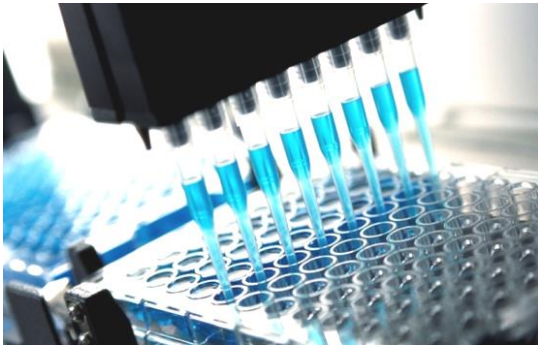


A Next Generation Stem Cell Company

Dr Ross Macdonald, CEO, Cynata Therapeutics Limited

February, 2014



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Cynata Therapeutics Ltd Key Facts

ASX:	CYP (prev ECQ)
Market Cap (10 Feb 14):	\$21.9m
Shares on Issue*:	55.0m
Options (10 Feb 14, \$0.2):	11.11m
Cash (31 Dec 13):	\$6.2m
Number of shareholders:	~1121
Business focus:	Stem cells + regenerative medicine

*includes 10m in escrow until Nov 14

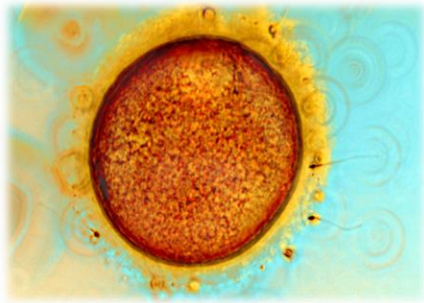


Major holders:	Mr Ian Dixon	4.34%
	Prof Igor Slukvin	4.34%
	Celtic Capital Pte Ltd	3.64%
	JK Nominees Pty Ltd	3.64%

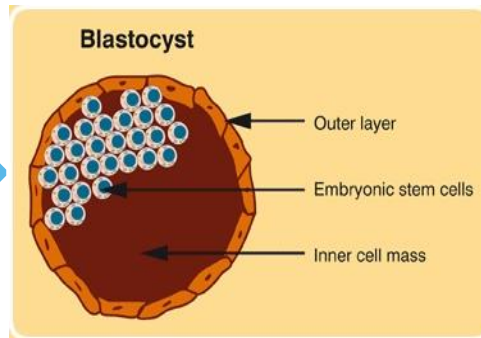
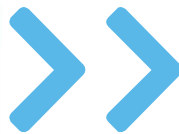
2,500,000 27/9/18 unlisted \$0.40 restricted options issued to each of RM and SW, vesting upon attainment of performance hurdles

Cell Replication and Differentiation

The extraordinary capacity of cells to multiply and differentiate:



1 fertilized
egg cell



~100 cells
"pluripotent"

