



ABN 58 008 130 336
Suite 6, Level 3
320 Adelaide Street
Brisbane QLD 4000
Ph 07 3229 5755
Fax 07 3229 4655

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The Manager
Company Announcements
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Level 4, 20 Bridge Street
Sydney, NSW 2000

Regulatory/trial update: GI-GUARD® Oral Paste in horses

Highlights

- Australian Pesticides & Veterinary Medicines Authority (APVMA) reviews *GI-GUARD®* registration submission
- Transport delays resulting in suspected heat effect on product quality cause postponement of United Arab Emirates (UAE) trial of *GI-GUARD®* Oral Paste for horses

BioProspect Limited (ASX:BPO) today announced that the APVMA has reviewed the application for registration of *GI-GUARD®* as a natural veterinary health product and requested additional data in certain areas. A product chemistry data package was submitted earlier, which is to be combined with safety information from other studies and efficacy results from the UAE trial and other studies to complete the data required for registration in Australia.

BioProspect's Chief Operating Officer, Peter May, said he welcomed the response from the APVMA. "The Company will respond promptly to the issues raised by the APVMA and has already undertaken additional analytical testing to strengthen the product chemistry data package," Mr May said.

BioProspect also today announced the suspension and postponement of a trial with *GI-GUARD®* Oral Paste for horses in the UAE due to concerns over product quality, as a result of delays in the transportation of product samples allowing the product to be subjected to temperatures outside of the acceptable storage parameters.

Announced in July 2011, the proposed UAE trial formed part of the Middle East expansion of *AGRIPRO®* natural animal health products, including *GI-GUARD®* Oral Paste for horses. A previous trial conducted in 2008 involved horses from Sharjah's Albidayer Stud, owned by a member of the UAE royal family, with a subsequent study undertaken in Sydney.

Commenting on the UAE trial, BioProspect's Managing Director, Charles Pellegrino said: "It was determined after commencement of the trial that the product samples being used may not be to specification. There were significant delays in transporting *GI-GUARD*[®] Oral Paste samples that may have exposed the product to extreme environmental conditions, thereby affecting its quality."

"Rather than risk the trial's integrity due to the product not being to specification, we decided to suspend the trial and confirm the product samples are of the required standard. Unfortunately, this will delay the program but we were not prepared to risk the integrity of the study."

"Tests will be undertaken in Australia on retrieved samples from the UAE and compared to retained samples of the same batch. This will confirm if there are any issues and enable us to move forward confident that the product has not been compromised and is to specification."

Based on natural, low toxicity conifer green needle complex (CGNC), *GI-GUARD*[®] is being developed in horses for gastro-intestinal care and wellbeing, and as an alternative to current synthetic treatments for conditions such as Equine Gastric Ulcer Syndrome (EGUS).

"BioProspect is focused on realising value for shareholders from our product portfolio, including our investment in Frontier Gasfields and natural product range comprising *AGRIPRO*[®], *GI-GUARD*[®] and *REGEN*[®]," Mr Pellegrino said.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Colin Johnston". The signature is written in a cursive, flowing style.

COLIN JOHNSTON
Company Secretary