morvus

INVESTOR SUMMARY

TessIB
investment 2 insurance


TECHNOLOGY-RICH
PHARMACEUTICAL
COMPANY
Specilaising in improving
upon existing drugs
which are off patent
either by enhancing them
or improving the delivery
mechanism.

CONTENTS

APPENDICES

AVAILABLE DOCUMENTS

INVESTOR SUMMARY

FOREWORD

Morvus Technology Limited, registered in England and Wales Company Number 5115093 Registered Office: Llanvetherine Court, Llanvetherine, Monmouthshire, NP7 8NL, is a pharmaceutical company specialising in the development and commercialisation of novel drugs for the oncology market. The Company is technology-rich and has the capability to generate revenue by out-licensing early-stage products whilst simultaneously progressing selected candidates through clinical development and into patient trials.

The Corporate aim of the Company is to ready the Morvus Technology products for 'exit' either individually or collectively from 2019 or earlier if circumstances, by way of corporate purchase of the various products, permit.

The Business Plan for Morvus Technology Limited (MTL) is outlined in Appendix A of this Investor Summary.

This Investor Summary is to provide brief, but informative, details of MTL, it's products (identified by reference number e.g. MTL-004) and their development timescales, business valuation and the purpose of the capital raise of GBP 10m.

.

Further details are available upon request to:

Irene Bisset
Managing Consultant

TessIB Limited Registered Address:

5 Peacock Parkway, Bonnyrigg, Midlothian, EH19 3RQ

Telephone: 00 44 7512 871625

E-Mail: TessIB1@outlook.com

COMPANY PROFILE

The Company's business strategy is to out-licence its' intellectual property and/or know-how to the pharmaceutical/biotech industry and generate revenue from signature fees, milestone payments and royalties.

Morvus Technology Ltd (MTL) is a pharmaceutical company formed in April 2004 to exploit its founders' proven expertise in the areas of drug and target-discovery and the commercialisation of novel technology. Its' primary focus is oncology.

MTL was established by an experienced management team who were previously the founders and senior executives of Enact Pharma Plc, which was acquired in June 2003 by Protherics Plc. In April 2004, the team negotiated a management buy-out from Protherics acquiring some niche early-stage programmes and technology and an asset-base of equipment. Since then MTL has substantially increased the value of the business via the creation of a product-rich portfolio derived out of a suite of programmes outside the original buy-out.

In October 2007 MTL completed the acquisition of two specialist oncology companies, **Cardiff Protides Limited** and **Cardiff Biologicals Limited**, which were formed to exploit the innovative research of Professors Chris McGuigan and Wen Jiang at Cardiff University. The former company added medicinal chemistry resource and the technology to produce improved versions of known nucleoside-based anti-cancer drugs and the latter drug development expertise and access to a bio-informatics database.

Most importantly the companies each added a potential "blockbuster" oncology drug candidate to the Company's product pipeline which allows MTL to achieve critical mass in its' pre-clinical product portfolio.

The Company's business strategy is to out-licence its' intellectual property and/or know-how to the pharmaceutical/ biotech industry and generate revenue from signature fees, milestone payments and royalties. The Company is technology-rich and has the capability to out-licence a combination of pre-clinical and post-clinical programmes.

MTL comprises of the following 'group companies' and Joint Venture Partnerships developing the products as follows:

1

MTL-007

MTL-007 ProTides programme, a fully funded product named Acelarin which is out licenced to Nucana (http://Nucanabiomed.com) which has overcome resistance mechanisms that severely limit the action and effectiveness of many anti-cancer drugs. This product is in Phase 3 (final) trials for Pancreatic cancer. By 2019 Acelarin will be ready to submit to the European Agency to obtain marketing approval for Pancreatic Cancer and by this time it will be in the late stage Phase 3 trials for Ovarian Cancer, late stage Phase 2 trials for Cancer of the Biliary system including gallbladder, bile ducts and the liver.

