ASX Announcement

27 April 2020

ASX Market Announcements
ASX Limited
Level 4
Stock Exchange Centre
20 Bridge Street
Sydney NSW 2000

Avecho announces medicinal cannabis supply agreement with Tasmanian Alkaloids

Melbourne, Australia, 27 April 2020 - Avecho Biotechnology Limited (ASX: AVE) (Avecho) today announces that it has entered into a supply agreement with Tasmanian Alkaloids (TasAlk) for the supply of specific natural medicinal cannabis products. Avecho will combine the natural cannabis products supplied by TasAlk's with its own TPM® technology to investigate how TPM® may increase the oral absorption of natural cannabinoids from medicinal cannabis products.

TasAlk is one of the world's leading fully integrated manufacturer and exporter of controlled substance extracts, which includes the extraction and production of natural medicinal cannabis products. TasAlk has committed to supply specific natural medicinal cannabis products to Avecho for research and development purposes. In return, Avecho has agreed to purchase future commercial supply of specific natural medicinal cannabis products from TasAlk upon the commercialization of the products.

This supply agreement adds to the previously announced agreement with Purisys for the supply of synthetic cannabinoids, and the initiation of an internal development program focused on TPM® enhanced cannabinoid products. The addition of specific natural medicinal cannabis products to Avecho's research program allows Avecho to explore the application of TPM® to natural cannabinoids used in the pharmaceutical, medicinal and consumer spaces. This information will be used to support the clinical development of Avecho's own pharmaceutical products and also support supplementary licensing opportunities for TPM® allowing medicinal cannabis suppliers to differentiate their own products.

Dr Greg Collier, Executive Chairman of Avecho, said: "As the use of natural cannabis extracts expand, the lack of differentiation between products is already becoming apparent. Avecho's TPM® may offer a unique solution, with the potential for patent protection, for companies striving to better differentiate their own medicinal cannabis product in this already "busy" market place. In addition to the supply of raw material, the relationship with TasAlk will expose the utility of TPM® to a wide audience of prospective partners."

Mr Doug Blackaby, COO of Tasmanian Alkaloids said, "We see this type of agreement as providing a win:win for both companies and for patients. We have invested heavily in building high capacity to extract and supply quality GMP full plant extract and isolates and are keen to support companies that have technologies to turn these into market leading differentiated products. By providing the initial raw ingredient in this way, we facilitate our partners ability to produce an improved commercial product, improve the quality and options for patients and gain the benefit of a long-term supply agreement. We see a growing number of companies interested in having us extract naturally derived cannabinoids for them and also looking for ways to formulate and commercially differentiate their medicinal cannabis products. If TPM® is confirmed to increase the oral absorption of cannabinoids, it could become a unique Vitamin based offering, sold by TasAlk or our clients, to better differentiate our partner's cannabinoid resin or isolate products."

For enquiries, please contact
Dr Gregory Collier
Avecho Biotechnology Limited
+61 3 9002 5000
Email: gcollier@avecho.com.au

This announcement has been authorised by the Board of Directors of Avecho Biotechnology Limited.

About Avecho
Avecho Biotechnology Limited (ASX: AVE) develops and commercialises innovative Human and Animal Health 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 injectable, oral and topical products for the human health market and is also developing TPM® to enhance the feed efficiency and health of livestock. New additions to the development program include the recently announced application of TPM® to cannabinoids.

Avecho's major projects include delivering TPM® enhanced injectable, oral and topical products for the human health market, including the recently announced application of TPM® to cannabinoids. The company is also developing TPM® to enhance the feed efficiency and health of livestock.

See more here - avecho.com.au