



Jefferies Animal Health Summit

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The Parnell Opportunity in Animal Healthcare:

Established Commercial Presence & Valuable Product Pipeline

5 Marketed Products; US Market Expansion Underway

Robust Pipeline with 7 Products in Development

Integrated Development, Manufacturing & Commercial Capabilities

Unique Commercialization Model Utilizing Digital Technologies









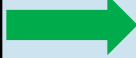

Experienced Leadership in Global Animal Healthcare with Track Record

Parnell's Business Strategy & Advantages

- We have developed, registered, manufactured and commercialized Production and Companion Animal drugs in major markets.
- We have existing, rapidly growing revenues that demonstrate we can compete against the major multinational incumbents.
- We know the veterinary market and have successfully implemented an innovative commercialization strategy using Digital Technology.
- We can develop and commercialise drugs at a much lower cost due to our existing in-house capabilities including manufacturing
- We are using this experience to leverage our fully integrated value chain to progress our pipeline drugs delivering innovation to large, existing markets with unmet needs

Products & Pipeline

Our Products & Pipeline

	Pilot Studies	Pivotal Studies	Anticipated Approval	Market Size
GONAbreed® & estroPLAN® (Fertility) – Cattle			Marketed (12 Countries)	\$200m
ZYDAX® (Osteoarthritis) – Dogs & Horses			Marketed (5 Countries; US/EU 2016)	\$400m
GLYDE™ (Osteoarthritis) – Dogs & Horses			Marketed (5 Countries)	\$500m
TERGIVE™ (Osteoarthritis) – Dogs			Marketed (1 Country)	\$400m
PAR121 (Orthopedics) – Dogs, Cats & Horses			2018	~\$200m
PAR122 (Dermatology) – Dogs			2018	~\$300m
PAR081 (Anesthesia) – Dogs & Cats			2017	\$120m
PAR101 (Diabetes & Laminitis) – Dogs & Horses			2017	~\$100m
GONADOPRO™ (Fertility) – Cattle			2017	\$200m
PAR061 (Mastitis) – Cattle			2019	\$400m

 Production Animal  Companion Animal

Report Card

2014 Report Card

- **Financial Progress**
 - Completed IPO in June 2014, raising \$50M
 - Initiated significant investments in strategic growth areas
- **Commercial Accomplishments**
 - Achieved strong sales growth across all business segments
 - 29% increase in sales reported for 2H 2014 (calendar year)
 - Demonstrated competitive strength in production animal business
 - Triple-digit annual sales growth in U.S. production animal business
 - 44% annual sales increase production animal business ex-US
 - Resurgence of sales and market share in AU and NZ from Bayer
 - Surpassed 30% market share in CAN
 - Zydax sales grew 18% in Australia 6 years after launch

2014 Report Card

- **R&D Investment and Progress**
 - **Achieved significant clinical and regulatory progress for lead osteoarthritis drug; Zydax[®]**
 - Received approval of Safety section from FDA
 - Reported positive large-scale pilot efficacy study results in September
 - Initiated a Zydax pivotal efficacy study at 28 sites in Q4, 2014
 - Completed API commercial manufacture scale up with Lonza
 - **Developed Glyde Chews and developed AU & US launch plans**
 - **Developed preclinical and clinical studies across 6 pipeline programs commencing in 2015**
 - **Assessed multiple licensing opportunities**

Strategy execution in 2015:

- **Bringing Zydax[®] & Glyde[®] to Large Markets**
 - Complete pivotal efficacy clinical trial
 - Complete and file CMC section
 - Establish US Canine sales team (40 reps) and launch Glyde (and potentially other in-licensed products)
- **Strong Revenue growth in Dairy and Companion**
 - US Dairy presence increasing to 7 territories; triple-digit sales growth
 - Double digit Canine sales growth in AU
 - Launch new versions of mySYNCH[®] & iKAM[®]
 - Expand geographic presence through marketing partner appointments
- **Advancing 7 Proprietary Pipeline Programs**
 - Multiple clinical and preclinical studies with quick read-outs
 - Pipeline additions through in-house development and licensing