2

MTL-005

MTL-005 is a 50/50 Joint Venture Partnership with MoreEx and Stephens Inc (website https://stephens.com/) responsible for financing MoreEx the product being a Radiation enhancer for enhancing radiation treatment in patients with head and neck cancer. This product is undergoing Clinical trials to complete by Mid-2017 to enter pivotal Phase 2b study to be completed by 2019 and will be moving towards market approval. If this product is successful, and all reports suggest it is very effective, it will lead to a 'liquidity event' by end of 2018 early 2019.

Morvus Technology Limited wish to raise GBP 5.5m within the proposed capital raise to continue development of this important product and **is the subject of the financial proposal to investors by this Investor Summary.**

3

MTL-004

MTL-004 is for an inhalable Lung Cancer drug for Non-Small Cell Lung Cancer (NSCLC) and non-melanoma Skin Cancers (NMSC). By 2019 MTL-004 will be ready for Clinical trials having completed formulation and pre-clinical 'tox' packages. **MTL-004 is also the subject of the financial proposal to investors by this Investor Summary**.

4

MTL-102

MTL-102 is a 'spin off' product from the development of MTL-004 which is a Rodenticide (Rat Poison) and will be developed alongside MTL-004. **The development of MTL-102 will also be the subject of this Investor Proposal.**

COMPANY MAIN BOARD DIRECTORS

Professor Michael G Wyllie

Non-Executive Chairman

Prof Wyllie, Director and Founder of Global Pharma Consulting, is a graduate of the University of Aberdeen. He has over 30 years of experience in senior management positions in the pharmaceutical industry. While Director at Pfizer he was involved in the discovery, filing of intellectual property, development, regulatory filing and marketing of eight major pharmaceutical products including, amlodipine (Norvasc), doxazosin (Cardura), darifenacin (Enablex), fluconazole (Diflucan) sertaline (Zoloft) and sildenafil (Viagra). Subsequently, he has been involved in founding and successfully funding several 'start up' companies and the listing of four of these on the London Stock Market. He is founder and CSO of Plethora Solutions Plc (AIM:PLE) which has a product, PSD502, undergoing regulatory review in the EU for premature ejaculation and which has been out-licensed to a major pharmaceutical company. He is Chairman of Glycomar Ltd, the Oban-based marine biotechnology company and a non- executive director of Repros Therapeutics (NASDAQ:RPRX) and Xion Inc. He is a founder member of both the International Advisory Board and Commercial Advisory Panel for Strathclyde University in Glasgow.

Oliver de Giorgio-Miller

Chief Operating Officer

Oliver has a wealth of experience in the management and commercial advancement of life science companies. He has worked for over 30 years with several global pharmaceutical and medical device companies including Schering AG, Hoffman la Roche, Intavent-Orthofix and Photo Therapeutics, a Cancer Research UK company and he has extensive experience advising a number of other early stage biopharmaceutical and medical device companies. Since 2002 Oliver has worked as a life sciences analyst in the City, working alongside corporate finance, investor relations and sales teams on a wide range of transactions including IPOs, secondary issues and M & As. He is a director and investment manager of offshore fund, Sarum Investment (SICAV) plc, which is exclusively focused on the oncology sector.

Jonathan Beatson-Hird

Chief Executive

Jonathan has 26 years' experience in both Emerging Companies and Emerging Markets. His core expertise is in equities, covering research, sales and corporate finance, predominantly as Managing Director of Deutsche Bank and Barings in New York. He co-founded Sarum Partners with Prof Tony Atkinson to take advantage of the once in a lifetime opportunity of investing in the oncology sector due to the revolution in the understanding of the dynamics of cancer and how it is best treated.

Mr David Baynes

Non-Executive Director

David was appointed as a non-executive director in September 2010. He is the Chief Executive and co-founder of Fusion IP plc, a company that owns the rights to 100% of university-owned research generated at two of the UK's leading universities. The University of Sheffield and Cardiff University and has partnerships with two others Nottingham University and Swansea University. David has a wealth of commercial experience having previously worked at Celsis International plc ("Celsis") from its incorporation to its flotation on the full list of the London Stock Exchange in July 1993 and Toad plc (now TG21 plc), which he also co-founded and was also responsible for taking from start-up to a full listing on the LSE.

