

ASX Release

Anatara animal health asset update

Highlights

- Anatara provides an update on strategic evaluation of its lead animal health product, Detach[®]
- Discussions in progress with Australian contract manufacturer, and with potential veterinary sales, marketing and distribution partners to investigate sale of Detach[®] in Australia
- Review underway of global regulatory environment for Detach[®] to determine fastest path to market in other jurisdictions
- Research commenced around potential applications for Detach[®] in areas outside of piglets
- Prior discussions with multi-national animal health companies being further evaluated for product licensing opportunities

BRISBANE & MELBOURNE, 28th June 2019: Anatara Lifesciences (ASX:ANR) provides an update on the strategic evaluation of Detach[®], its non-antibiotic animal health asset which aids in the control of diarrhoeal disease in piglets (known as scour) with potential application in other livestock animals, aquaculture and companion animals.

Anatara initiated a strategic evaluation following the recent return to the Company of rights to the worldwide development, manufacturing, distribution, and marketing of Detach[®] for livestock animals and horses.

Over the coming weeks, Anatara's Board and Management team will continue to closely review all options to unlock the global value of the Company's animal health assets. In line with a commitment to ongoing transparency, we provide the following update to investors.

Market Opportunity for Detach[®] in piglets

Scour (diarrhoea) in piglets is an expensive, debilitating and in some cases, life-threatening condition. Increasing survivability and providing health benefits to pre-weaning piglets has been at the core of the development of Detach[®] since the Company was listed in 2014.

As Anatara moves forward, the Board is confident in the knowledge that a substantial market opportunity still exists, with more pressure than ever on producers to reduce their antibiotic use and find suitable alternatives which minimise illnesses, such as scour, on farms. Effective, registered alternatives to antibiotics for scour prevention in piglets are limited. Historically, zinc oxide has been widely used by pig producers as an alternative to antibiotics for scour control and treatment in piglets. However, from 2022, high dosage zinc oxide will no longer be used as a therapeutic agent in the European Union and as such, new alternatives are required.

Detach[®] benefits from concerns over traditional antimicrobials, antibiotics and zinc oxide. The global threat of antibiotic resistance continues to gain headlines and the demand for immediate action to reduce the use of antibiotics in livestock production grows at a rapid pace.

Combined with growing consumer demand for antibiotic free meat, the macro-environment continues to strengthen the case for Detach[®] and as such, it remains strongly positioned to play a significant role in the global animal health market.

Launch of Detach[®] in Australia, where regulatory approval is in place

A major achievement for the Company in October 2018 was the receipt of regulatory approval for Detach[®] from the Australian Pesticides and Veterinary Medicines Authority (APVMA). This approval means that Detach[®] can be sold in Australia as soon as Anantara or a partner is ready to commence sales and marketing.

Anantara is in discussions with an APVMA approved contract manufacturing organisation (CMO) to establish manufacturing readiness and lead-time to supply product for sale in Australia.

In parallel, Anantara has commenced discussions with potential veterinary sales, marketing and distribution partners who have well-developed relationships with Australian pig farmers.

Regulatory approval of Detach[®] in overseas markets

In follow up to earlier work, Anantara is in the process of reconfirming those overseas markets in which APVMA approval allows for fast track product registration within 12 months of date of submission. Many major pig markets in South East Asia, such as Vietnam, Myanmar and Philippines may accept APVMA approval as regulatory evidence in their product registration process.

According to the United Nations' Food and Agricultural Organization (FAO)¹ in 2017, Vietnam had a live pig population of 27.4 million pigs, Myanmar, 18 million pigs and Philippines, 12.4 million pigs. By way of comparison, Australia has a breeding sow population of approximately 230,000, with a total of 5.8 million pigs weaned per year.

Options for expedited market entry into Canada (14.3 million pigs), South Korea (11.3 million pigs) and India (8.8 million pigs) are being evaluated. Other countries do require additional in-country field trials for approval including China (441 million pigs) and USA (73.4 million pigs) and EU countries (147.5 million pigs).

¹ Global pig statistics- <https://www.pigprogress.net/World-of-Pigs1/World-of-Pigs/Global-pig-statistics/?region=231>

Development of Detach[®] for species other than piglets

Anatara will confirm the regulatory requirements for species other than piglets in each of the major markets of interest but acknowledges there is considerable development work required to get Detach[®] approved for use in other species.

Through a third-party research organisation, Anatara recently commenced a proof of concept aquaculture trial and has initiated market research to evaluate the opportunity in aquaculture and companion animals.

Options to deliver on the global value of Anatara's animal health assets

Working off a program of prior business development discussions with >10 top multi-national animal health companies, Anatara continues to evaluate potential licensing partners presence in global and regional markets.

CEO Steve Lydeamore commented, "Shareholders have been patient with Anatara while we work through this review process and we are grateful of that support. Given the macro environment, prior discussions with potential partners and the growing need for products like Detach[®], we continue to believe in its value to animal gastrointestinal health.

Anatara's Board and Management team will further progress the evaluation of all options to deliver value for our shareholders and in line with our commitment to ongoing disclosure, another market update will be provided in the coming weeks."

For more information please contact:

Investor and Media inquiries	
Steven Lydeamore Chief Executive Officer Anatara Lifesciences Ltd +61 (0) 438 027 172 slydeamore@anatara.com	Sue MacLeman Chair Anatara Lifesciences Ltd +61 (0) 437 211 200 smacleman@anatara.com

About Anatara Lifesciences Ltd

Anatara Lifesciences Ltd (ASX:ANR) is developing and commercialising innovative, evidence-based products for gastrointestinal health where there is significant unmet need. Anatara is a life sciences company with expertise in developing products for animal and human health. Anatara is focused on building a pipeline of human gastrointestinal health products. Underlying this product development program is our commitment to delivering real outcomes for patients and strong value for our shareholders.