Product & Pipeline Details

Zydax[®]

“the best OA drug I have used in my 30 years of veterinary practice”

– Leading Australian Veterinary Surgeon

Need

- All current and potential drugs are ostensibly anti-inflammatories which fail to target the primary cause of OA – cartilage degradation

Solution

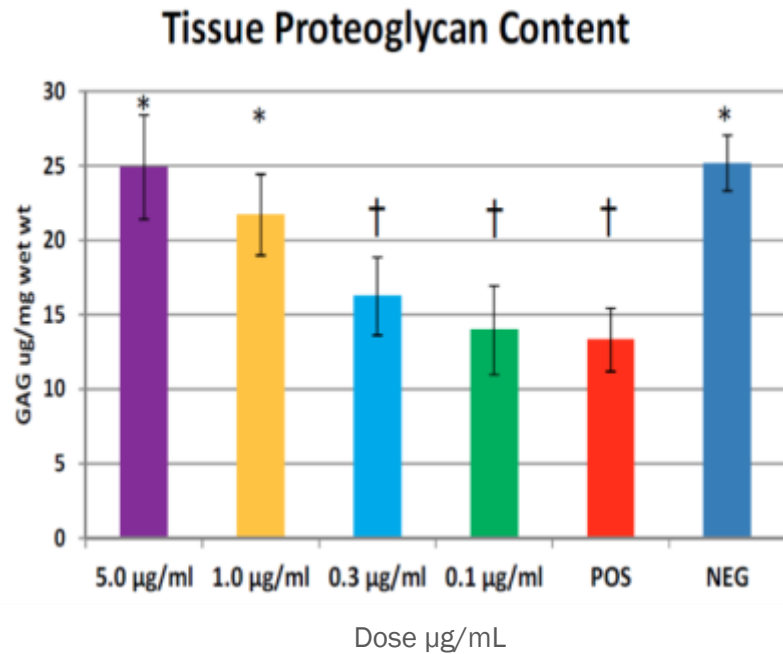
- Zydax is a highly sulfated polymeric drug with a proven bi-modal action
 - stimulates proteoglycan synthesis
 - inhibits Aggrecanase-1
- Only drug to have successfully completed FDA required “owner assessed, clinical end-point” efficacy trials



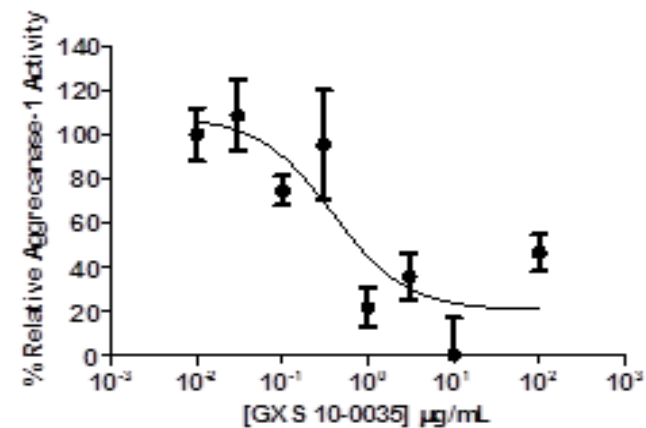
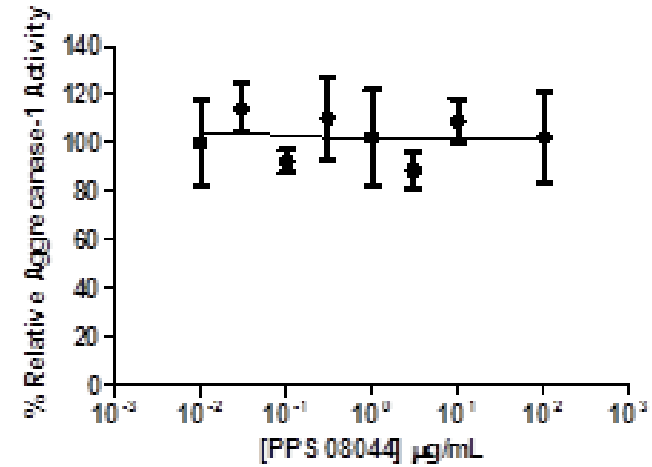
Zydax