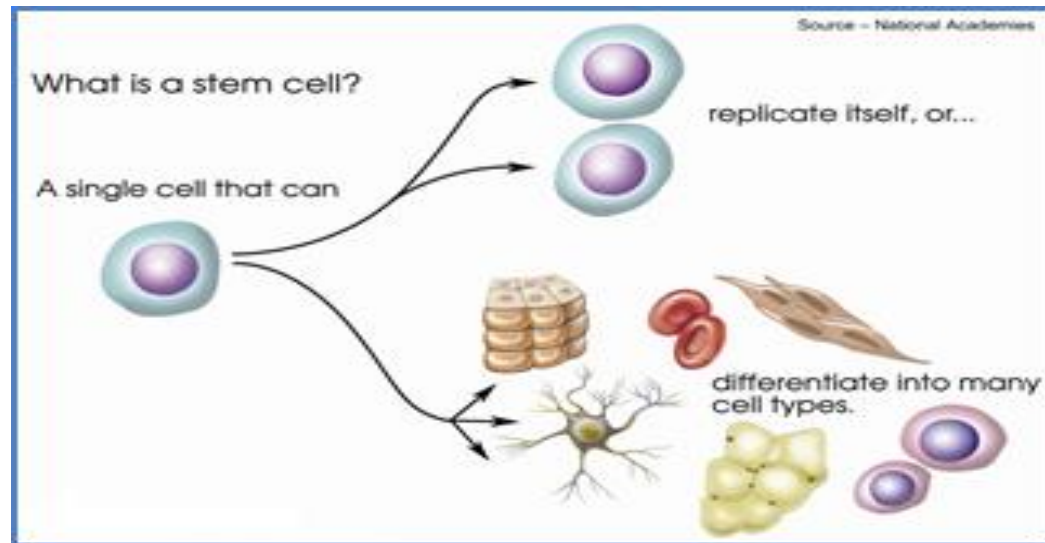


$>10^{13}$ cells*

*Ann Hum Biol. 2013 Nov-Dec;40(6):463-71

What is a Stem Cell?

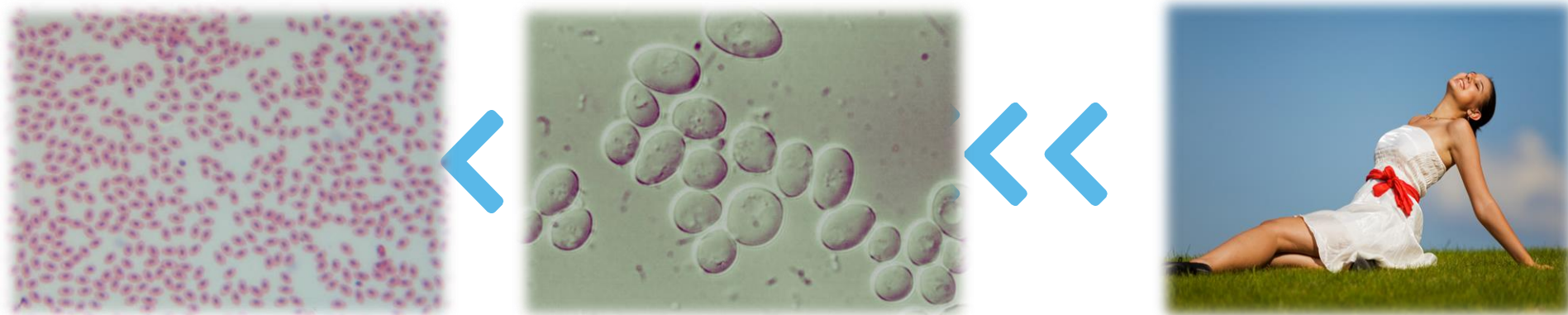
- Stem cells are unspecialised (undifferentiated) cells in the body that give rise to all functional cell types: blood, nerves, bone, muscle.....



- Derived from embryos and also certain adult tissues, eg bone marrow
- Stem cells may also assist in the body's own ability to repair or replace tissue that is damaged or destroyed by injury or disease:
 - Physical reconstruction of tissue (or causing it to happen)
 - **Immune modulation, i.e. anti-inflammatory mesenchymal stem cells (“MSCs”)**

Cell De-Differentiation & Reprogramming

- The seminal discovery that cells can be “re-programmed” (leading to a Nobel prize in 2012):



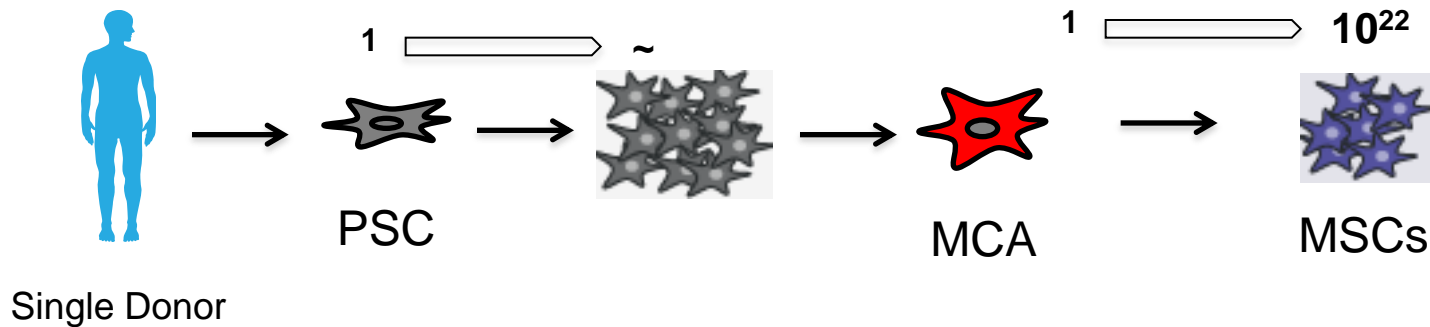
MSCs (or other functional cell types)