SENIOR MANAGEMENT

Prof. Richard Knox BSc, PhD

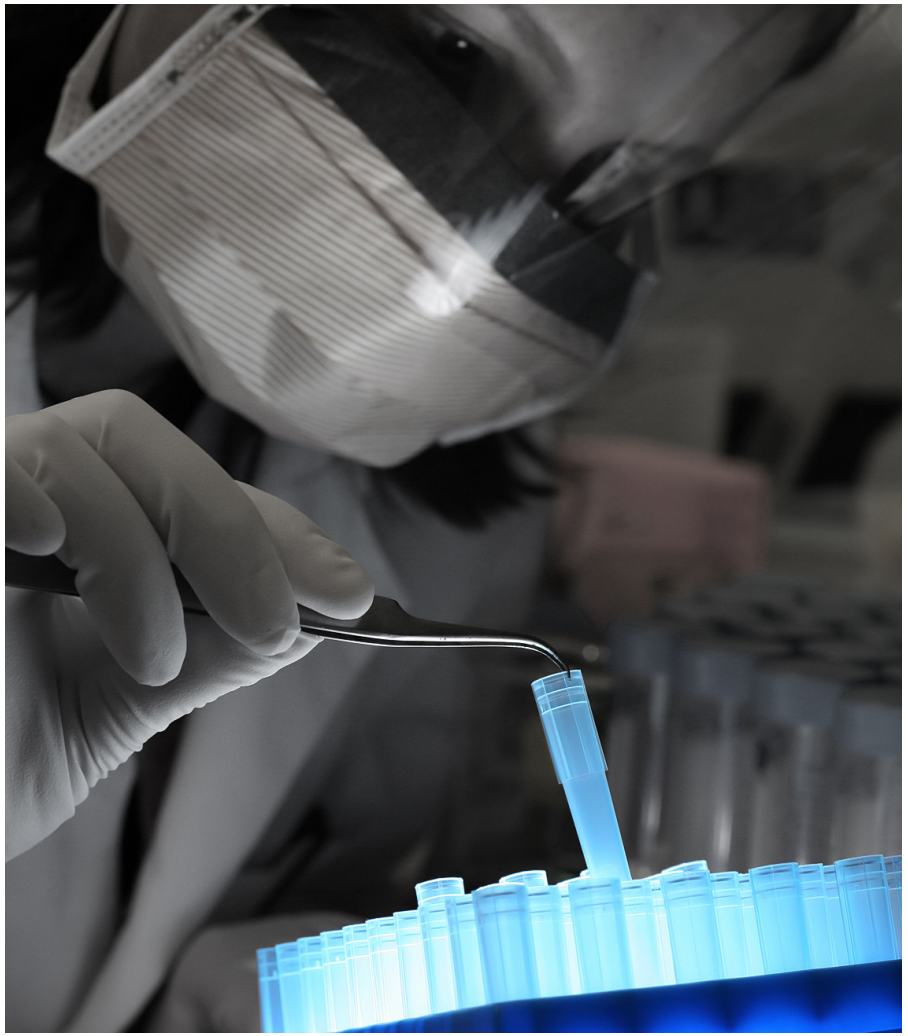
Research and Development

A member of the management team, Richard has particular responsibility for initiation and coordination of the company's research programmes and will also manage biochemical research. Professor Richard Knox was the leader of the Molecular Pharmacology team in the CRC Centre for Cancer Therapeutics at the Institute of Cancer Research (ICR), London. He is a world expert on the mechanisms of prodrug activation particularly by nitroreductase enzymes. Richard discovered the mechanism of action of the prodrug CB 1954 (tretazicar), invented the gene therapy applications of this and related prodrug and discovered the latent nitroreductase activity of the human enzyme NQO2. These applications are currently in clinical trial. Prior to this he pioneered the measurement of platinum-induced damage on the DNA of cancer patients and the use of molecular biological techniques to probe DNA repair mechanisms and was the first to use such methods with clinically used alkylating and platinating agents. He was part of the programme at the ICR that developed Carboplatin, which was awarded the Queens Award for Technological Achievement. He is a Visiting Professor at the University of Greenwich and has extensive collaborations within the scientific community. Richard has published almost 100 full publications including books and is a named inventor on over a dozen patents.

