ASX ANNOUNCEMENT
30 JANUARY 2017

COMPANY UPDATE

Cogstate Ltd (ASX.CGS), a world-class cognitive science, technology and services company, is pleased to release a company update presentation, which is attached to this announcement. The presentation outlines Cogstate's compelling investment case and strategy. It will be used for a series of non-deal institutional investor roadshows in Melbourne and Sydney in the coming weeks.

INVESTMENT HIGHLIGHTS

- Cogstate is at a **major inflection point** as it accelerates the commercialisation of 15+ years of world-class research and development
- **Record revenue growth** translating into positive EBIT and strong cash flow generation
- Growing US$800m market opportunity for Clinical Trials division – new commercial leadership and team driving **step-change in revenue and earnings growth**
- Opportunity to establish market **leadership in Healthcare**, potentially an even larger market than Clinical Trials – clear milestones in place to rapidly exploit this potential
- **Strong contracted revenue pipeline and positive** outlook de-risks investment proposition and leads to high confidence in medium to long term growth trajectory

BOARD AND MANAGEMENT COMMENTARY

Brad O'Connor, Chief Executive Officer, commented:

"Cogstate's strong financial performance over the last 18 months is testament to the quality of investment in our proprietary technology platform and reflects our success driving commercial adoption of our digital brain health solutions. Recent enhancements to our senior leadership team ensure we are well positioned to further accelerate monetisation of 15 years of research and development. Our strategic focus now is on further revenue growth in our clinical trials business and rapidly establishing market leadership in the nascent healthcare market."

About Cogstate
Cogstate Ltd (ASX:CGS) is a leading cognitive science company dedicated to simplifying the measurement of cognition in clinical trials, academic research and healthcare. Cogstate is a pioneer in commercialising rapid, reliable, and highly sensitive computerised cognitive tests and provides expert support for neuropsychological and functional assessments to drive higher quality outcome measures in clinical trials. Cogstate customers include the world's leading biopharmaceutical companies; military and elite sporting organisations; physicians and patients; renowned academic institutions and public-private partnerships. For more information visit www.cogstate.com.

For further information contact:
Brad O'Connor
Cogstate Chief Executive Officer
+613 9664 1300 or 0411 888 347
boconnor@cogstate.com

COGSTATE

Investor Presentation

January 2017

INVESTMENT HIGHLIGHTS

A world-class cognitive science, technology and services company focused on optimising and monetising the measure of cognition

	(Refer to slides)
▪ Cogstate is at a **major inflection point** as it accelerates the commercialisation of 15+ years of world-class research and development	*4*
▪ **Record revenue growth** translating into positive EBIT and strong cash flow generation	*5*
▪ Growing US$800m market opportunity for Clinical Trials division – new commercial leadership and team driving **step-change in revenue and earnings growth**	*9-14*
▪ Opportunity to establish market **leadership in Healthcare**, potentially an even larger market than Clinical Trials – clear milestones in place to rapidly exploit this potential	*15-18*
▪ **Strong contracted revenue pipeline and positive outlook** de-risks investment proposition and leads to high confidence in medium to long term growth trajectory	*19*

CORPORATE OVERVIEW

Strong conviction from long-term shareholders has enabled Cogstate to develop a unique technology platform, extensive validation and expanding supporting services

Highly credentialed and well aligned Board and management team holding >40% of Cogstate shares

43.7%	**Current Board and management shareholders**	
17.5%	**Dolby Family**	▪ *Related party to Non-Executive Director, David Dolby* ▪ *Shareholder since November 2013*
17.3%	**Martyn Myer AO**	▪ *Current Chairman* ▪ *Co-founder and shareholder since 1999 as provider of seed capital*
8.9%	**Other Board and management**	

15.2%	**Other significant shareholders**	
8.0%	**Nebula Neuro** (Dr. Alan Finkel AO)	▪ *Currently Australia's Chief Scientist* ▪ *Previous Director of Cogstate* ▪ *Shareholder since 2006, substantial shareholder since May 2015*
7.2%	**Fidelity International Limited**	▪ *Substantial shareholder since November 2016*