“pluripotent” stem cells (iPSCs)

1 x tissue sample

- Eliminates need for embryos or multiple donors
- Reproducible, consistent source material

Cynata's Cymerus™ Technology Facilitates Commercial-Scale Manufacture



- Patent-protected
- Single donor → unlimited production of uniform, pharmaceutical grade MSCs lacking contaminating immune cells
- Easier manufacturing; easier regulatory route
- Greater clinical predictability

Cynata's Cymerus™ : Outstanding Pedigree



WISCONSIN
UNIVERSITY OF WISCONSIN-MADISON

- Inventors include James Thomson who derived the first human embryonic stem (ES) cell line in 1998 and human induced pluripotent stem cells (iPSCs) in 2007
- Scientific leadership: Prof Igor Slukvin (UW), co-founder and author of >70 publications in the stem cell field
- WARF: US\$2 billion endowment built from licensing and investment
- In-licensed intellectual property includes several issued US patents as well as a broad estate of issued and pending patents



US007615374B2

(12) **United States Patent**
Vodyanyk et al.

(10) **Patent No.:** US 7,615,374 B2
(45) **Date of Patent:** Nov. 10, 2009

(54) **GENERATION OF CLONAL MESENCHYMAL PROGENITORS AND MESENCHYMAL STEM CELL LINES UNDER SERUM-FREE CONDITIONS**

(75) Inventors: **Maksym A. Vodyanyk**, Madison, WI (US); **Junying Yu**, Madison, WI (US); **James A. Thomson**, Madison, WI (US); **Igor I. Slukvin**, Verona, WI (US)

(73) Assignee: **Wisconsin Alumni Research Foundation**, Madison, WI (US)

Olivier, Stem Cells, 2006, vol. 24, p. 1914-1922.*
Barberi T, et al. "Derivation of multipotent mesenchymal precursors from human embryonic stem cells," PLoS Med. 2: e161 (2005).
Korhonen M, "Culture of human mesenchymal stem cells in serum-free conditions: no breakthroughs yet," Eur. J. Haematol. 77:167 (2007).
Meuleman N, et al., "Human marrow mesenchymal stem cell culture: serum-free medium allows better expansion than classical alpha-minimal essential medium (MEM)," Eur. J. Haematol. 76:309-316 (2006).
Meuleman N, et al., "Human marrow mesenchymal stem cell culture: serum-free medium allows better expansion than classical alpha-minimal essential medium (MEM)," Eur. J. Haematol. 77:168 (2007).



Ageing: Major Economic and Medical Challenge

- Aging population demographic: 80% of aged Americans have a chronic degenerative disease (eg osteoarthritis, heart disease, diabetes); 50% have two
- By 2030, US healthcare costs will increase by 25% with the cost of providing health care for a person aged >65 being 3-5x higher than the cost for someone <65

Strong need for novel therapies to regenerate damaged tissues

n.b: recent fundamental change in regulatory environment for stem cell products in Japan



MSC Therapies Are Here and Now

- Tissue Engineering and Soft Tissue Repair
 - Reconstruction of tendons, bone, cartilage, bladder, trachea
- Cardiovascular Therapies
 - Pro-angiogenic properties
- Inflammatory Diseases, Transplant Rejection
 - Immunomodulatory properties

Translating to ~191 open clinical studies using MSCs to treat a variety of medical conditions*

*as listed at www.clinicaltrials.gov

Stem Cell Company Market Valuations

- Analogous to monoclonal antibody enabling technology: hybridoma technology developed in 1975 → therapeutic market value now in excess of US\$44.6b¹
- Most stem cell companies attractively priced based on forward estimates with many products now in Phase 2 and 3; M&A warming up

