



## ASX Announcement

### **ASX-listed Holista To Supply Medical-Grade Collagen Made From Skins Of Disease-Free Australian Sheep To Keneric Medical**

- Deal marks entry by Holista into billion-dollar premium global medical collagen market
- Agreement involves sales of collagen, royalties and share of Keneric's revenue

**PERTH/KUALA LUMPUR, 3 APRIL 2017** – Holista CollTech Ltd (“Holista” or the “Group”) (ASX: HCT) announced today that it will supply collagen made from skins of Australian sheep and lambs exclusively to units of Australia’s Keneric Medical Supplies Pty Ltd (“Keneric”) which will develop products targeted at the multi-billion U.S. dollar global medical collagen market.

As part of the agreement with Keneric, which owns the Texas-based advanced wound care manufacturer Keneric Healthcare Inc. (“Keneric Healthcare”), and Los Angeles-based Molecular GPS Technologies (“Molecular GPS”), Holista expects to ship the first 10-kg medical-grade collagen, valued at over A\$140,000, from its plant in Collie, Western Australia, starting in April 2017.

Holista will supply collagen made from sheep skins that are free of disease or prions (infectious particles in the form of proteins) to the U.S. facility of Keneric Healthcare, a world leader in wound care dressings. Molecular Express, a subsidiary of Molecular GPS, which specialises in wound management medical devices and life sciences research and development, will use its proprietary technology and know-how to produce medical-grade collagen by removing certain endotoxins from the skins.

This agreement marks the entry of Holista into the premium high-purity global medical-grade collagen market. According to the U.K. biotechnology market research group Meticulous Research, the global collagen market is expected to grow at a compounded annual growth rate of 6.3% from 2015 to reach a market size of US\$3.97 billion by 2020. Medical-grade collagen can also be injected and used as tissue matrices for dental, orthopaedic and cosmetic surgical applications, amongst others.

Australian sheep grade is certified by the U.S. Department of Agriculture to be free from disease. Among sources of mammalian collagen (animals being warm blooded like human beings), collagen from sheep does not have the religious or cultural sensitivities compared to collagen from cows (shunned by Hindus and Buddhists) and pigs (shunned by certain religious groups). The use of ovine collagen can also avoid the potential of “mad cow” disease or avian diseases (associated with chickens).

Until this agreement Holista has only produced ovine collagen for nutritional and cosmetic applications, having commenced in 2010.

Under the agreement Holista, will fix its sale price of collagen to Keneric from now until the year 2023. Holista will also be entitled to royalties and share of revenue once Keneric’s sales of medical-grade collagen crosses certain agreed milestones. Keneric and Holista will also collaborate to procure intellectual property protection for an all-encompassing process patent.

Dr. Rajen Manicka, Chairman and CEO of Holista, said: “This is a landmark agreement for Holista as medical-grade collagen has the highest requirements and the highest value for us. The potential is hugely significant. We thank Keneric and Molecular GPS for their commitment to this partnership.”

“This agreement validates the years of research and development at our collagen plant in Collie. Holista will set high standards to produce the purest form of collagen from disease-free Australian sheep which will go towards advancing global medical science,” said Mr. Daniel O’Connor, Executive Director of Holista, who played an instrumental role in negotiating the multi-party, multi jurisdictional agreement.

“We have been impressed with the quality of the ovine collagen and the purity after using our proprietary process for removing endotoxins to low levels. We anticipate that prion-free collagen for medical



applications can be produced for use as a wound care additive, and in gels and injectables for global markets." Gary Fujii, Ph.D., President of Molecular GPS – the company that worked with the Holista team to reduce the endotoxins to make it a viable medical grade product

Dr. Gordon Wood, President of Keneric Healthcare, said: "Medical grade collagen made from high-purity Australian sheep has tremendous potential. We are confident of the quality of collagen from Holista and will apply our own technology to develop products that meet the needs of the U.S. and global medical markets. We have a well-established international distribution channel which has shown interest in the collagen-based wound care products. We anticipate FDA approvals for the first product line in 2017."

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### **About Holista CollTech Ltd (HCT)**

Holista CollTech Ltd ("Holista") is a research-driven biotech company and is the result of the merger of Holista Biotech Sdn. Bhd. and CollTech Australia Ltd. Headquartered in Perth with extensive operations in Malaysia, Holista is dedicated to delivering first-class natural ingredients and wellness products and leads in research on herbs and food ingredients.

Holista, listed on the Australia Securities Exchange, researches, develops, manufactures and markets "health-style" products to address the unmet and growing needs of natural medicine. It is the only company to produce sheep (ovine) collagen using patented extraction methods, and is on track in nanonising and encapsulating liposomes for the ovine collagen. Holista has suite of ingredients that is capable of serving the industry to provide low-GI baked products, low sodium salt, low fat fried foods and low calories sugar without compromise in taste, odor and mouth feel.

For more information on Holista: [www.holistaco.com](http://www.holistaco.com).

### **About Keneric Healthcare Inc**

Based in Irving, Texas, Keneric Healthcare manufactures and distributes RTD®, a line of advanced wound care products. RTD® is the only dressing that combines the antimicrobial and antifungal properties of methylene blue and gentian violet with the added benefits of silver. Keneric Healthcare provides innovative wound care products that address the multiple priorities of wound healing while supporting the economic and time-saving needs of healthcare providers. Australian-based Keneric Medical Supplies Pty Ltd, which is part of the Keneric Group of Companies, is the largest stakeholder of Keneric Healthcare.

### **About Molecular GPS Technologies**

Molecular GPS Technologies™ together with its subsidiaries, Molecular Express, Biocerax, Clayton Chemical and GPS Applied Technologies, form the dynamic business model that bridges the "valley of death" – the ever widening gap between discovery and commercialization. The Molecular GPS Technologies™ family of companies leverages a multi-disciplinary wealth of experience to provide access to the resources to advance sciences in molecular biosciences.

**For further information, please contact:**

### **Corporate Affairs & Business Opportunities**

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