Trading information

Share price (27-Jan-17)	A$1.30
Number of shares	113.2m
Market capitalisation	**A$147.2m**
Cash (31-Dec-16)	A$11.2m
Debt (31-Dec-16)	Nil
Enterprise value	**A$136.0m**

Board of directors

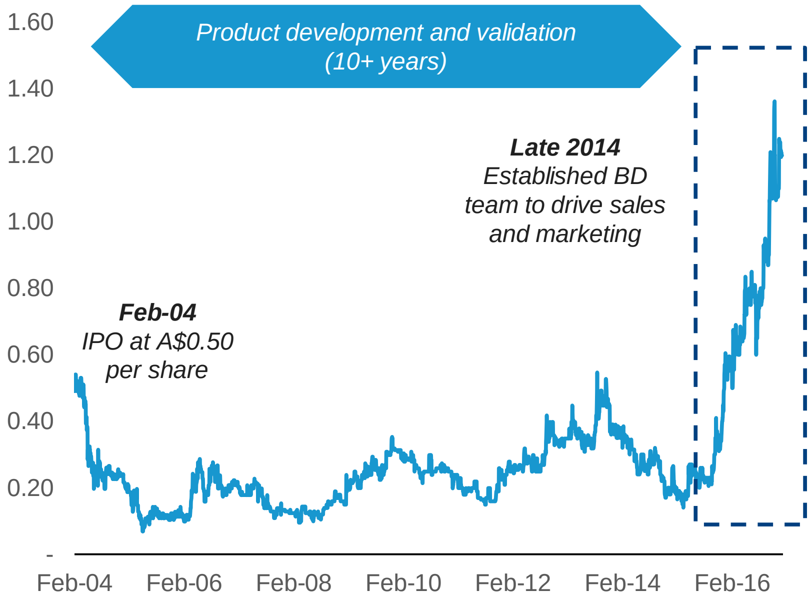
Martyn Myer	Non-Exec Chairman
Brad O'Connor	Chief Executive Officer
David Dolby	Non-Exec Director
David Simpson	Independent Non-Exec Director
Rich Van Den Broek	Independent Non-Exec Director
Dr. Richard Mohs	Independent Non-Exec Director
Jane McAloon	Independent Non-Exec Director

Source: IRESS, company information

COGSTATE SHARE PRICE PERFORMANCE

Recent share price momentum is reflective of continued sales, revenue and earnings growth as commercialisation efforts accelerate

Historical share price performance (A$)



Source: IRESS

1H17 FINANCIAL HIGHLIGHTS

1H17 was a record half year, with strong momentum expected to continue in 2H17

Sales contracts executed

+35%

US$23.0m

1H16: US$17.1m
Record half of new sales contracts signed

Contracted future revenues

+26%

US$31.7m

30-Jun-16: US$25.2m
Strong contracted revenue pipeline

Revenue

+43%

A$18.5m

1H16: A$13.0m
Record underlying revenue achieved

EBIT guidance

+23% to 42%

A$1.3m to A$1.5m

1H16: A$1.1m
Expect to achieve strong growth in 1H17

Operating cash flow

+1,568%

A$4.2m

1H16: A$0.3m
Achieved record operational cash inflows

Cash balance

+120%

A$11.2m

31-Dec-16: A$5.1m (cash up $6m in year)
Top-line growth driving operating cashflow

Note: Cogstate's reporting currency will change from AUD to USD in July 2017 – currently 99% of revenue and >80% costs are in USD

THE LEADER IN DIGITAL BRAIN HEALTH ASSESSMENTS

WE BELIEVE THAT BRAIN HEALTH IS PROFOUNDLY IMPORTANT AND SHOULD BE EASIER TO MEASURE. THAT'S WHY WE APPLY OUR SCIENTIFIC EXPERTISE, SENSITIVE MEASURES AND FLEXIBLE TECHNOLOGY TO SIMPLIFY THE ASSESSMENT OF COGNITION.