Mrs Judith Phillips ACIS

Company Secretary & Financial Controller

Qualified as a Medical Secretary in 1984 and subsequently worked at the John Radcliffe Hospital in Oxford before moving to work for the FD of an Oxford printing company. From this position, she was headhunted to help manage and administer a newly formed translation company. In 1994, she left to set up the offices and run the accounting function of a US pharmaceutical company and during this period of employment studied with the Institute of Chartered Secretaries, qualifying and becoming an Associate of the Chartered Institute of Secretaries in 2002. She assisted with the start-up and was a founder shareholder of Kymed which subsequently merged with Enzacta to form Enact Pharma plc. Following the acquisition by Protherics and subsequent management buy-out she helped the Morvus directors found and set up Morvus where she is now Company Secretary and Financial Controller



CURRENT SHAREHOLDERS

The Company boasts a robust and prestigious group of investors. Top 10 Shareholders holding 76.6% are:

1. SICAV 19.20% (Sarum)
2. Nathan International Holdings 17.80% (Sarum)
3. McBraida Holdings 12% (Sarum)
4. Credit Suisse 9.50%
5. IP Group 6.60%
6. Management 6%
7. Biotrade AG 2%
8. Dartington Portfolio Nominees 1.70%
9. Isambard Fund 1.30%
10. BTG plc (Protherics) 0.5%

The remaining Shareholders of 23.4% are minor shareholders who have supported MTL from the earliest days of the Company inception.

Currently the Company has 268.7 million shares of which 25 shareholders hold more than 80% of the Company.

Who are SARUM?

http://www.sarumpartners.com

Sarum Partners is a team of strategic management consultants to the oncology sector.

The Partners bring together 4 distinct skill sets, oncology entrepreneurs who have successfully built and sold over 12 oncology companies between them; commercial scientists who have discovered and invented technologies in the Cancer arena; practising clinical oncologists who are on the 'coal face' and financial expertise in biotechnology and valuation techniques.

Sarum Partners and related parties own 49% of MTL. **The team comprises of the founder, Jonathan Beaton-Hird who is a current Director of MTL.**

Sarum Partners was the entity which has supported MTL from inception and wishes to maximise the development potential of all MTL products and are keen to resist early exists from the product development phases unless shareholder value can be maximised.

CORPORATE STRATEGY – INVESTOR PROPOSAL

With MTL-005 and MTL-007 fully funded and moving rapidly towards the end of Clinical trials Morvus Technology Limited wish, as the Group Company aim, to accelerate the development of MTL-004 and MTL-102 and to provide further investment for the development of MTL-005.

To achieve the Group Company's aim Morvus Technology Limited (MTL) wish **to acquire Investor assistance in the sum of GBP 10m**. This investment will allow for MTL to continue to have a stable 'Balance Sheet' and to support the current administration expenses whilst MTL-007 is readied for market approval, manufacture and distribution or product sale to a large Pharmaceutical Company. MTL-005 is continuing Phase I trials although almost complete the results are extremely encouraging which will result in a further revalue of the Company worth.

In order to accelerate the development of MTL-004 and MTL-102, bringing these products to market much sooner than was first planned, the recruitment of additional Post-Graduate personnel to assist with the formulation will be required. The Post Graduates will not be directly employed by MTL but instead will be additions to the research team employed by Strathclyde University working in cooperation with MTL.

MTL has agreed to reserve 'Laboratory Time' at Strathclyde University and requires an **immediate investment of GBP 500,000** to this end. If MTL had not taken the commitment to agreeing to the reservation of Strathclyde Universities

Laboratories the effect would be to delay the development of ML-004 and MTL-102 by two years. This would be a tragic delay for those currently suffering from the types of Cancers MTL-004 is intended to treat.

The expected market place for the Rodendicide (MTL-102) is considered to be USD 500m.

MTL-004's potential market place is expected to be in the region of USD 10.1 bn with over 5 million new cases diagnosed annually in the World.