Company	Mkt cap	Development stage	Partners	Cash ⁺
Mesoblast (Aus)	\$1.8b	7 x Ph2 1 x Ph3 1 x approved	Teva JCR Pharm	\$250m
Medipost (S. Korea)	\$471m	Cartistem on sale 2 x Ph1	Dong-A	\$50m
Biotime (USA)	\$250m	2 x Ph1 (+ device in P1)	Teva (AMD)	\$7.5m
Cynata (Aus)	\$22m	Pre-clinical	pending	\$6.2m

As at 11 February 2014

+most recent filings
\$ = AUD as converted

¹BCC Research, 2011 global market estimate of therapeutic monoclonals

Cymerus™ Product Development Program

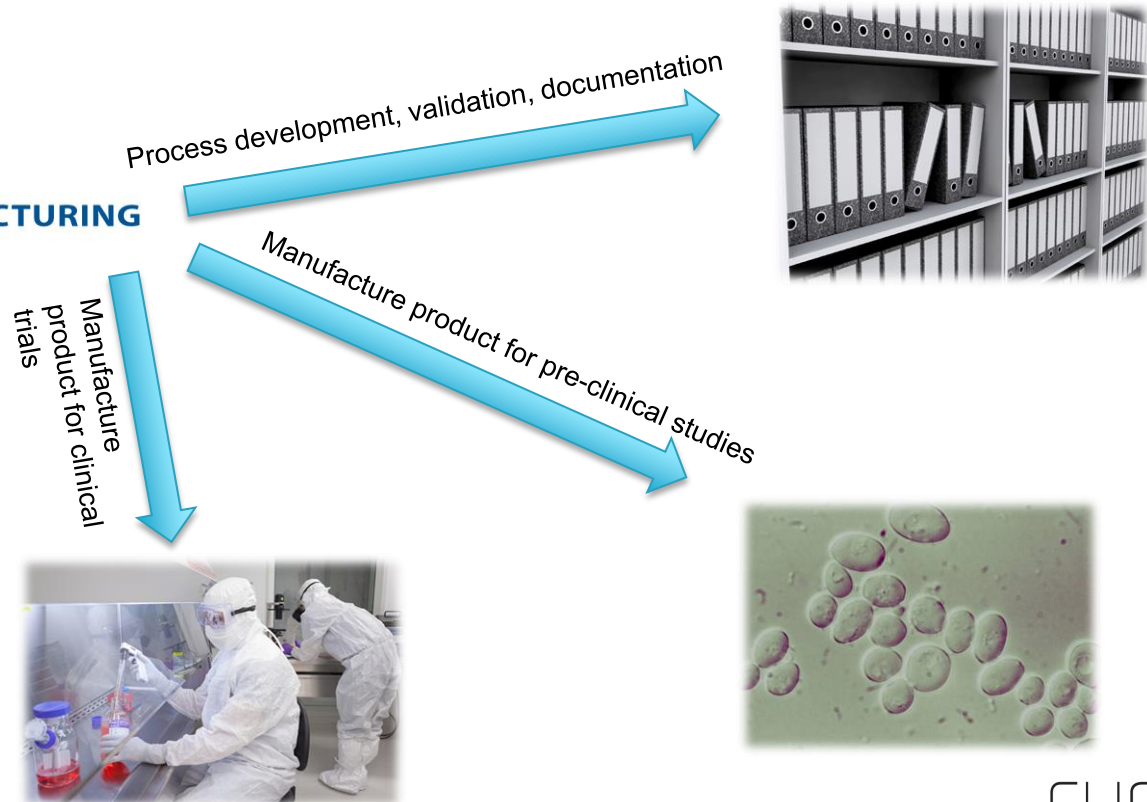


Cymerus™ Product Development

- Excellent data so far:
 - Identification and characterisation of Cymerus™ MCA-derived MSCs
 - Initial manufacturing process development
 - Proof-of-concept using Cymerus™ MSCs in model of critical limb ischemia
- Recruited VP, Product Development
 - Highly credentialed: ex Mesoblast, Biota
 - Multiple stem cell product experience
- Product manufacturing and process development underway (Waisman)
- Consultants engaged to chart regulatory roadmap
 - Findings mid-February
 - Essential guidance for preclinical program
- Further PoC study ready to commence
- Engaged with clinicians to conduct Phase 1 clinical study
 - Graft-versus-host disease