A unique combination of scientifically proven measures & 'digital health' delivery…

Cognitive Tests

State-of-the-art testing platform for measuring cognition in a wide variety of settings on multiple device modalities.

Scientific Expertise

Tests developed by expert neuropsychologists to be highly sensitive and scalable, supported by a decade of research to support over 70 indications and multiple demographics

Reporting & Analytics

Real time access to results and actionable analytics**, extensive normative data sets** to support interpretation

…rapidly commercialising in two large and growing markets.

Slides 9-14

CLINICAL TRIALS

Full-service outsourced solution for optimising the measurement of cognition in pharmaceutical clinical trials

CORE MARKET: Leveraging strong initial traction to rapidly grow the business

Slides 15-18

HEALTHCARE

Regulated medical device combining validated testing technology with a new, innovative workflow built for clinicians

DEVELOPING MARKET: Potential to capture market leadership through strong product and pipeline

VALIDATED AND SCALABLE TECHNOLOGY PLATFORM

15+ years of investment in Cogstate's scalable technology platform underpins accelerating commercial success and provides foundation for further growth

Validated approach

Technology is clinically and scientifically validated

>**400** peer reviewed publications

>**1,500** trials across academic & clinical research

Hundreds of thousands of assessments

Access to data

Access to **large sets of cognitive performance data** from academic research in many populations/diseases

Key point of differentiation for advising study designs and demonstrating test utility for biopharma customers

Future opportunity: Cognitive performance databases for healthcare

Built for growth

Platform developed to scale and engineered for rapid growth

70 indications

54 countries

100 languages & dialects

Focus now is leveraging the platform to drive growth across new indications and markets

SENIOR EXECUTIVE APPOINTMENTS

To further accelerate revenue growth in Clinical Trials and Healthcare businesses

GEORGE HUNNEWELL

COO & President of Clinical Trials
Appointed November 2016 (US based)

- **25 years' experience** growing healthcare technology businesses
- **Global general management expertise** including sales, marketing, operations, finance, and M&A
- Previously the Corporate Vice President, Clinical Research Services for **Parexel International, one of the largest CROs in the world**

2IC to CEO, full P&L responsibility of the Clinical Trials business

"I'm thrilled to be joining Cogstate because of its superb technology, loyal customers and a huge market potential."

FRANK CHENG

President of Healthcare
Appointed November 2016 (US based)

- More than **23 years' experience** in the global medical device technology and diagnostic industries
- **Extensive experience** in respect to bringing new medical technologies to market by leading product development, regulatory clearance, market access, commercialisation and strategic partnership
- Previously the Senior Vice President, Worldwide Marketing & Business Development at **Stereotaxis Inc, publicly-traded robotic heart surgery company**

Full P&L responsibility of the Healthcare business

"I find Cogstate's untapped opportunities in the healthcare market very exciting and hard to resist from a personal standpoint"

CLINICAL TRIALS OVERVIEW

Cogstate is steadily expanding beyond its core Alzheimer's Disease foundation

Alzheimer's disease

- 40% to 60% of new contracts
- Initial commercial focus from 2010
- Expect to remain at the forefront of Alzheimer's disease research, supporting key academics and their research studies

Continued investment and ongoing strategic focus

Oncology

- 5% to 20% of new contracts
- Cogstate's second wave of commercial focus
- Recent investment and collaboration into Oncology research (including focus in paediatric populations)

New investment over the past 24 months

>60 other indications

- 20% to 50% of new contracts
- Key focus area for recently established business development team
- Will leverage involvement in international research studies and academic collaborations

Long-term growth opportunity

Cogstate's end-to-end solution is highly valuable in any trial seeking to measure cognition

