



NEWS RELEASE

China Patent Granted to Akaal Pharma on S1P₁ Receptor Modulators for the Treatment of Immune and Inflammatory Diseases

MELBOURNE, Australia and SAN DIEGO, CA, USA, September 14, 2016. Akaal Pharma Pty Ltd (Akaal Pharma) announced today that the China Patent Office has granted the Chinese Patent number ZL 200980141188.9 entitled “S1P Receptors Modulators and Use Thereof”, to Akaal Pharma. The patent covers internally discovered various novel organic small molecules that act as modulators of Sphingosine-1-Phosphate receptors (S1P) useful in the treatment of autoimmune and inflammatory diseases. The patent claims cover novel compounds and their uses in the treatment of various immune & inflammation disorders. Previously, Akaal Pharma has been granted patents in the US, Australia, New Zealand, Japan and Europe. Additional patent applications are pending in other countries. Nearly 50 million people are afflicted with serious autoimmune and inflammatory diseases in the U.S. alone.

This newly granted patent in China further strengthens our intellectual property generated internally by the innovative and experienced medicinal chemistry and drug discovery team of Akaal Pharma. We believe that our novel drug candidates claimed in this patent offer great potential for providing significantly safer and effective Sphingosine-1-phosphate receptor (S1P) modulating small molecule drugs for from the treatment of serious chronic and debilitating immune and inflammatory diseases including psoriasis, atopic dermatitis (eczema), arthritis, multiple sclerosis, ulcerative colitis and Crohn’s disease”, said Dale Dhanoa, Ph.D., CEO of Akaal Pharma.

About S1P₁

Sphingosine-1-Phosphate Receptor Subtype-1 (S1P₁) is one of the five S1P receptors (S1P₁₋₅), a class of the superfamily of G-protein coupled receptors (GPCRs) that are activated by the endogenous ligand phospholipid Sphingosine1-phosphate (S1P). S1P₁ plays a key role in the regulation of multiple biological processes including immune cell trafficking, neuronal and vascular function. Compounds that activate the S1P₁ receptor (S1P₁ agonists) reversibly lower the number of circulating lymphocytes by altering the normal migration of lymphocytes from the lymphoid organs into peripheral blood to potentially combat autoimmune and inflammatory diseases. Autoimmune diseases occur when a person's immune system uncontrollably attacks its own healthy tissues or organs resulting in inflammatory damage. One of the most important objectives in combatting autoimmune diseases is to reduce inflammation. The S1P₁ receptor directly impacts neuronal survival and endothelial barrier enhancement. Akaal Pharma's S1P₁ agonists have shown activity in preclinical models of inflammation, autoimmune, neuronal and vascular diseases including multiple sclerosis, psoriasis, dermatitis and more. Akaal Pharma's lead drug (product) candidate is undergoing several clinical trials for the treatment of Psoriasis, Atopic Dermatitis and Arthritis.

About Akaal Pharma

Akaal Pharma Pty Ltd (Akaal Pharma) is a clinical-stage drug discovery and development company focused on the development of novel small molecule drugs for the treatment of inflammatory and autoimmune diseases including psoriasis, atopic dermatitis, multiple sclerosis, ulcerative colitis, Crohn’s disease, stroke and arthritis. Akaal Pharma has created a robust pipeline of novel, potent,

and highly selective S1P₁ receptor modulators that show excellent oral and topical drug profiles. Akaal Pharma applies its medicinal chemistry and drug discovery platform to design, discover and develop novel, safer and highly effective topical and oral drugs for the treatment of inflammation and immune diseases. For more information, visit www.akaalpharma.com.

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