



AXIRONTM

(testosterone) 2%[Ⓜ]
solution

Acrux investor presentation
ASX Spotlight Series, 20 May 2010

FORWARD-LOOKING STATEMENTS

This presentation includes forward-looking statements that are subject to risks and uncertainties. Such statements involve known and unknown risks and important factors that may cause the actual results, performance or achievements of Acrux to be materially different from the statements in this presentation.

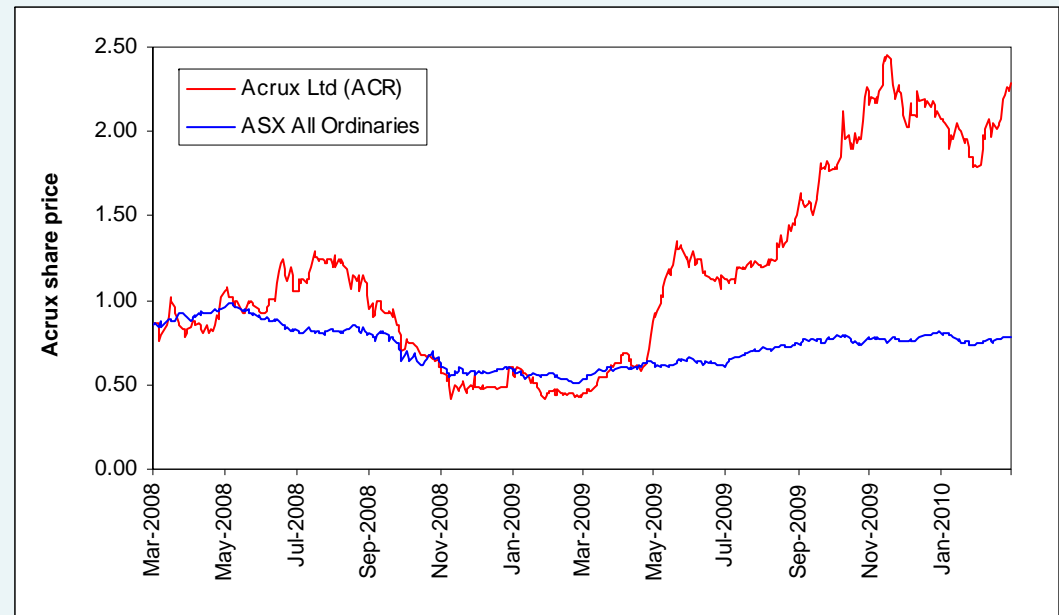
Actual results could differ materially depending on factors such as the availability of resources, the results of clinical studies, the timing and effects of regulatory actions, the strength of competition and the effectiveness of patent protection.

ACRUX (ASX: ACR) AT A GLANCE

- Unique, patented platform technology for delivering drugs through the skin - commercialisation through partnerships
- Range of products includes 1 marketed, 3 in registration
- Global deal for AXIRON™ with Eli Lilly in March 2010 - largest Australian biotech licensing deal
- Maiden profit of \$44m to \$48m forecast for 2009/10
- Dividends from 2011, subject to FDA approval of AXIRON

INVESTOR INFORMATION

- ACR joined S&P/ASX 300 on 19 March 2010
- 160m shares; Orbis at 19%
- Market cap ~\$310m
- Cash \$60m
- Pooled Development Fund
 - capital gains and dividends exempt from tax
- Analyst coverage
 - RBS, Wilson HTM, Shaw, BBY