MARKET OPPORTUNITY IN CLINICAL TRIALS

~$800m annual opportunity for cognition assessment in clinical trials

Clinical trials context

Large and growing clinical research market…

- Total industry spend on clinical development: US$38bn p.a.
- ~37,000 new trials initiated each year
- Growth rate: ~5% to 8% per year

…requiring large-scale cognition assessment solution

- ~50m patients worldwide with dementia, spurring research
- Cognition used as safety endpoint beyond Central Nervous System trials
  - Increasing oncology survivorship puts focus on treatment side-effects
  - Drug regulators increasingly focused on monitoring participant safety in **all** clinical trials

Three key applications in efficacy, safety and screening worth ~US800m annually in clinical trials

			Average value per study to Cogstate over phases 1-3 *	Estimated studies/tests (p.a.)	Potential opportunity
1	Measuring trial efficacy	Alzheimer's disease	US$500k	100	US$50m
		All other CNS diseases	US$500k	250	US$125m
2	Measuring patient safety		US$500k	750	US$375m
3	Participant screening		US$500k	500	US$250m
				Total	**US$800m**

** Contract value for Cogstate varies with size and scale of study – Phase III contracts worth up to $10m*

Source: Alzheimer's Association; Clinicaltrials.gov.; William Blair Equity Research (April 2016)

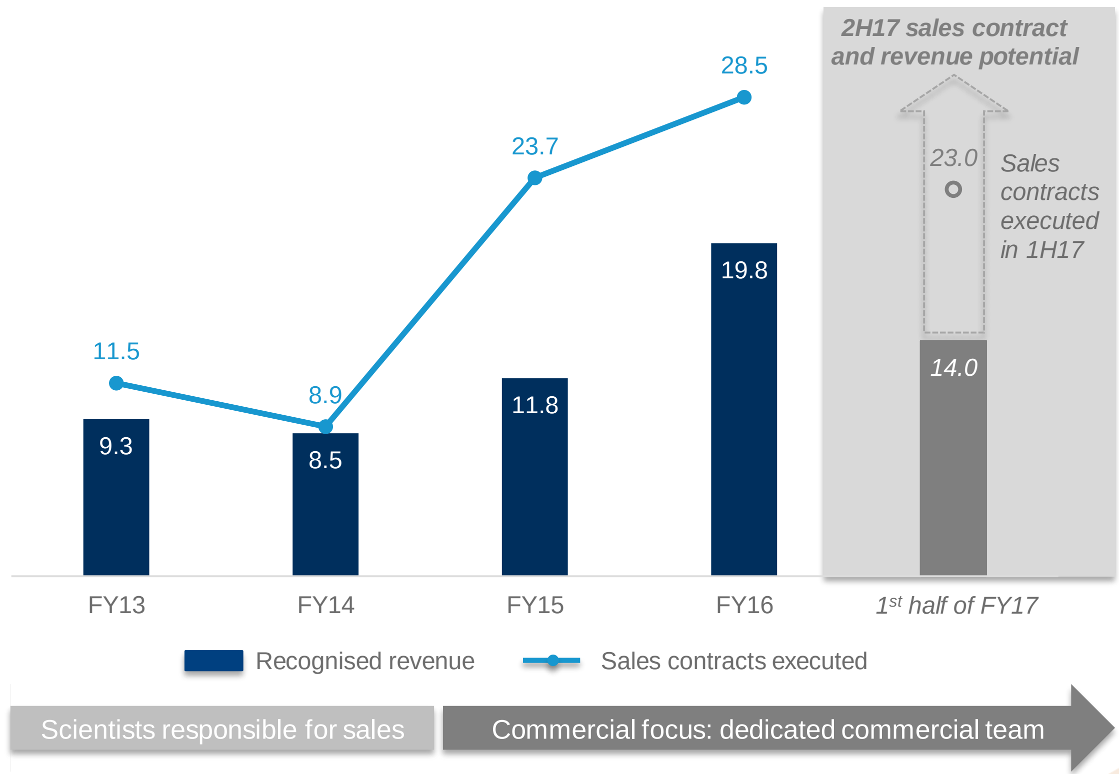
STRONG EXECUTION TO DATE

Rapid growth in sales and strong contracted revenue demonstrates the value of Cogstate's solution and offering

