

Press release



Auspherix Raises £6Million to Progress its Novel Antibiotics and Establishes UK Operations

Stevenage, UK, xx June 2015 – In the race to develop new antibiotics with completely new modes of action that might address the growing threat posed by antimicrobial resistance, Auspherix Limited (UK), an early stage anti-infectives company originated in Sydney Australia, has raised £6 million in a Series A venture financing, and is establishing operations on the Stevenage Bioscience Catalyst site just outside of London, UK. New investor Imperial Innovations plc (AIM IVO) led the round alongside Australian founding investor the Medical Research Commercialisation Fund (MRCF).

The investment will be used to fund the Company's drug discovery programme, expand the experienced management team and recruit a world-class microbiology team. Auspherix aims to progress its novel class of antibacterials, which have a unique profile and novel mechanism of action, through lead optimization to final candidate selection within the next two years. Auspherix's current lead compounds show activity against a broad range of multidrug resistant (MDR) important Gram-negative and Gram-positive bacterial infections.

The Company was co-founded by Professor Ian Charles and Dr Dagmar Alber during their time together at the ithree institute, UTS, Sydney. Dr Roberto Solari has joined the Board of Directors as its independent non-executive Chairman. Previously, Dr Solari was Vice President in GSK's UK-based Respiratory Therapy Area, and is currently senior research fellow in the National Heart and Lung Institute, Imperial College London, focusing on respiratory infections. He is also an advisor to Imperial Innovations and Brandon Capital Partners, and is on the board of Heptares and the Science Advisory Board of Astex Pharmaceuticals. Before joining GSK, Dr Solari was CEO of the UK Medical Research Council's technology transfer arm, MRCT, creating spin out companies such as Heptares and developing an internal drug discovery group. The Company has also appointed Grant Hawthorne, an experienced biotech company director as COO.

Founding venture investor and Auspherix Board member Dr Stephen Thompson, Partner at Brandon Capital Partners, the Australian venture capital firm that manages the MRCF, said: "Auspherix has progressed very rapidly and is now at the stage that building out the team is appropriate. The potential of the Company's new class of anti-infectives is an extremely exciting opportunity and I am delighted that Imperial innovations has agreed to invest alongside the MRCF to move the programmes forward."

Commenting on the investment and Auspherix's potential, Dr Solari said: "Auspherix's novel chemistry has activity against a broad range of multidrug resistant (MDR) Gram-negative and Gram-positive bacterial infections and the initial pharmacokinetic profile of these compounds is consistent with their use as an antibacterial drug for a number of indications with high unmet need and large market potential."

Professor Charles, co-founder and CSO said "The need to find new ways to combat infectious diseases becomes more urgent year-on-year as superbugs continue to emerge that are resistant to more and more current antibiotics. Whilst drug discovery is a long road, to have discovered antibacterial compounds with completely novel chemical structures is very exciting and I look

forward to working with the new team as we move our discoveries forward towards the clinic.”

The Company anticipates appointing a CEO within the coming months, and is building out its Stevenage-based R&D team. It will pursue a flexible investment and partnering model aimed at maximizing the speed with which it can develop and commercialize its novel antibiotic drug candidates.

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Notes for editors

About Auspherix Ltd

Auspherix Ltd has discovered a brand new class of antibacterials with a unique profile and novel mechanism of action that could overcome rising problems of resistance to current antibiotics. Its compound series show activity against a broad range of multidrug resistant (MDR) important Gram-negative and Gram-positive bacterial, with PK profiles consistent with their use as antibacterial drugs for a number of indications with high unmet need and large market potential.

Based in Stevenage UK (in the Stevenage Bioscience Catalyst facility), the Company was founded in late 2013 based on discoveries made at the iThree institute at the University of Technology Sydney (UTS). The Company has raised AUS\$2 million in Seed and Series A1 investments (2013-2014) from Australia's Medical Research Commercialisation Fund (MRCF) and £6 million in Series A2 round (2015) from the MRCF and the UK's Imperial innovations plc (AIM: IVO).

For further information please visit www.auspherix.com

About Imperial innovations

Imperial Innovations Group plc creates, builds and invests in pioneering technologies developed from the academic research within the 'Golden Triangle' broadly bounded by London, Cambridge and Oxford, which is home to the UK's four leading research-intensive universities.

This area is home to many new technology companies through its proximity to the academic communities of Imperial College London, the University of Cambridge, the University of Oxford and University College London, as well as other leading research institutions.

Imperial College London, the University of Cambridge, the University of Oxford and University College London collectively have research income of £1.4 billion per annum and are ranked as four of the top ten Universities in the world (source: QS World University Rankings 2014/15).

Innovations supports scientists and entrepreneurs in the commercialisation of their ideas through the licensing of intellectual property, by leading the formation of new companies, providing facilities in the early stages, providing investment and encouraging co-investment to accelerate development, providing operational expertise and recruiting high-calibre management teams. It also runs an incubator in London that is the initial home for many of its technology spin-outs.

Since admission of its shares to trading on AIM in 2006, Innovations has raised more than £346.0 million of equity from investors, which has enabled it to invest in some of the most exciting spin-outs to come out of UK academic research. In addition, the Group has a £30.0 million loan facility from the European Investment Bank (EIB) for investment in biotech and therapeutics businesses.

During the period from admission on AIM up until 31 January 2015, Innovations has invested a total of £198.3 million across its portfolio companies, which have raised collectively investment of £926.8 million rising to £1.0 billion including post period end investments and commitments.

For further information please visit www.imperialinnovations.co.uk

About The Medical Research Commercialisation Fund (MRCF)

The MRCF Collaboration, managed by Brandon Capital Partners, brings together over 50 of Australia's leading medical research institutes and research hospitals in an innovative investment collaboration. The MRCF provides dedicated investment funding to support the commercialisation of early-stage medical research discoveries that originate from its members.

AU\$200m MRCF3 fund launched in 2015 is supported by AustralianSuper, StatewideSuper, HESTA and HOSTPLUS industry superannuation funds. The MRCF's first two funds, the MRCF Trust and MRCF IIF LP, totalling AU\$51m were established in 2007 and 2011 and were supported by AustralianSuper, StatewideSuper and the Australian Government through its Innovation Investment Fund (IIF) program. The MRCF acknowledges support from the State Governments of Victoria, New South Wales, Western Australia, Queensland and South Australia

For further information please visit www.mrcf.com.au and www.brandoncapital.com.au

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