ACR share price (red) versus ASX All Ordinaries index (blue) over 2 years

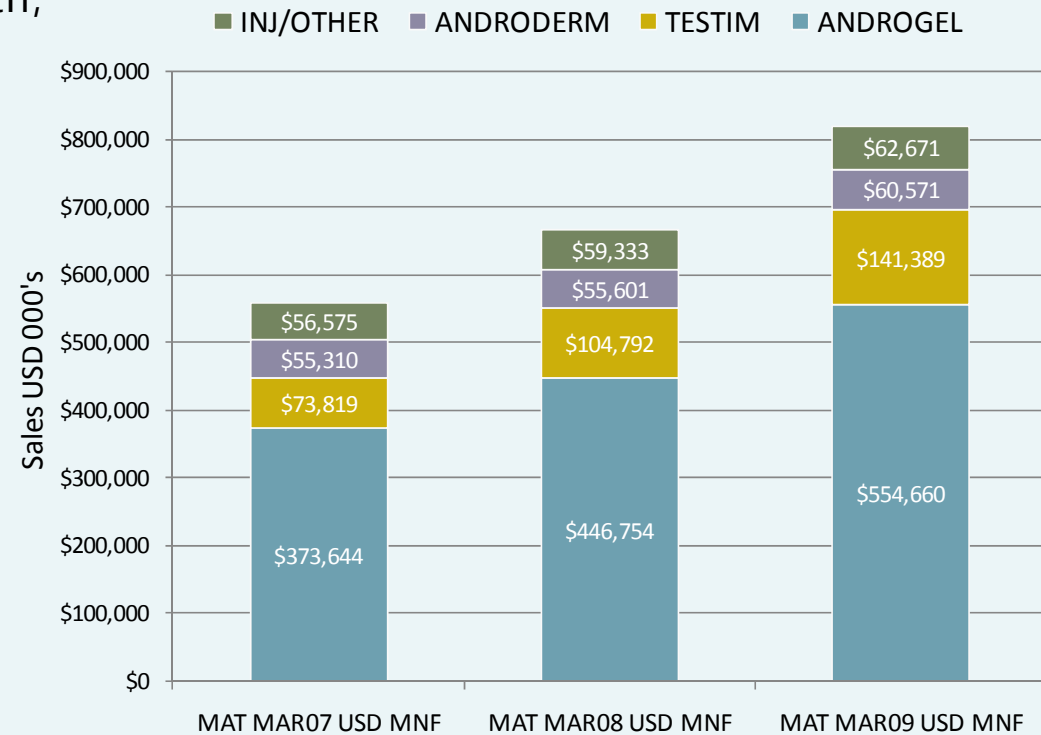
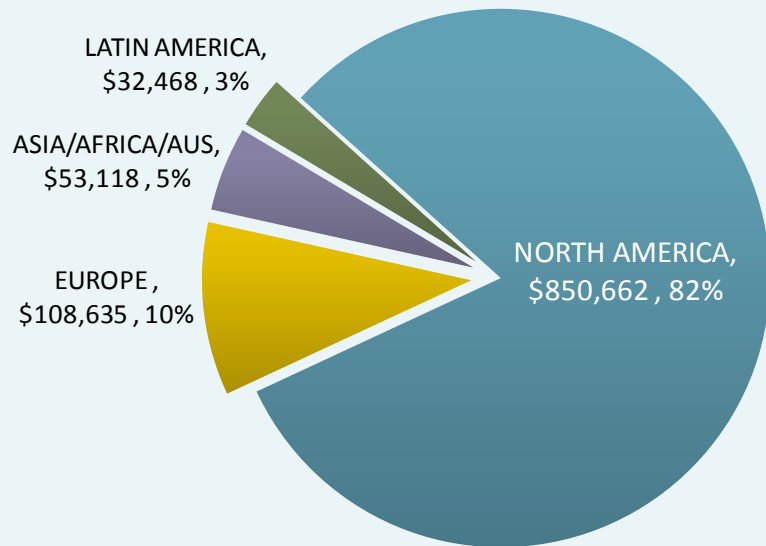
PRODUCT PIPELINE

Therapeutic Area	Formulation	Phase 1	Phase 2	Phase 3	Registration	Marketing	
Hypogonadism	AXIRON™	→					Eli Lilly
Companion animal health	Undisclosed	→					Eli Lilly
Decreased libido in women	Testosterone MDTS®	→					
Menopausal symptoms	Estradiol MDTS® (Evamist™)	→					KV
Menopausal symptoms	Estradiol MDTS® (Ellavie™)	→					HRA-Pharma, Aspen, Dream Pharma, Vifor
Contraception	Nestorone® MDTS®	→					
Smoking cessation	Nicotine MDTS®	→					
Pain and inflammation	NSAIDs	→					

TESTOSTERONE THERAPY MARKET



Symptoms of testosterone deficiency can include: reduced libido, erectile dysfunction, fatigue, depression, anger, decreased muscle strength, decreased bone density