Key go-to-market steps in Clinical Trials

- ✓ Cogstate's **technology is well validated in many indications** (with more than 1,500 studies completed)
- ✓ **Establishment of the business development team** in late 2014 to drive sales
- ✓ Continued build out of Cogstate's technology platform for **scalable growth**

Sales contracts executed vs. recognised revenue (US$m)



WORLD CLASS CUSTOMER BASE

Cogstate is a key partner to the world's leading pharmaceutical companies

Cogstate currently works with **9 of the top 10 pharmaceutical companies** (ranked by R&D Spend)

NOVARTIS, Johnson & Johnson, Pfizer, Roche, MERCK, AstraZeneca, SANOFI, gsk GlaxoSmithKline, Lilly, Bristol-Myers Squibb

76% of new clinical trials contracts are signed by repeat clients

Why do clients continue to choose Cogstate?

- ✓ **Trusted partner** with the scientific expertise to advise on trial design and test selection
- ✓ **Sensitive cognitive measures** that can detect subtle cognitive change
- ✓ Well validated assessments with **extensive normative datasets**
- ✓ Platform **designed for the rigour** of clinical trials (secure, scalable and regulatory compliant)

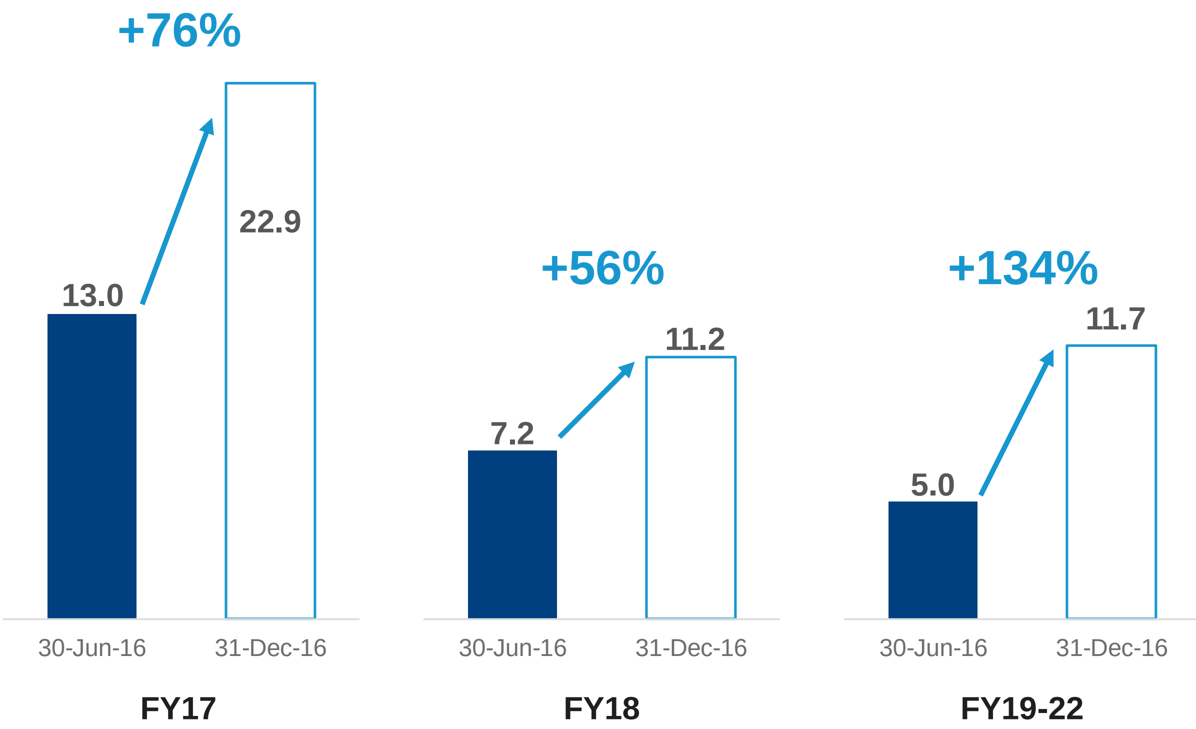
Source: EvaluatePharma® 22 May 2015

RAPID GROWTH IN CONTRACTED REVENUE PIPELINE

Long term contracted revenues de-risks Cogstate's investment proposition

Growth in contracted revenue pipeline (US$m)

- The long term nature of Cogstate's contracts provides forward sight of revenue and allows us to optimise resources
- Our product traction and momentum is evidenced by Book-to-Bill ratio[1] above 1.0x in 9 of the last 10 quarters
- Revenue secured for FY18 onwards has grown substantially to US$22.9m (Jun-16: US$12.2m)



