

ASX Announcement

13 June 2018



Discontinuation of Alzheimer's disease trial – limited impact to Cogstate

The cognitive science company, Cogstate Ltd (ASX:CGS), today noted the announcement that Eli Lilly & Co (Lilly) is discontinuing a Phase 3 clinical trial, for which Cogstate is providing services. As the discontinuation of the study will take several months, there will be no impact to FY18 earnings. Further, the discontinuation is not expected to materially change Cogstate's FY19 earnings or Cogstate's previously announced contracted revenue position.

Lilly, in conjunction with their development partner, AstraZeneca, announced today that they are discontinuing the global Phase 3 trials of lanabecestat, an oral beta secretase cleaving enzyme (BACE) inhibitor, for treatment of Alzheimer's disease. The decision was based upon recommendations by an independent data monitoring committee which concluded that the trials were not likely to meet their primary endpoints upon completion and therefore should be stopped for futility. Cogstate is providing services to one of the two impacted Phase 3 clinical trials.

The recommendation to cease development of lanabecestat was not based on safety concerns, and discontinuation activities are expected to take some months. Cogstate will provide services as part of the planned discontinuation activities.

As a general practice, Cogstate considers the risk of clinical trial failure or cancellation when calculating the company's contracted future revenue position. Further, because Cogstate will continue to support the planned discontinuation activities, the study cancellation is not expected to have a significant impact on Cogstate's previously announced contracted revenue position, is not expected to materially change Cogstate's FY19 earnings and will have no impact on FY18 earnings.

Lilly has reiterated their commitment to Alzheimer's disease research and have multiple clinical assets in their pipeline. Cogstate continues to work with Lilly on other trials and looks forward to the opportunity to continue to expand the strong working relationship between the two companies.

June quarter sales update

Cogstate business update for the March 2018 quarter (lodged 12 April 2018) noted that \$29.9 million of new sales contracts had been executed during the first three quarters of the 2018 financial year.

As at 31 May 2018, Cogstate has executed \$5.1 million of new sales contracts during the months of April and May 2018, taking the total of sales contracts executed since 1 July 2017 to \$35.0 million. Cogstate will provide a full update in respect of the June quarter results as part of its quarterly reporting in July 2018.

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About Cogstate

Cogstate Ltd (ASX:CGS) is a leading science and technology solutions provider dedicated to optimizing the measurement of cognition in clinical trials, academic research and healthcare. Cogstate provides enabling technologies and professional services for higher quality neuropsychological assessments and is a pioneer in commercializing rapid, reliable and highly sensitive computerized cognitive tests. Cogstate customers include the world's leading biopharmaceutical companies; elite sporting organizations and military; physicians and patients; renowned academic institutions and public-private partnerships. For more information, please visit www.cogstate.com.