ASX Limited
Market Announcements Office

Ashland purchases manufacturing rights for Vital ET® and TPM® for personal care

Melbourne, Australia, June 20, 2019 - Avecho Biotechnology Limited (ASX:AVE) (**Avecho**) is pleased to announce that its distribution partner ISP Investments LLC, a subsidiary of Ashland Global Holdings Inc. (NYSE: ASH) (**Ashland**), has signed an agreement to acquire the global exclusive manufacturing rights to Vital ET® and TPM® for use in personal care products for a one-time licence fee of US$2.5M (approximately A$3.5 million).

Under the new agreement, Ashland will become the exclusive developer, manufacturer and seller of Vital ET® and TPM® for use in the global personal care products market.

Ashland will also acquire all Avecho's interests in the Vital ET®, under the agreement. Ashland, which currently holds the global distribution rights for Vital ET®, is manufactured by Avecho.

"This is a positive outcome for Avecho and its investors, providing an injection of non-dilutive capital and strengthening our cash position. Based on historical revenues received from our partnership with Ashland, this payment locks in and brings forward revenue that we may have expected to accrue over a four-plus year period," said Greg Collier, Executive Chairman of Avecho. "Based on our current cash burn of approximately A$1.7 million per year, and the associated reduction in manufacturing costs, this is a meaningful extension to our cash runway."

"Furthermore, Avecho retains the rights to manufacture TPM® for human and animal health applications and will earn revenues generated via our existing partnerships in these segments, with potential for further upside as an endeavour to secure new deals."

Avecho has also granted Ashland a right of first refusal in relation to the relevant manufacturing patents, which allows Ashland to submit a matching offer in the event Avecho receives an offer from a third party to acquire the patents.

The one-time payment to Avecho is consistent with the company's stated strategy to move its focus to its core of human health business, while monetising non-core business units. Avecho retains the intellectual property and rights to manufacture TPM® for use outside of the personal care space including in the human and animal health markets as well as rights to enable it to meet obligations under existing contracts in the personal care market.

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About Avecho
Avecho Biotechnology Limited (ASX:AVE) develops and commercialises innovative Human Health, Animal Health and Personal Care products using its proprietary drug delivery system called TPM® (Targeted Penetration Matrix). TPM® is derived from Vitamin E using unique, proprietary and patented processes and is proven to enhance the solubility and oral, dermal and transdermal absorption of drugs and nutrients.

Avecho's major projects include delivering TPM® enhanced patches, gels and injectable products for the human health market and is also developing TPM® to enhance the feed efficiency and health of livestock.

See more here - avecho.com.au

About Ashland
Ashland Global Holdings Inc. (NYSE: ASH) is a premier global specialty chemicals company serving customers in a wide range of consumer and industrial markets, including adhesives, architectural coatings, automotive, construction, energy, food and beverage, personal care and pharmaceutical.

At Ashland, we are approximately 6,000 passionate, tenacious solvers – from renowned scientists and research chemists to talented engineers and plant operators – who thrive on developing practical, innovative and elegant solutions to complex problems for customers in more than 100 countries.

Visit ashland.com to learn more.