1. Book-to-Bill ratio relates to the ratio between new contracts signed and revenue recognised (i.e. when Book-to-Bill > 1.0x, contracted future revenue increases)

CLINICAL TRIALS STRATEGIC OBJECTIVES

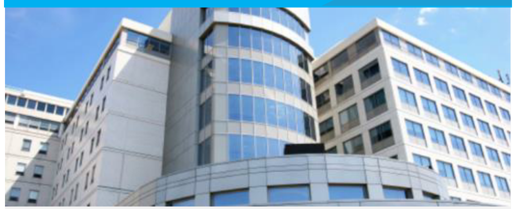
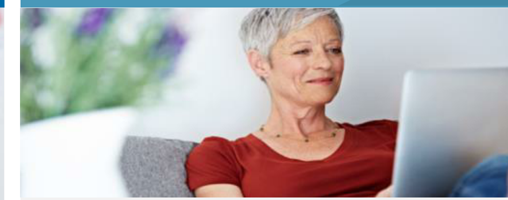
Leverage strong initial market traction to rapidly grow the business

Expansion into Europe and Rest of the World	*Almost entirely US based today – significant potential in Europe / RoW*
Establish strategic partnerships and additional sales channels	*Fully leverage Cogstate's products by extending sales reach and network*
Develop and license complimentary solutions	*Opportunity to support our top-tier customers with a broader range of solutions*

Cogstate's Clinical Trials business can generate ~US$100m p.a. revenue within 3-5 years

HEALTHCARE MARKET OPPORTUNITY

Potential for >25m cognition tests per year in US alone

SETTING	HOSPITALS	PHYSICIAN OFFICE	CONSUMER HEALTH
			
COGNITION TESTING APPLICATIONS	▪ Pre/post surgery assessment ▪ ICU patient assessment ▪ Concussion management	▪ Alzheimer's screening ▪ Drug effect monitoring ▪ Concussion management	▪ Self cognitive assessment
ANNUAL MARKET (US)	▪ 4 million tests	▪ 14 million tests ▪ Potential increases by 6 million tests once Alzheimer's drug is approved	▪ 10 million tests
PAYER	▪ Hospitals to absorb computer test costs into billable procedures	▪ Physician time already reimbursable ▪ Need to secure reimbursement for computer test costs	▪ Consumer or employer pay

Source: Cogstate internal analysis

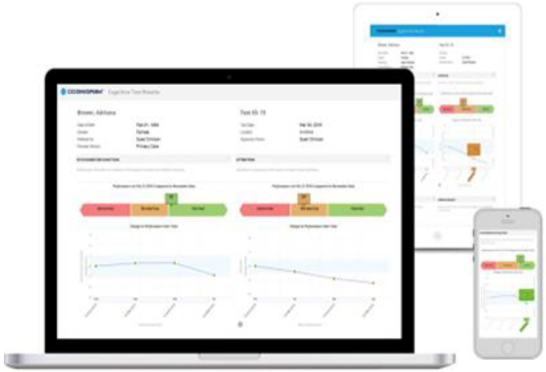
COGSTATE HAS A SUPERIOR SOLUTION FOR HEALTHCARE

Potential to capture market leadership with a web-based, regulatory cleared medical device designed for the measurement of cognition in healthcare

