

# mariposa Health

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Dear Shareholder,

## **Mariposa Health Update Letter**

- Discussions with major pharmaceutical company
- Working Capital - Fund Raising
- Pre-clinical Collaboration Arrangement - Japan
- Clinical Trial Support – INC Research LLC
- Clinical Trial Partnership - Case Western Reserve University
- Chinese License Deal

### **Discussions with major pharmaceutical company**

As part of our on-going efforts to seek out the best opportunities for the development and commercialization of our portfolio, after a long period of introductory discussion, we have commenced detailed discussion with a major pharmaceutical company in regards to potential partnerships involving HI-164.

The Due diligence was commenced after signing a Non-disclosure Agreement. We believe this to be an encouraging indication of results in hand (of Studies HI-H002/004 and H-005) and the market appeal of the product. Such discussions are a part of our continual business development & licensing process. The status and feedback is encouraging. We will be travelling to the US for further discussions early in the new year.

Every step down the line brings us closer to finding the best outcomes for Mariposa Health and for our shareholders.

### **Fund Raising**

Whilst discussions with the major pharmaceutical company continue, Mariposa is raising funds to continue our product development, including the listing path. We will

diverge from this path only if a partnership occurs that provides appropriate financial return to our shareholders. Funds are sought to engage with the major pharmaceutical company and for working capital. We plan that this will also take us to an R&D operating phase leading to listing.

We will contact you with advice on the details shortly.

#### **How important is our market area?**

COPD (chronic obstructive pulmonary disease), our primary focus, is responsible for more deaths each year than common diseases such as breast cancer, prostate cancer and diabetes. Hospital costs for COPD in the US alone are estimated at \$6 billion each year. The market is large and is dominated by unmet clinical need. We believe our 2 products address this area of unmet need.

#### **Partnerships**

The past months have seen Mariposa Health enter a range of new partnerships beneficial to the long-term success of our products HI-164 and TA-270.

#### **Pre-clinical Collaboration Arrangement - Japan**

In September Mariposa Health signed a Memorandum of Understanding with iRCT (Japan), to develop an inhaled dose form of TA-270. The deal includes collaboration with the well-respected international COPD specialist Professor Ichinose of Tohoku University. Subsequent to signing the MOU, iRCT has now received a grant from the Japan Agency for Medical Research and Development (AMED), to continue developments over the next three years. The agreement provides iRCT with rights to the inhaled form of TA-270 within Japan, while all non-Japanese rights are retained by Mariposa Health. Each party will pay the other license fees depending on milestones met. iRCT is owned by long-term Mariposa Health collaborator Dr. Yasuo Aoki, and the agreement provides buy-back provisions that would allow iRCT to become a subsidiary of Mariposa Health.

#### **Clinical Trial Partnership - Case Western Reserve University**

We have now signed a Letter of Intent with the Ohio Clinical Trials Collaborative, based at Case Western Reserve University in Cleveland, Ohio, to undertake clinical trials of our lead candidate HI-164. There is a general commitment to collaborate also in the development of TA-270. Case Western is one of the highest ranked private research universities in the USA, and a global leader in the research and treatment of COPD and

cystic fibrosis. This partnership brings with it a strong opportunity to expand our products into the management of cystic fibrosis, a small but lucrative market with an urgent need for real beneficial, long-term treatments.

#### **Clinical Trial Support – INC Research LLC**

In August we reached a pre-contract agreement with INC Research LLC to act as clinical research consultant in trials at Case Western. INC Research has team members both locally in Australia and in the US, where they are based, making INC Research an important fit for our company. The long experience of INC Research in the respiratory area is a solid foundation for our clinical work to continue.

#### **Chinese License Deal**

As previously informed, at the end of last year we received the first payment from Shanxi Kang Bao for the licensing of HI-164, for use to prevent exacerbations and hospital admissions associated with chronic obstructive pulmonary disease (COPD). The next payment falls due upon meeting clinical milestones.

Thank you for your patience and continued support.

We wish you and your family a Merry Christmas and a prosperous New Year.

With best regards,



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Phillip Comans  
Chairman

