

ASX RELEASE
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JAT enters into research agreement with University of Sydney to develop food supplement with potential antiviral properties

Health and wellness consumer goods developer and manufacturer, Jatenergy Limited (ASX: JAT), is pleased to advise that it has entered into a commissioned research agreement with the University of Sydney to develop a novel food supplement with potential antiviral properties against a broad range of pathogens.

JAT's research aims to develop a novel formula from naturally derived products with potential potent antiviral activity against several common infectious diseases such as influenza, herpes simplex virus and norovirus. The food supplement would be based on lactoferrin.

Benefits of lactoferrin

Lactoferrin has a direct antimicrobial role, as it limits the proliferation and adhesion of microbes (eg, bacteria, viruses and parasites) and/or kills them. This effect of lactoferrin is the result of its ability to sequester iron in biological fluids and destabilize the membranes of microorganisms. (Source: Siqueiros-Cendón T., Arévalo-Gallegos S., Iglesias-Figueroa B.F., García-Montoya I.A., Salazar-Martínez J., Rascón-Cruz Q. Immunomodulatory effects of lactoferrin. *Acta Pharmacol. Sin.* 2014;35:557–566. doi: 10.1038/aps.2013.200.)

JAT/ University of Sydney roles

JAT will provide management support and general assistance to the University's research team, as well as providing lactoferrin and lactoferrin-based products for testing. The University of Sydney will undertake necessary testing.

JAT Managing Director Wilton Yao said:

“We look forward to harnessing University of Sydney's formidable research capabilities as we jointly research and develop foods of the future which could help to mitigate future viral outbreaks.

Outcomes and Regulatory

The research is expected to be complete in April 2021. JAT will work with the University of Sydney to ensure that the compounds which are developed through the research are registered with the Australian Therapeutic Goods Administration, so that marketing can commence in Australia, which is expected in late 2021 or early 2022. JAT will in parallel seek corresponding approvals with regulatory authorities outside Australia, where required, in order to commence marketing in the same timeframe.

Assuming the research is successful, JAT expects to own a range of compounds based on lactoferrin which will be an effective treatment of conditions including herpes simplex virus Type 1, influenzas and norovirus.

Summary of agreement terms

A summary of the material terms of the agreement are as follows:

1. The project title is “*Novel food supplement with antiviral properties against broad-range pathogens*”.
2. The project will be undertaken from 6 April 2020 to 30 April 2021.
3. The role of University of Sydney is to undertake a research program targeted at screening and testing antiviral compounds using naturally derived products with the aim of identifying candidate formulations that possess potent anti-viral activity.
4. The stated deliverable from the research is a report containing detailed information about the formulations tested and their respective antiviral activity.
5. University of Sydney will staff the project with professors from both the Faculty of Engineering and the Faculty of Medicine and Health.
6. JAT will provide management support and general assistance to the University’s research team. JAT will be responsible for providing lactoferrin and lactoferrin-based products for testing.
7. The research project is expected to give rise to certain deliverables including registered and unregistered rights in relation to present and future copyright, trademarks, designs, know-how, patents, confidential information and all other intellectual property as defined in article 2 of the Convention establishing the World Intellectual Property Organisation 1967. All of the deliverables created under the research project will be owned by Jatenergy.
8. The deliverables due date is to April 2021.
9. Those deliverables will be subject to a free, non-exclusive and perpetual license by JAT back to University of Sydney for the purposes only of research, education and publication.

JAT will fund the research by the way of four quarterly payments totalling approximately \$400,000. The expenditure on the research is expected to qualify for the Federal Government’s R&D tax incentives.

The release of this announcement was authorised by Wilton Yao, Managing Director, on behalf of the Board.

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