Opportunity to address key gaps in detection and monitoring of cognitive decline in healthcare

Lack of physician skills	Untrained physicians and/or not confident in diagnosing
Lack of physician time	Cognitive assessment is time intensive
No market standards	Lack of consensus on the appropriate tools for physicians
No clear market leader	No cognition test player has captured 10% of the market yet

Cognigram™ combines validated testing technology with a new, innovative workflow built for physicians



Healthcare opportunity for Cogstate could be larger than clinical trials. Options to monetise include pay-per-test or licensing the technology

Initial investment will focus on creating US market demand to facilitate partnerships for broader commercialisation

Strategic Priorities

1) Regulatory Clearance

Secure US regulatory clearance in 2017 calendar year with European clearance soon after

2) Clinical Adoption

Drive adoption and build market share to become leading cognition player in Healthcare

3) Industry Partnerships

Position Cogstate as the partner-of-choice in Healthcare

Launch

Launch offering and drive initial clinical adoption

Key objectives
- Deliver pilot sales
- Grow clinical adoption and ensure customer satisfaction

Key enablers
- Secure US regulatory clearance
- Fill key management positions
- Launch product successfully

Partnership

Explore and finalise Strategic partnership

Key objectives
- Finalise strategic partnership with at least one healthcare industry leader, for product integration & large scale commercial collaboration

Key enablers
- Robust innovation roadmap
- Strong clinical adoption and convincing sales potential
- Published studies supporting clinical/economic claims

Growth

Accelerate commercialisation with partner(s)

Key objectives
- Grow sales into industry leader
- Grow profitability

Key enablers
- Partner demonstrates strong commitment to execute collaboration with Cogstate

KEY OPERATIONAL MILESTONES FOR HEALTHCARE

Growth to be managed against a clear set of operational and financial milestones

Key goals for next 18 months

Product milestones

- Complete regulatory submissions and secure regulatory clearances (US, EU)
- Develop Cogstate Healthcare Multi-Year Innovation Roadmap

Segment focus

- Demonstrate potential for adoption in professional settings
- Primary focus on driving adoption in hospital and physician offices

Business milestones

- Build dedicated Healthcare Management Team and establish Healthcare Advisory Board
- Drive commercial launch in US and explore strategic partnership strategy

Financial milestones

- Secure initial US revenues
- Maintain prudent fiscal management

KEY FUTURE DEVELOPMENTS

Cogstate is well placed to capitalise on exciting long-term growth opportunities

	FY 2017	FY 2018
Clinical Trials	• Expansion into Europe and Rest of the World • Establishment of strategic partnerships and extending sales network	• Continued investment in commercial team and R&D • Develop and license broader range of complementary solutions
Healthcare	• Product regulatory submission in US • Commercial launch in the US in FY 2017/18	• Initial revenues • Regulatory clearances in the US & EU • Explore strategic partnership opportunities

Strong contracted revenue pipeline and positive outlook leads to high confidence in medium to long term growth trajectory

COGSTATE

Cognition disorders Alzheimer's disease Heart failure
Major depressive disorder Multiple sclerosis (MS) Hepatitis C
Parkinson's disease Diabetic peripheral neuropathy Mild cognitive impairment
Insomnia Schizophrenia Overactive bladder Stroke
Obsessive compulsive disorder Alcohol Toxicity Familial Hypercholesterolemia
Attention deficit hyperactivity disorder Epilepsy Prostate cancer Lung carcinoma
Bipolar disorder Glioblastoma Tourette's syndrome Paediatric Hyponatremia
Autism spectrum disorders Healthy Population Anemia HIV
Pain Fragile X Cardiovascular Risk NSCLC Down syndrome Depression