Global Testosterone Market: US\$1.04B



AXIRON PARTNERSHIP WITH ELI LILLY



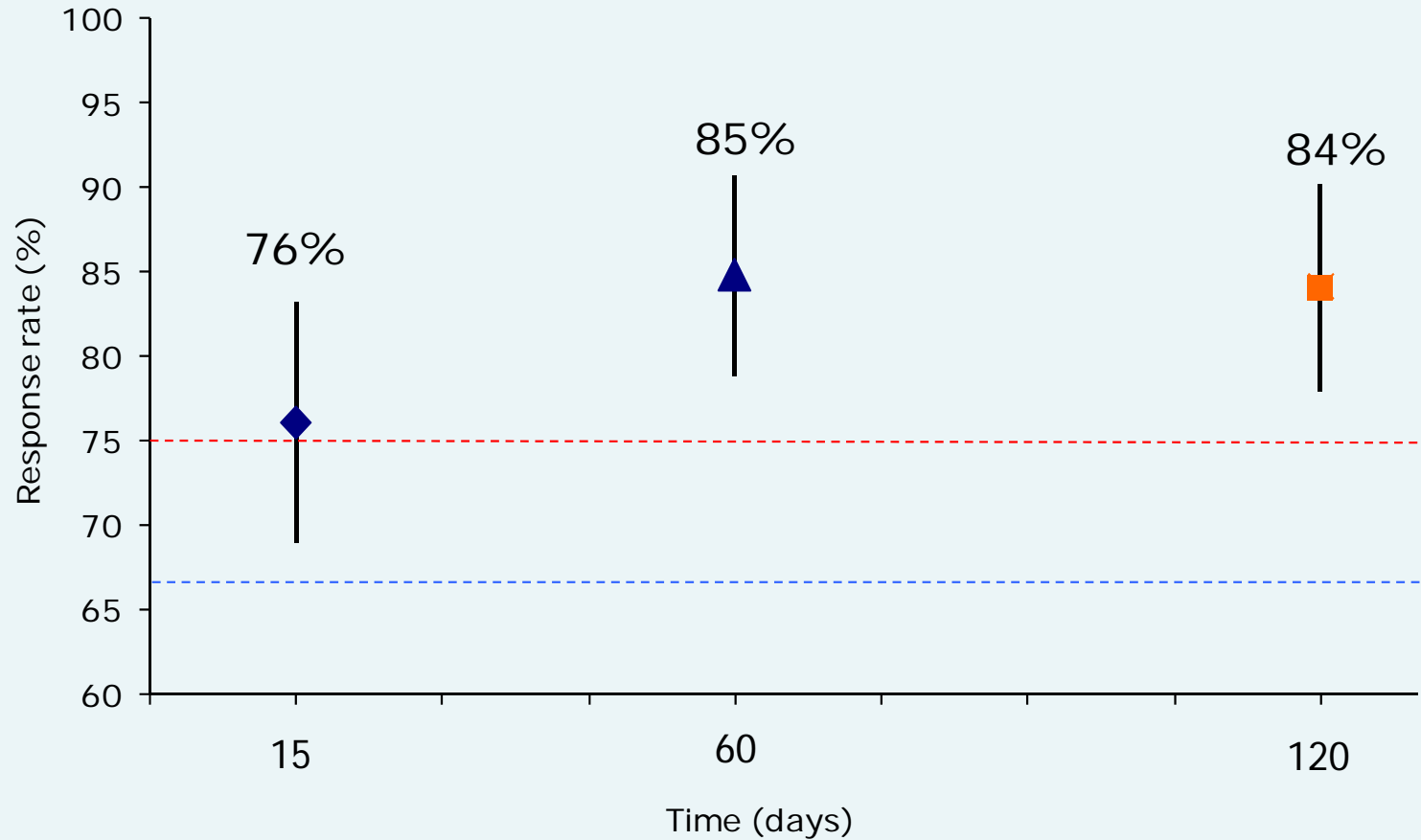
- Lilly receives exclusive worldwide rights to commercialise AXIRON
- Acrux eligible for US\$335 million in milestone payments:
 - US\$50 million up-front payment (received March 2010)
 - US\$3 million on transfer of manufacturing assets
 - US\$87 million subject to issuance of a marketing authorisation by FDA
 - US\$195 million dependent on subsequent commercial milestones
- Acrux eligible for royalties on worldwide sales - royalties provide a substantial part of the deal value to Acrux



LILLY IS THE IDEAL COMMERCIAL PARTNER

1. Top 10 global pharma company; 2009 revenue US\$22 billion
2. Leadership in Men's health through erectile dysfunction therapy Cialis®
 - Sales grew to US\$1.6 billion in 2009
 - Rivals Pfizer's Viagra® as largest seller, despite being 2nd/3rd to market
3. Established global commercial capability
 - Distribution in 143 countries, including high growth emerging markets
4. Heritage of improving clinical outcomes based on best science
 - Acrux excited about data proposing testosterone levels as a factor in obesity, metabolic syndrome and type 2 diabetes
5. Confidence from strong partnership between Acrux and Elanco
 - Elanco developing a range of animal health products utilising Acrux delivery technology

