

ASX ANNOUNCEMENT

POSITIVE CLINICAL STUDY RESULTS FOR CELLMID'S HAIR GROWTH PRODUCT USING NOVEL FGF5 INHIBITOR

- **évolis ONE, Cellmid's novel FGF5 inhibitor hair growth product has been tested in a blinded, placebo-controlled clinical study with outstanding results**
- **évolis ONE has demonstrated efficacy in reducing hair loss, increasing hair growth and improving hair recovery and release in the study group**

SYDNEY, 15 April 2015: Cellmid Limited (ASX: CDY) has received strong positive results in all measured areas of its independently conducted, randomized, blinded and placebo controlled human clinical study of the évolis ONE formulation. The 32 patient study was conducted with Cellmid's novel and proprietary FGF5 inhibitor formulation, évolis ONE, which is a fully optimised, GMP manufactured and market ready product.

Using Gravimetric Analysis¹ évolis ONE has shown a statistically significant 80.2% reduction in hair loss over 112 days (16 weeks) with twice daily use. Hair differentiation (or anagen/telogen ratio, a measure of growing versus resting hair follicles) improved with an increase of 44.2% in growing follicles during the same period, as analysed by the Van Scott "hair pluck" method². Hair release and recovery (overall improvement in hair quality and volume) was quantified by PhotoGrammetrix™³ measurements and has shown an improvement by a statistically significant 143.3%.

The trial was conducted by AMA Laboratories, INC. in New York, a leading independent CRO specialising in dermatological product testing. The efficacy study followed a 51 subject Repeat Insult Patch Test (RIPT) to assess safety by evaluating skin irritation and sensitisation. The safety study, also conducted by AMA Laboratories, resulted in a "zero adverse event" report.

"In addition to the hair count and hair loss measurements the photographs taken during the PhotoGrammetrix™ evaluation demonstrate visible improvement in overall hair quality and volume" added Maria Halasz, CEO of Cellmid. "As this product has active ingredients subject to Cellmid's recently filed patent application, the results give us multiple opportunities to commercialise this valuable asset" she added.

"These are very exciting and valuable results expected to support stronger clinical hair growth claims of this proprietary product" said Darren Jones, Head of Product

¹ A trained technician combed each subject's hair 20 times employing a standardised technique to capture the "fall-off". Recovery aggregates were weighed to establish hair loss reduction patterns if any.

² Not less than 10 hair shafts were excised from the targeted region of the scalp and categorised as anagen or telogen. Ratios were calculated according to Van Scott.

³ Photographs taken by PhotoGrammetrix™ equipment allow for the area affected by alopecia to be captured and quantified.

Development at Cellmid. "FGF5 is well recognised as the ultimate controller of hair loss. We are excited to be the first on the market with a clinically validated product range addressing FGF5" he added.

Background

Cellmid, on behalf of its wholly owned subsidiary Advangen Limited, contracted independent CRO, AMA Laboratories, to conduct a 16 week clinical study in September 2014 to evaluate the efficacy of its novel FGF5 inhibitor formulation, which is subject to patent applications. The key objectives of the clinical study included quantitative assessment of hair loss, hair release and recovery and hair differentiation.

Efficacy of évolis ONE was measured by Gravimetric Determination, Van Scott "Hair Pluck" method and using PhotoGrammetrix™ scientifically matched photography. Visual evaluation was conducted by AMA's Institutional Review Board.

Individuals included in the study experienced "patterned baldness" of 2 to 4 on the Hamilton-Norwood scale (men) and I-2 to II-2 on the Ludwig scale (women) of hair loss. Study participants were otherwise in general good health and within the healthy weight range, aged 31 to 55 years.

FGF5 and its inhibitors

FGF5 is well recognised as the ultimate regulator of hair cycle and hair length in humans⁴. Expressed by macrophage-like cells surrounding the hair follicle, it acts by triggering the dermal papilla to transition from growing (anagen) to resting (telogen) phase. Overexpression of FGF5 induces hair follicles to undergo premature entry into catagen phase and fall out.

Several groups have been pursuing FGF5 inhibition as a strategy to prevent hair loss and increase hair growth. Cellmid, through its wholly owned subsidiary Advangen Limited, is the first company with a clinically validated FGF5 inhibitor hair growth product on the market.

End

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⁴ Higgins, *et al.* 2014. "FGF5 is a crucial regulator of hair length in humans" *PNAS*, 11 (29):10648-53

Advangen Limited

In 2013 Cellmid acquired Advangen Inc. (Japan), the owner of a range of FGF5 technologies and products. Since then, Cellmid's FGF5 inhibitor assets have been consolidated in its wholly owned subsidiary, Advangen Limited. Cellmid, under Advangen Limited, has continued innovation and product development in addition to actively building distribution in Australia, China, Japan and other major markets. Since the acquisition of Advangen Inc., Advangen Limited filed a number of new patent applications covering several hair growth agents including midkine, pleiotrophin and a group of novel FGF5 inhibitors.

Cellmid Limited (ASX: CDY)

Cellmid is an Australian biotechnology company with lead drug candidates in oncology. The Company is developing innovative novel therapies and diagnostic tests for a number of cancer indications, in particular solid tumours. Cellmid holds the largest and most comprehensive portfolio of intellectual property related to the novel oncology target midkine and midkine antagonists globally. The Company's most advanced development programmes involve using its anti-midkine antibodies in addition to commercialising midkine as a biomarker for the early diagnosis and prognosis of cancer. For further information please see www.cellmid.com.au.

Investment in biotechnology companies

There are a number of inherent risks associated with the research, development and commercialisation of pharmaceutical products. Investment in companies specialising in these activities carry specific risks which are different to those associated with trading and manufacturing businesses. As such, these companies should be regarded as highly speculative. Cellmid recommends that investors seek professional advice before making an investment in its shares.