Waisman Biomanufacturing

- Specialist biological product manufacturer in Wisconsin, USA
- Particular experience in translating discoveries to products: developing scalable manufacturing, validation and quality control processes



Proposed Cymerus™ Phase 1 Clinical Trial

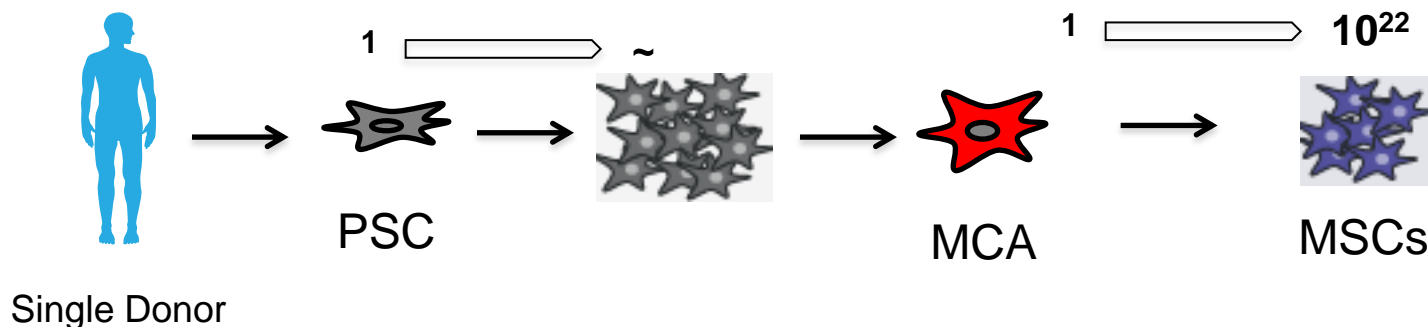
- Acute graft-versus-host disease (aGvHD)
 - Life threatening complication occurring in ~50% of unrelated-donor bone marrow transplant patients
 - Approximately 4,500 unrelated-donor bone marrow transplants/year in USA*
 - Standard-of-care (corticosteroids) effective in fewer than half of patients
 - Clinical evidence that MSCs are effective (one product approved in certain markets)
- Objective of Phase 1 studies is primarily safety
 - Secondary outcome will include measure of efficacy
- Successful outcome will confirm:
 - Validity of up-scaled manufacturing process
 - Clinical basis of activity
- Provides sound basis to expand to additional clinical indications

*US DOHHS HRSA data, 2012

Commercialisation Roadblock for MSC Therapies

- Commercial-scale manufacture of current MSC products is a major practical & regulatory challenge
 - Limited expansion potential
 - Donor-to-donor and intra-population heterogeneity
 - The difficulties of obtaining pure MSC populations/immunogenicity