PHASE 3 RESULTS - EFFICACY



75% primary endpoint target at Day 120

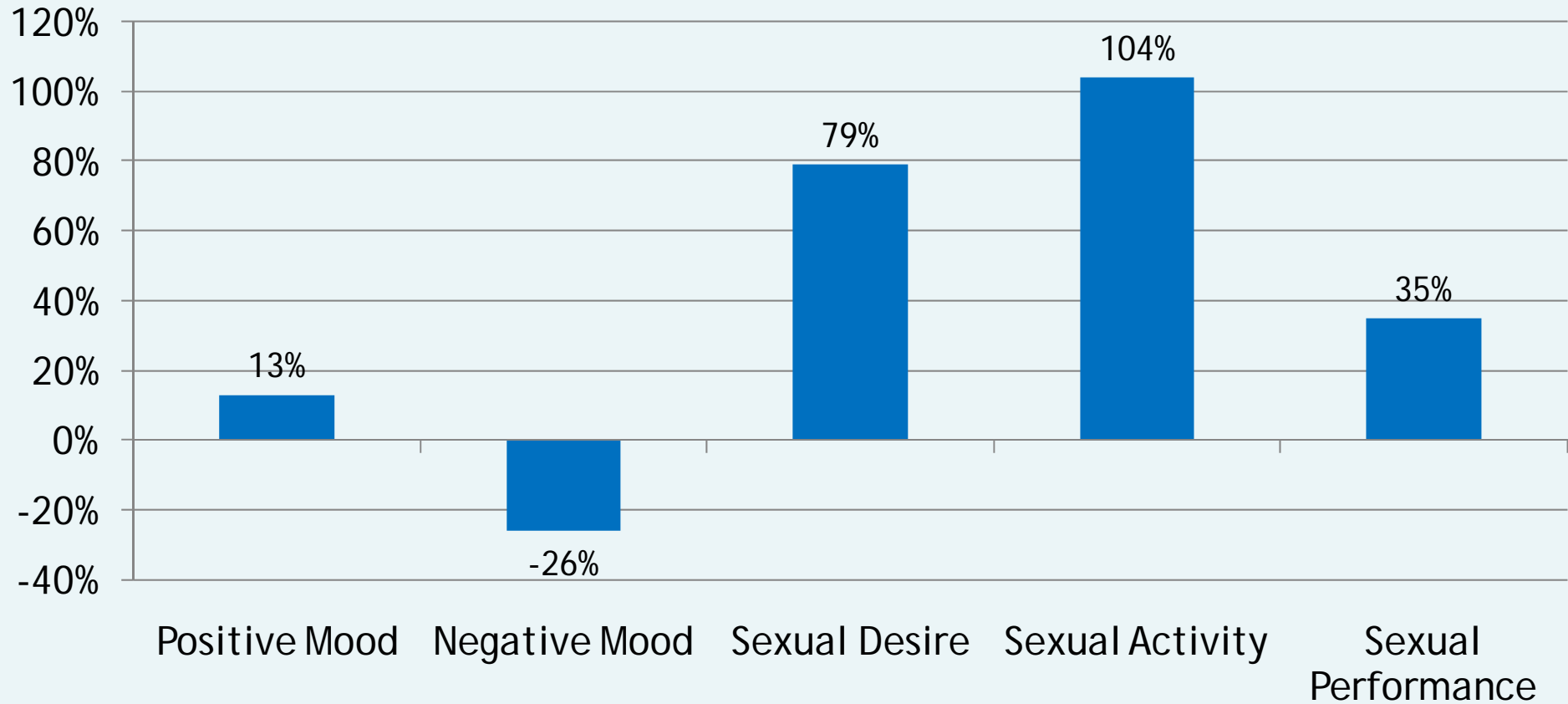
66.8% lower bound of 95% CI required to meet primary endpoint

Primary endpoint - proportion in normal range $\pm 95\%$ CI

PHASE 3 RESULTS - PSYCHOSEXUAL



% Change from Baseline¹



¹ p-value <0.0001

NEXT STEPS FOR ACRUX AND AXIRON



- The regulatory review process, working closely with the FDA and with Lilly
 - Marketing application accepted for review by FDA in April 2010
 - Acrux expects outcome of FDA review in Q1 2011
- Ensuring the commercial manufacturing line at Orion Corporation is fully operational
- Working with patent offices to expedite pending patents, including patents that potentially extend protection of AXIRON to 2026

FINANCIAL POSITION TRANSFORMED

- AXIRON revenues transform Acrux financial position
 - US\$50m in 2009/10 plus US\$3m on transfer of manufacturing assets
 - US\$87m in 2010/11 subject to FDA approval of AXIRON
 - Substantial royalties and milestone payments in future years
- Maiden profit for 2009/10 forecast \$44m to \$48m
- Costs reducing further in 2010/11 - leading up to FDA approval
- Subject to FDA approval of AXIRON, dividends commencing 2011
- Pooled Development Fund concessions continue - capital gains and dividends exempt from tax

STRONG NEWS FLOW IN NEXT 12 MONTHS

- Outcome of FDA review of the AXIRON marketing application
- Animal health partnership with Eli Lilly (Elanco)
 - Outcome of FDA review of marketing application for first product
 - Progress of additional products
- Key regulatory milestones for Estradiol spray (Ellavie™)
 - Regulatory review in Sweden and Switzerland
 - Filing of marketing applications in other territories