- Mode of Action Studies

Anabolism

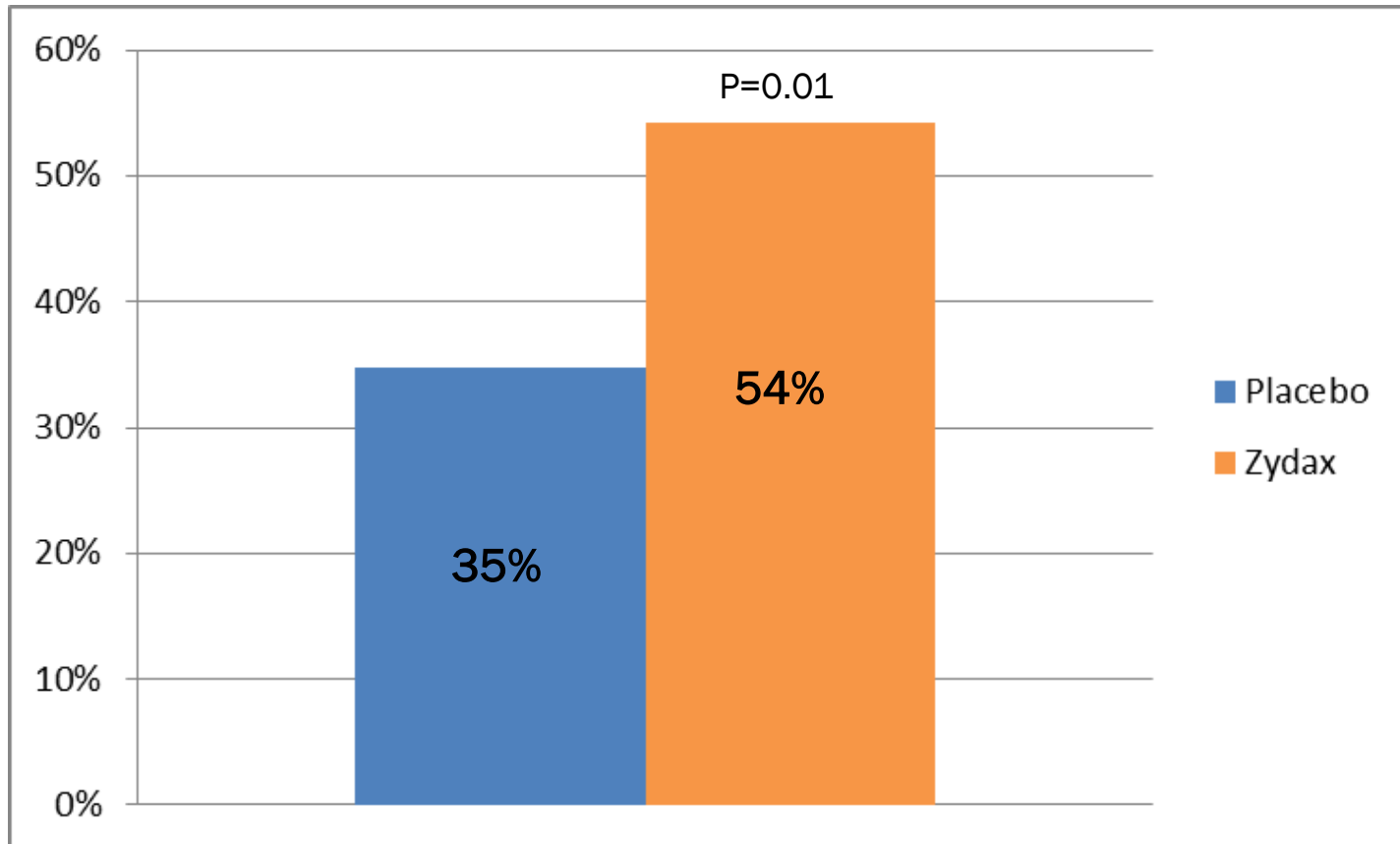


Catabolism



Zydax

- Efficacy trial results: Percentage of dogs that TOTAL Clinical End Point



Milestones & Summary

		2014	2015	2016	2017
ZYDAX® (Osteoarthritis)	Dogs	Commence Pivotal Efficacy Trial, Q4	Submit All Data	Launch 1H: US & Europe	Launch 1H: Asia & Canada
	Horses		TAS	Efficacy	Launch 1H: EU & US , Asia

- Long patent remaining (2028) with opportunities for further IP
- Significant market success in comparable markets against NSAIDS, DMOADs and Nutraceuticals
- Successful M.O.A. studies and more planned
- Safety section and label language FDA approved
- Pilot efficacy studies successful
- Pivotal efficacy study running in 28 trial sites in AU & USA; complete Q2, 2015
- Lonza successfully scaled up commercial manufacture of API