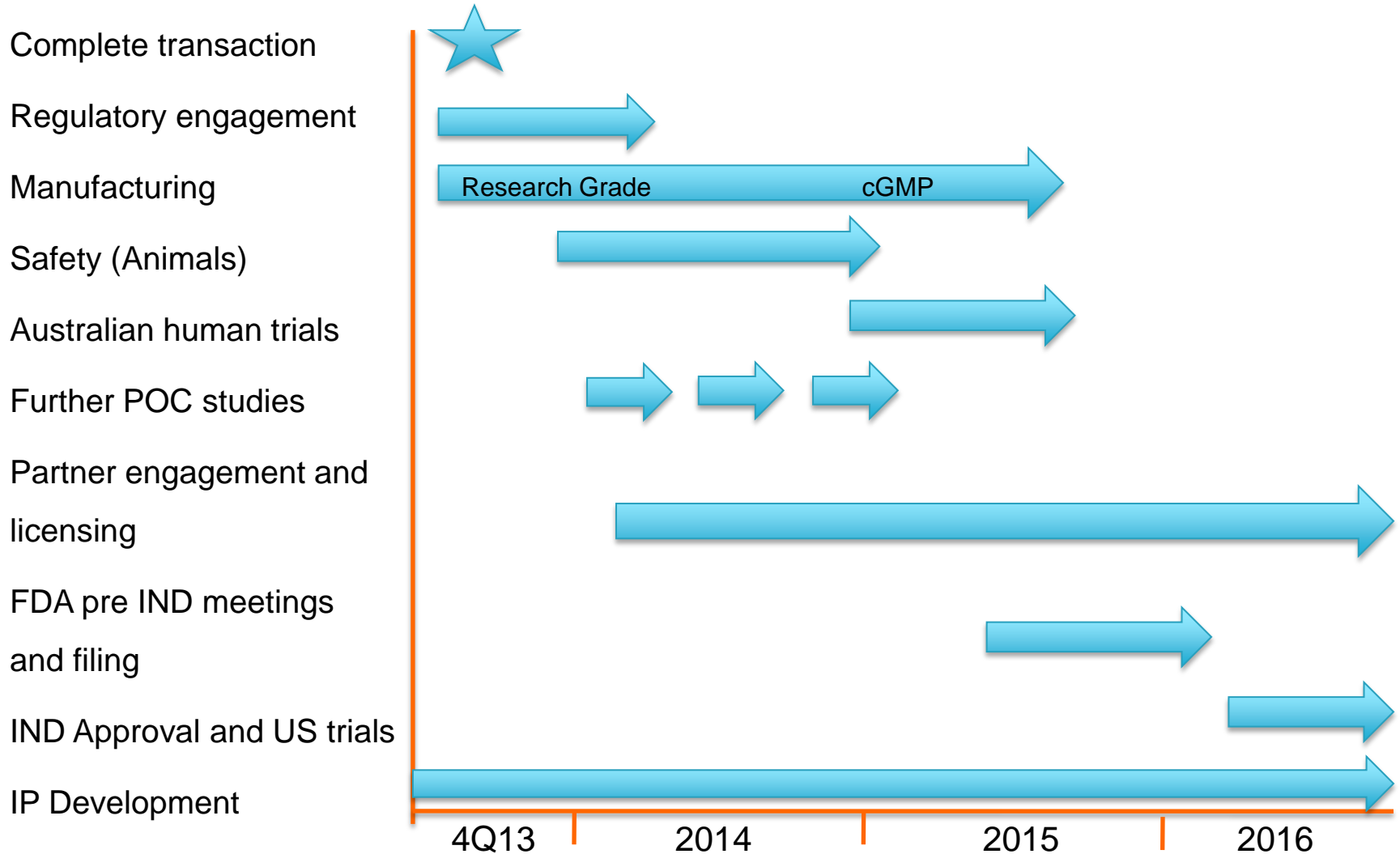
Cynata's Cymerus™ technology facilitates commercial-scale manufacture



Cynata's Commercial Goal

- Cynata will develop the proprietary Cymerus™ technology into:
 - a scalable manufacturing process, and
 - commercial allogeneic stem cell therapeutic products
- Cynata's Cymerus™ MCA- derived MSC's are outstanding stem cell therapeutic candidates
 - Provide unlimited supply of well-defined drug-like quality cellular products for therapies
 - Easy to develop continuous manufacturing and quality control procedures to meet FDA criteria
 - High volume/low cost manufacturing

Timeline



Potential revenue from Cymerus™ Technology

- Two potential revenue sources:
 - **Clinical need:** specific “off the shelf” therapeutic products derived from the Cymerus™ technology
 - **Manufacturing scalability:** Cymerus™ proprietary (enabling) method of commercial-scale manufacture → platform technology for partnering/licensing
- Partnership-driven business strategy: business development activities will be initiated upon completion of roll-up



Cynata Board and Management

Executive Chairman: **Dr Stewart Washer**

Managing Director & CEO: **Dr Ross Macdonald**

VP Product Development: **Dr Kilian Kelly (from 3/14)**

Non-executive Director
and Company Secretary: **Mr Peter Webse**

Executive Director: **Mr Howard Digby**

- A tight team with extensive industry, cell therapy and public company experience plus a track record of commercialising therapeutic products
- Additional resources to be considered as product development progresses

Why Invest in Cynata Therapeutics?

- Access to the vibrant and expanding field of stem cell medicine
- Innovative technology sourced from established and prestigious centre
- Cymerus™ addresses a known shortcoming in the commercial model of existing stem cell companies
- Experienced management team
- Value-accretive news flow expected in near term
- Potential revenues from both specific therapeutic products and from enabling platform technology

Thank you for your attention

