

A proven technology, new opportunities

Investor Briefing
September 2013



COGSTATE

Alzheimer's disease is among the most significant social, health and economic crises of the 21st century.

Focus on early detection

- **682 million** people living with dementia in 2055. Incidence of dementia is increasing worldwide.
- **Early detection.** Research for possible treatments mostly focused on earlier stages of the disease, making early detection important.
- **20-30 years.** Number of years the disease is estimated to be present before dementia is classified clinically.
- Cogstate tests show the presence of cognitive decline in individuals who are otherwise healthy, who do not meet clinical criteria for dementia and who are unaware of any failing cognitive abilities.
- This cognitive decline is the earliest manifestation of Alzheimer's disease and will eventually progress to dementia.

A shift in public policy

- In Australia, the Coalition announced \$200m funding for AD research.
- In April 2013, the Obama administration announced the Brain Initiative, a collaborative research program projected to cost over \$300m per year for 10 years.
- In the USA, the Annual Wellness Visit is available to all Medicare recipients and includes a compulsory cognitive screen.
- Last year, David Cameron announced that UK funding of dementia research would reach £66m per year by 2015.

Cogstate is uniquely placed

- Culturally neutral, free of language, non-verbal, easy to use, computerised cognitive test that can be distributed via the internet.
- Widely accepted and validated commercially and academically.
- A leading research tool for the early detection of AD and quantitative measure of cognitive function in clinical trials.
- The potential to become the repository of enormous data sets of dementia and aging with increased use of the technology.

This is our purpose

Cogstate was founded, in 1999, with the idea that the technology could be used in the detection of the first signs of dementia.

Over 10 years of dementia research

- **Experience:** Cogstate included in clinical drug trials and research studies for over 10 years.
- **Reputation:** Cogstate has developed a reputation for exceptional science and reliable technology.
- **Compliance:** Our involvement in pharmaceutical company sponsored clinical trials has supported the compliance of Cogstate with all FDA and EMA regulations.
- **Understand treatment:** We understand how our technology can be used to enhance treatment.
- **Industrialised:** Non-expert administration provides accurate results.

Leading the field

- Cogstate provides:
 - GPs with the tools for accurate and easy measurement of cognitive function at the point of care leading to better health outcomes for the patient. **COGNIGRAM™** is the first product to achieve this goal.
 - Cutting edge tools to assess, monitor and improve the athletic brain through **Axon Sports**.
 - An integral role in the global undertaking of cognition-related clinical trials, and now counts amongst its clients 70% of the major pharmaceutical companies via **Cogstate Clinical Trials**.

We already assist decision making

- In sports concussion, we have worked extensively for 10 years in the general community.
- We have learned how to communicate our results in a clear and concise manner.
- We have enabled decision making:
 - AFL / NRL / NBA / NHL doctors all users of the Cogstate test and determine return to play decisions.
 - All deployed Defence Force personnel (going forward all enrolled ADF personnel) to enable immediate decision making regarding blast injuries as well as longitudinal research regarding traumatic brain injury.

Accepted & used in critical studies

Critical prospective studies have all selected Cogstate for inclusion:

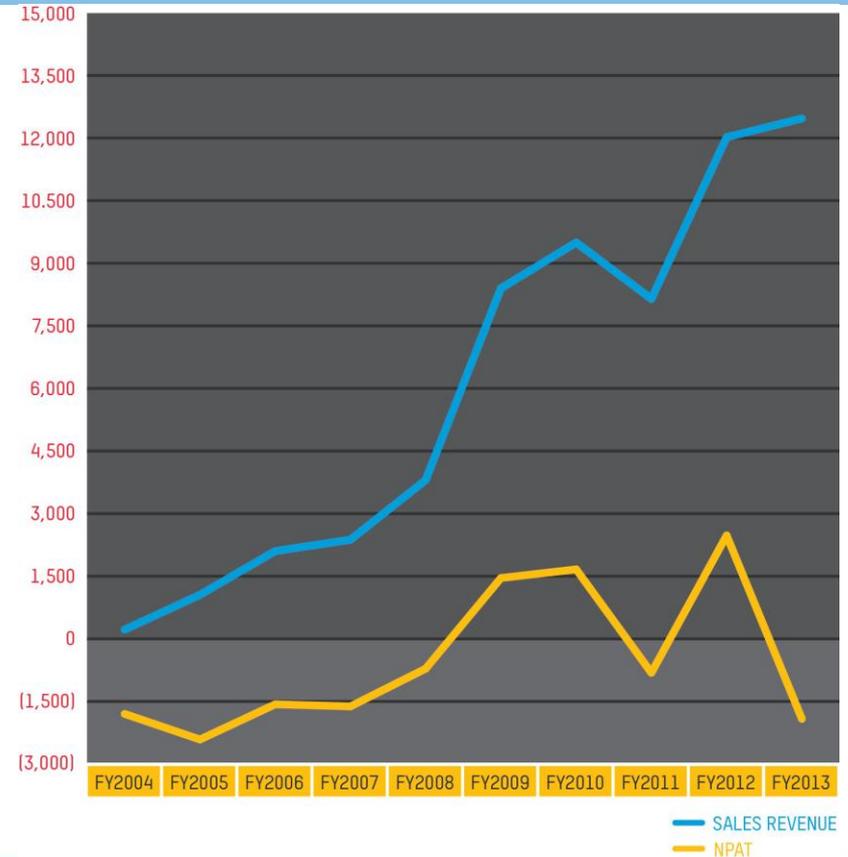
- AIBL (Australian Imaging Biomarkers & Lifestyle);
- Anti-Amyloid Treatment in Asymptomatic AD (A4);
- Dominantly Inherited Alzheimer's Network Trials Unit (DIAN-TU);
- Brigham Nurses Health Study – Boston;
- The Brain Initiative; and
- Prevent Alzheimer's Disease 2020 (PAD2020).

