value topical and systemic anti-cancer targets



# **Peplin Biotech**

## **... delivering results**

