ASX ANNOUNCEMENT

CELLMID'S LEAD ANTIBODY EFFECTIVE IN RARE CHRONIC KIDNEY DISEASE

- **Cellmid's lead antibody, CAB102, reduced kidney injury and preserved renal function in an experimental model of Focal Segmental Glomerulosclerosis (FSGS)**
- **Research in collaboration with the Westmead Research Institute and funding from the Australian Government's Innovation Connections Grant**
- **Results presented at the 54th Annual meeting of the Australian and New Zealand Society of Nephrology**
- **Preclinical efficacy in the rare kidney disorder FSGS allows for Orphan Drug application with FDA and EMA to commence**

SYDNEY: Wednesday, 12 September 2018, Cellmid Limited (ASX: CDY) advises on positive efficacy results from its lead anti-midkine antibody, CAB102, in the rare kidney disease, FSGS. The humanised antibody reduced the area of kidney injury 3-fold compared to vehicle treated control mice with FSGS ($p<0.05$), while renal function was improved ($p<0.05$).

The study performed at the Westmead Institute confirmed previous findings, that blocking midkine alleviates damage to the kidney and prevents ensuing defects in renal function. Furthermore, it demonstrated that a humanised antibody targeting midkine, CAB102, is equally as effective as its murine precursor. This is a critical step in progressing Cellmid's antibody assets towards clinical trials in kidney patients.

Demonstrating efficacy of the humanised midkine antibody in the rare kidney disorder FSGS enables Cellmid to apply to the US FDA and European EMA for Orphan Drug Designation for CAB102, as foreshadowed in the Company's previous ASX releases earlier this year.

Midkine has been identified as a contributor in several kidney disorders and blocking the action of midkine has previously been shown to improve disease outcomes in animal models. In previous studies it was shown that Cellmid's murine antibody, IP14, preserved renal structure and function (ASX announcement, 18 January 2017). CAB102 represents the humanised form of the murine antibody and has been developed to pre-GMP quality.

Cellmid received an Australian Government DIIS Innovation Connection Grant to support research projects carried out in the laboratories of Associate Professor Vincent Lee at the Westmead Institute. The Westmead group not only provided expertise in performing experiments to enable the study of kidney disease, but also contributed valuable clinical and physiological insights into the disease processes involved.

The collaboration enabled the testing of Cellmid's lead antibody assets in a complex preclinical rodent model, providing vital proof of concept that blocking midkine in this manner will protect the kidney from injury in FSGS patients.

CELLMID LIMITED ACN 111 304 119 ASX I CDY
Suite 204, Level 2, 55 Clarence Street
Sydney NSW 2000 AUSTRALIA
TELEPHONE +61 2 9221 6830 FACSIMILE +61 2 9221 8535
WEB www.cellmid.com.au

The benefits of Orphan Drug status include tax credits for costs of clinical trials, fee waiver and eligibility for seven years of marketing exclusivity. These incentives would represent a major boost to Cellmid's clinical development programs.

"We are excited that engagement with some of the leading renal clinicians and researchers in the field of CKD globally has lead us one step closer to clinical deployment of our anti-midkine assets" said Cellmid's CEO Maria Halasz.

Background and details of the study and collaboration

Previous studies using a variety of strategies to block midkine have minimized kidney injury and preserved renal function in a number of experimental models of acute and chronic kidney disease. Therefore, inhibiting midkine appears to be a viable approach to treat CKD patients.

Lyramid has developed a number of anti-midkine antibodies that are effective for different conditions including cancer, inflammatory disorders and kidney disease. Studies in mice with kidney damage resembling human focal segmental glomerulosclerosis (FSGS) the murine midkine antibody IP14 prevented kidney injury, glomerular scarring and suppressed inflammion, resulting in preserved renal function.

The murine antibody study carried out by the Westmead group was subsequently extended by renal physician Associate Professor Vincent Lee to identify the most effective Lyramid antibody for treating FSGS and other kidney disorders. In the current study, humanized CAB102 reduced the area of kidney injury 3-fold compared to vehicle treated control mice with FSGS ($p<0.05$), while renal function was improved ($p<0.05$).

Contact:

Company
Maria Halasz, CEO
Cellmid
T +612 9221 6830

Investor Relations
Kyahn Williamson
WE Buchan
T +61 401018828
kwilliamson@we-buchan.com

Media
Gabriela Czwarnos
WE Buchan
T: 0450 396 290
gczwarnos@we-buchan.com

Cellmid Limited (ASX: CDY)

Cellmid is an Australian life sciences company with lead programs in multiple disease indications. The Company, through its wholly owned subsidiaries, Lyramid, Kinera and Advangen, develops and markets innovative novel therapies and diagnostic tests for fibrotic diseases, cancer, ischemic diseases of the heart and hair loss. Cellmid holds the largest and most comprehensive portfolio of intellectual property relating to the novel targets midkine (MK) and FGF5 globally. Intellectual property pertaining to midkine is being exploited through wholly owned subsidiaries Lyramid and Kinera. Advangen, Cellmid's consumer health business, sells its FGF5 inhibitor hair growth products in Australia, Japan, USA and China. For further information, please see www.cellmid.com.au and www.myevolis.com.au.

Midkine (MK)

Midkine is a growth factor that is highly expressed during embryonic development. Midkine modulates many important biological interactions such as cell growth, cell migration and cellular adherence. These functions are relevant to cancer, inflammation, autoimmunity, ischemia, nerve growth/repair and wound healing. Midkine is barely detectable in healthy adults and only occurs as a consequence of the pathogenesis of a number of different disorders. Midkine expression is often evident very early in disease onset, even before any apparent physical symptoms. Accordingly, midkine is an important early marker for diagnosing cancers and autoimmune diseases. Finally, midkine is only evident in a disease context, and targeting midkine is not expected to harm normal healthy tissues.

Advangen Limited and hair growth products

Advangen Limited is Cellmid's wholly owned subsidiary engaged in the development and sale of first in class, best in class, clinically validated anti-aging products for hair, skin and body. Advangen has a range of FGF5 inhibitor hair growth products which are sold in Australia, Japan, USA and China. Advangen has a rich portfolio of hair growth and anti-aging hair care assets which include formulations of products on market, trademarks, patents and patent applications, proprietary assays and manufacturing processes. With the Fillerina® distribution agreement Advangen has its first skincare range.

Investment in life sciences 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.

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