

28 January, 2014

Metabolic Licenses AOD9604 to Australian Custom Pharmaceuticals

Calzada Limited (ASX:CZD) is pleased to report that its fully owned subsidiary, Metabolic Pharmaceuticals Pty Ltd (Metabolic), has entered into a non-exclusive license with Australian Custom Pharmaceuticals, Australia's largest compounding pharmacy, based in Taren Point, Sydney, NSW. This licence is solely for the use, manufacture and sale of AOD9604 in compounded medicine preparations that comply with all Australian regulatory requirements.

Over the past 18 months an increasing number of Australian registered medical practitioners have been prescribing AOD9604 products for use by their patients. Anecdotal evidence indicates that AOD9604 is being prescribed to reduce body fat and for muscle, tendon & cartilage repair. Metabolic owns patents and intellectual property around AOD9604 and its use in the treatment of these indications.

These doctor prescriptions have been filled by licensed compounding pharmacies, such as Australian Custom Pharmaceuticals, and can be legally prepared under Australia's Therapeutic Goods Act (Item 6, Schedule 5 to the Therapeutic Goods Regulations which deals with the extemporaneous compounding exemption).

Metabolic has been exploring options by which it can derive revenue from the manufacture, use and sale of AOD9604 products infringing its patent portfolio by third parties. This first licence with Australian Custom Pharmaceuticals opens the potential to strike similar license agreements with other Australian compounding pharmacies in the future. In other jurisdictions, such as the USA, compounding pharmacies operate under similar legislation and it is intended that opportunities to licence AOD9604 outside of Australia for pharmacy compounded medicines will also be explored.

Metabolic continues to operate a low cost out-licensing strategy with minimal overheads. As is the case with this licence Metabolic aims to receive double digit percentage royalties on the final selling price of all compounded medicine products involving licensed AOD9604.

Metabolic does not manufacture, distribute or supply AOD9604 which would need to be sourced elsewhere by licensees. The licensing of AOD9604 to compounding pharmacies provides a financial return, in the form of royalties, from the sale of AOD9604 products in recognition of Metabolic's intellectual property or patent rights over AOD9604.



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About Calzada Ltd

Calzada has 100% ownership of PolyNovo Biomaterials Pty Ltd and Metabolic Pharmaceuticals Pty Ltd. The Company is listed on the Australian Securities Exchange (ASX Code CZD).

About PolyNovo Biomaterials Pty Ltd

PolyNovo owns and develops a suite of state of the art biodegradable polymers that have potential applications across numerous medical fields, but particularly related to burn and wound treatments.

About Metabolic Pharmaceuticals Pty Ltd

Metabolic's asset is the AOD9604 peptide which has potential applications in the treatment of obesity, bone, cartilage and muscle diseases and repair.