- Final EU and US submissions Q2, 2015 with launch expected in 1H, 2016
- Potential to add feline indications in 2015
- Equine approvals will be pursued in 2015/16

PAR121 – Orthopedics

Market Need

- Dogs, and especially horses, do not tolerate casts or prolonged immobilization
- Multi-billion dollar canine orthopedic surgery market. In majority of equine cases, animal is euthanized

Solution

- PAR121 stimulates osteoblast differentiation to rapidly speed bone healing one week after fracture or orthopedic surgery

Milestones

- 2015: Formulation development
- 2016: Pilot efficacy read out



PAR122 – Dermatology

Market Need

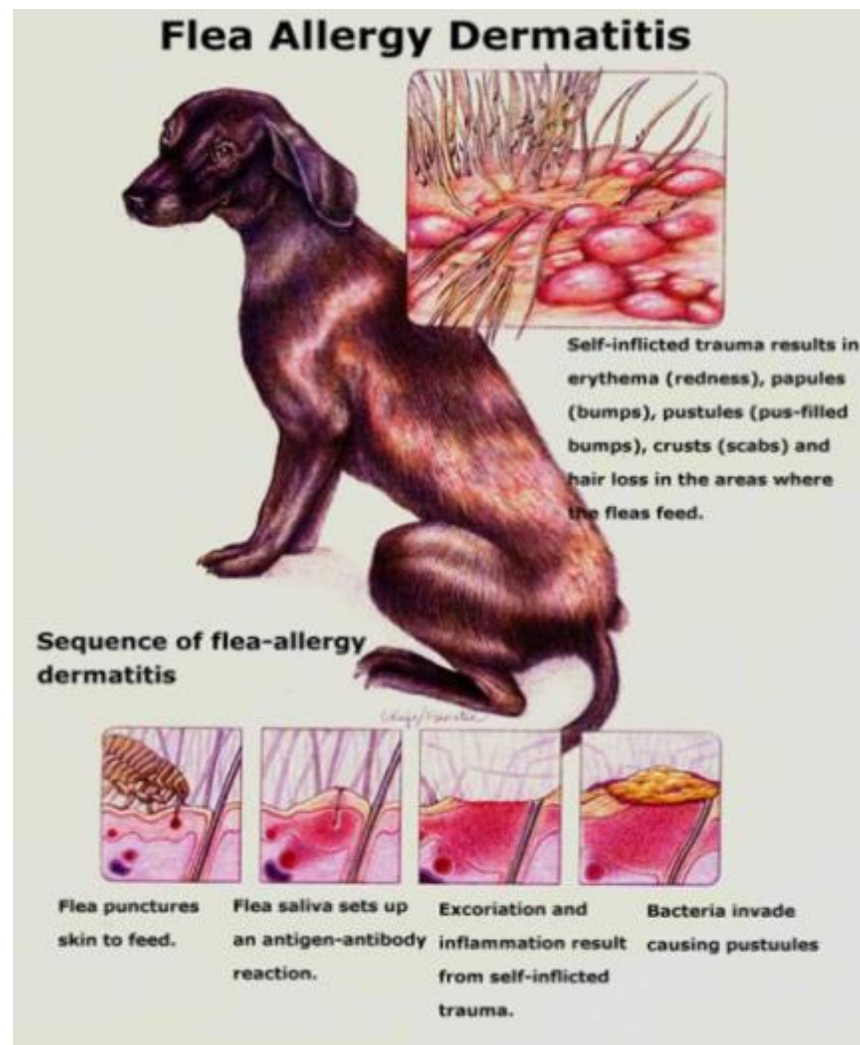
- Flea Allergy Dermatitis (“FAD”) is the biggest cause of atopic dermatitis
- New anti-pruritic medications will reduce itching but there is no effective treatment for the secondary problem of bacterial skin infection

