Proteomics International
LABORATORIES LTD

ASX/Media Release
21 September 2016

ASX code: PIQ

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Proteomics International receives more than $500,000 in R&D tax incentive

Innovative biomarker research conducted by Proteomics International Laboratories Ltd (PILL, ASX: PIQ) has been boosted by the receipt of more than half a million dollars in research and development tax incentive for the 2015-16 financial year.

PILL's sustainable business model sees the company use revenue generated from analytical services to fund pioneering research into next generation diagnostic tests and drug discovery.

This self-sustaining model adopted blue sky concepts with cash flow from day one, using revenue from services to cover operational costs and drive substantial investment in R&D.

In 2015-16, PILL spent $1,270,252 on R&D, making the company eligible for an Australian Government rebate of $572,629.

PILL continues to invest heavily in its biomarker discovery program, the development and commercialisation of diabetic kidney disease test PromarkerD and new fee-for-service methods.

The Federal R&D tax incentive encourages companies engaging in beneficial research to Australia by providing a cash rebate of 45% for qualifying activities.

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About Proteomics International Laboratories (PILL)

Proteomics International is a wholly owned subsidiary of PILL (ASX: PIQ), a life science company focused on the area of proteomics – the industrial scale study of the structure and function of proteins. In the last few years, proteins have become the drug class of choice for the pharmaceutical industry because of their intimate role in biological systems. Thus proteomics technology is now playing a key role in understanding disease, from finding new diagnostic biomarkers to determining drug targets, and discovering new biopharmaceutical drugs.

PILL is recognised as a global leader in the field of proteomics. It received the world's first ISO 17025 laboratory accreditation for proteomics services, and operates from state-of-the art facilities at the Harry Perkins Institute of Medical Research in Perth, Western Australia. The Company's business model uses its proprietary technology platform across three integrated areas, each massive growth markets:

1. **Diagnostics:** Biomarkers of disease and personalised medicine - focus on diabetic kidney disease.
   By 2020 the biomarkers market is estimated to double in size to $45.6 billion, and the personalised medicine market is forecast to be worth over $149 billion.
2. **Analytical services:** Specialist contract research fee-for-service model – focus on biosimilars QC.
   The global biosimilars market is expected to reach $6.2 billion by 2020, almost trebling from its 2015 level, as it seeks to replicate the multiple billion dollar blockbuster drugs that are coming off patent.
3. **Drug discovery:** Therapeutic peptide drug discovery - focus on painkillers and antibiotics.
   The global peptide therapeutics market is currently estimated to be worth $18 billion and is expected to increase at over 10% per year during 2016-2025.

In combination these areas offer, respectively, medium term products, near term cash flow, and blue sky potential by harnessing one complementary workflow centred on proteins.

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