

ASX ANNOUNCEMENT

18 MARCH 2016

COGSTATE SIGNS \$2M SALES CONTRACT FOR PHASE III STUDY EXTENSION

BRINGING TOTAL CONTRACTS SIGNED THIS FINANCIAL YEAR TO US\$22.9M

SUMMARY

- Contract value of the extension study is US\$1.96 million
- New sales contracts signed Financial YTD total US\$22.9 million, taking the current pipeline of contracted future revenue to A\$53.3 million
- Based on existing contracts and including revenue recognised since 1 July 2015, contracted Clinical Trials revenue for the FY16 year is A\$23.5 million, equivalent to 154% of total Clinical Trials revenue for FY15 (A\$15.2m)

MELBOURNE, AUSTRALIA: Cognitive science company, Cogstate (ASX.CGS), today announced that it has signed a contract with a large international pharmaceutical company, to extend the services it is providing for a phase III depression clinical trial into an open label extension of the study.

The total contract value is US\$1.96 million, and that revenue will be recognised over the 5 year life of the study.

On 17 February 2016, Cogstate announced that it had signed US\$20.6 million of new sales contracts in the current financial year. Since that announcement, Cogstate has signed an additional US\$2.3 million of new sales contracts, including this latest contract.

The total value of Clinical Trials sales contracts signed since 30 June 2015 is now US\$22.9 million.

As of today's date, Cogstate has secured A\$53.3 million of contracted Clinical Trials revenue to be recognised in future periods based on the spot rate on 17 March of US\$0.757; of which A\$23.5 million will be recognised in the 2016 financial year. Current contracted revenue for the 2016 financial year is equivalent to 154% of the Clinical Trials revenue that was recorded for the 2015 financial year (A\$15.2 million).

Note that Cogstate sales contracts are denominated in USD and Cogstate revenue are denominated in AUD, therefore fluctuations in exchange rates have an impact on the estimated value of contracted future revenue. At the time of Cogstate's last update on 17 February 2016, an exchange rate of US\$0.718 was used to calculate Cogstate's contracted Clinical Trials revenue to be recognised in future period, totaling A\$52.1 million. While US\$2.3 million of contracts have been signed since 17 February, the total value of contracted future revenue has only increased A\$1.2 million to A\$53.3 million due to exchange rate fluctuations. Also note that there is a natural hedge in that approximately 78% of Cogstate's costs are denominated in USD and therefore the recent appreciation of the AUD will also be reflected in a decrease of the AUD reporting of USD costs.

Cogstate is currently negotiating additional sales contracts and will update the market again in late April at the time of the release of its March quarter cash flow results.

The table below provides details of contracted Clinical Trials revenue that will be recognised in future periods, including the most recent signings. This table represents only contracted revenue for the provision of technology and associated services and excludes any pass-through expense recoveries:

Contracted Clinical Trials – Revenue¹

	As at 18 March 2016		As at 30 June 2015		As at 18 February 2015	
Year 1	FY16	A\$23.5m	FY16	A\$10.9m	FY15	A\$12.0m
Year 2	FY17	A\$15.1m	FY17	A\$6.5m	FY16	A\$5.5m
Years 3 – 5	FY18 – FY20	A\$14.7m	FY18 – FY20	A\$4.0m	FY17 – FY20	A\$7.9m
Total		A\$53.3m		A\$21.4m		A\$25.4m

1. Contracts are denominated in US\$. Spot rate at respective dates have been used to calculate the A\$ equivalent. The rate used at 17 March 2016 was 0.7568, 30 June 2015 was 0.765 and 18 February 2015 was 0.78.

ABOUT COGSTATE

Cogstate Ltd (ASX:CGS) is a leading cognitive science company delivering software and services to optimise the measurement of cognition in clinical trials, academic research, healthcare and brain injury. Cogstate is a pioneer in commercialising rapid, reliable and highly sensitive computerised cognitive tests and provides expert support for traditional neurological assessments to drive higher quality outcome measures. Cogstate clients include the world's leading biopharmaceutical companies; military and elite sporting organisations; physicians and patients; renowned academic institutions and public-private partnerships. With more than 100 employees and a global network of expert neuropsychologist consultants across 25 countries, the unique intersection of science, innovation and delivery is at the core of everything we do.

In our Clinical Trials business, Cogstate provides both software and professional services for clinical research programs seeking to demonstrate a drug's impact on cognition. Our latest innovation, Precision Recruitment™, is an online pre-screening portal that accelerates the identification of qualified clinical trial participants in high-need indications such as Alzheimer's disease.

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