Solution

- PAR122 is a first-in-class product that stimulates rapid epithelial cell differentiation to speed skin healing

Milestones

- 2015: Formulation development
- 2016: Pilot efficacy read out



PAR061 – Mastitis

Market Need

- Current dry cow mastitis therapies require infusion of antibiotic paste directly into the teats of the udder
 - Process is cumbersome and laborious

Solution

- PAR061 is a pro-drug that crosses the blood-milk barrier and remains active for a prolonged period using an ion-trap via a simple subcutaneous injection
- Revolutionizes dry cow therapy

Milestones

- 2015: Formulation development
- 2016: Pilot efficacy read out



PAR081 – Anesthesia

Market Need

- Propofol is the most commonly used anesthetic; current propofol-based products have significant shortcomings
 - Emulsions are difficult to sterilize introducing high risk of bacterial infection

Solution

- PAR081 is a water soluble formulation
 - No risk of bacterial infection
 - More predictable anesthetic induction

Milestones

- 2015: Formulation development
- 2016: Pivotal efficacy & TAS



Move from this



To this

PAR101 – Laminitis

Market Need

- No effective therapy to prevent or reverse laminitis; emphasis on symptomatic treatments, diet restrictions and exercise

Solution

- PAR101 is a daily oral therapeutic utilizing pioglitazone (insulin-sensitizer for type 2 diabetes in humans)
- Only known product in development targeting one of the major causes of laminitis, metabolic syndrome

Milestones

- 2015: Pilot efficacy
- 2016: Pivotal efficacy & TAS



GONADOPRO – Cattle Reproduction

Market Opportunity

- Reproduction is the single biggest driver of economic gain on a dairy farm
- Options to improve conception rates involve long duration and complex breeding programs

Solution

- Combination formulation of GnRH and Progesterone enables 10-day breeding program
- 30% improvement in conception rates
- overcomes challenges associated with intra-vaginal progesterone devices

Milestones

- 2015: In-vivo hormone profiles
- 2016: Pivotal efficacy



Upcoming Milestones

2015 Major Milestones and Catalysts

- Q1 update: strong sales growth; April
- Zydux Pivotal Efficacy Clinical Trial readout; late Q2
- FDA filing of Zydux CMC Package; late Q2
- FDA & EMA filing of full Zydux registration package; early Q3
- Appointment of Zydux Marketing Partner for EU, ROW; Q3
- Announcement of US Companion Animal commercialization infrastructure and US launch plans for Glyde; Q2
- Launch of new iKAM and mySYNCH Digital Tools; Q3
- Full results of Zydux trial, market research outcomes for US Companion Animal market (feeding commercialization plans); June Investor Day
- Multiple milestones and updates in 2H on Pipeline development

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