A new phase in the evolution

- FY13 eighth consecutive year of growth, driven by clinical trials.
- Following restructure along four business lines (Cognigram, Clinical Trials, Axon, R&D) significant investment into new commercial opportunities underway.
- New revenue streams in FY13 marks the beginning of new and significant commercial opportunities:
 - AD testing a \$500m pa global market opportunity;
 - Cogstate uniquely positioned to capture this market;
 - Successful commercial launch in first market, Canada;
 - Axon Sports increased revenue by 190%, driven by new cognitive training products.
- The importance of investing now for the future; *CGS currently at the forefront in cognitive testing and training, it needs to stay there.*

FY13 financial results - overall

- Revenue \$12.46m, up 4%.
- Net Loss \$2.12m.



FY13 financial results – clinical trials

- Revenue of \$11.6m.
- At 1 July 2013, \$8.61m of contracted revenue to be recognised in future periods, compared to \$7.84m in the year prior.
- Organic growth being driven by larger, later stage contracts and entry into new disease areas (cancer, paediatric safety, MS).
- Seven out of ten major pharma companies now use the Cogstate test in clinical trials.



FY13 financial results - healthcare

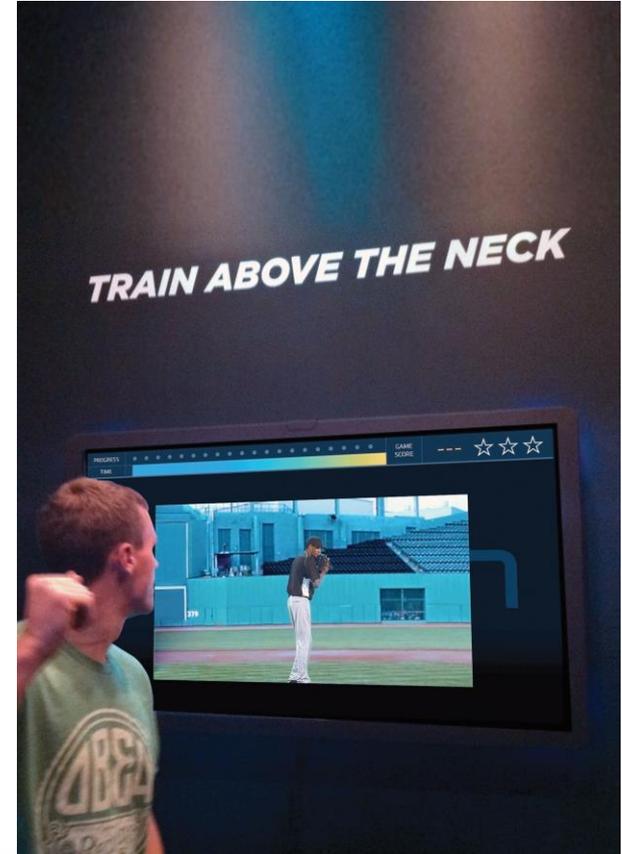
- COGNIGRAM test launched in Canada to GPs.
- Over 450 physicians registered.
- Rollout of testing centres to be completed by end of 2013.
- Focused on commercialisation in new markets, increasing reimbursement, and expanding to other tests (concussion).



COGNIGRAM

FY13 financial results - sports

- \$0.6m revenue, of which \$0.4m is new revenue from cognitive training products.
- 6 elite American teams signed in FY13, and 4 human performance labs (elite training centres) using the technology.
- Transferable technology in to new markets and devices (e.g. occupation specific, consumer market).



FY14 business outlook

Capitalise on our leadership position to:

- Sustain organic growth in clinical trials business, with focus on new indications.
- Establish COGNIGRAM in new geographic markets, extract revenue growth in Canada. Invest in the commercialisation and market roll out.
- Advance the commercialisation of the Axon Sports sports-related training products and explore new applications into additional sports, specialist occupations and life skills areas.



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