The importance of MTL-004 to sufferers cannot be understated.

The key objective in the first quarter of 2017 was to 'clean up' the Balance Sheet. In the Directors Report and Accounts for previous years, Appendices B-D inclusive, Shareholders had taken a Debenture. The Shareholder Agreement at the time however, committed MTL to incur an interest charge of 100% per annum on the Debenture of GBP 3m. **It can be confirmed that this Debenture charge has now been voided with a Settlement Agreement with the Shareholders and the Balance Sheet post conversion, as at 28th February 2017.**

MTL-005 – Morex

Morvus Technology Limited placed MTL-005 into a Joint Venture company, Morex Development Partners LLP, with orphan designation (EU/3/13/1138). MTL-005 is progressing well in the Phase I Clinical trials to the extent that the regulator has given approval to plan for Phase IIb pivotal study to proceed.

Morvus Technology Limited have an agreement with the Joint Venture company, Stephens Inc (website https://stephens.com/) where Stephens Inc would finance the trials to completion and the drug to market or exit the agreement. The main backer of Stephen's Inc who has agreed that Morvus Technology Limited can invest more money into MTL-005. The Board of Morvus Technology Limited, encouraged by the results for MTL-005, wish to invest a further GBP 5.5m in this product. To complete Phase 2 development a further GBP 15m would be required and Morvus Technology Limited wish to contribute GBP 5.5m, at this time, to secure their share in the Joint Venture.

Investor Profile

MTL currently have an investor profile at 0.17p per share (268,677,590 shares) or a Company valuation of GBP 45.6m as per the following Capitalisation Table;

Issued share capital	219,892,344
Outstanding Warrants	22,560,003
Outstanding Options	14,417,468
Convertible Loan (interest from debenture)	11,807,775
	268,677,590

The most up to date valuation, prior to the results of MTL-005 being known, is suggesting share value now stands at 0.29p or a Company valuation of GBP 77,916,501 based upon 268,677,590 shares.

An independent valuation of the Company, dated 01st March 2017 suggests an implied Equity Value of GBP 78m based upon the Risk Adjusted Royalties for the following products;

MTL-007	GBP 50.6m
MTL-005	GBP 22.3m
MTL-004	GBP 7.1m
Debt	GBP 2.0m –

Note: This does take into consideration future Products MTL-233 and MTL-102 which would significantly increase the Company Equity valuation.

MTL has proposed an Equity Share issue of a further 12.7m shares which if valued at 0.29p equates to GBP 3,683,300.

Current projected values for the Shares (lowest), following realisation or sale of MTL-005 and MTL-007 is ranging from GBP 2.50 to beyond GBP 3.00. At the most conservative estimate the additional Equity Share offer would be valued at GBP 25.4m.

MTL seeks an immediate cash sum of GBP 250,000 as part payment of the GBP 500,000 required to secure the services of Strathclyde University. The balance of the 'deposit' of GBP 250,000 is required shortly thereafter.

The new capital raise will fund MTL through to April 2020 whereupon MTL will be in a position to exit all or some of the products at that time realising the higher share valuation.

Disposal of MTL-007 may come earlier than 2019 if the appropriate offer from a large Pharmaceutical Company is accepted.

However, the MTL Board may decide to take MTL-004 into Phase 1 Clinical Trials whereupon a further capital raise of GBP 11m will be required and a further GBP 5m to take MTL-102 into the 'regulatory process' but not until 2019/2020.

For MTL-004 the Formulation costs, in cooperation with Strathclyde University will be GBP 500,000 and will take 9 months. The 'Tox' package costs will be GBP 2,000,000 and will take 18 months. Phase 1 Clinical Trials will cost GBP 10m in 2019/2020 and the subject of a separate capital raise.

For MTL-102 the testing of the 'efficacy' of the Product will cost GBP 10,000 and will take 6 months, the 'Bait' costs will be GBP 100,000 and takes 18 months to develop and validate and the Regulatory process will cost GBP 5m and be spent over a 24-month period.

Please see the Tables and accompanying Notes in the Company Expected Revenue and Expenditure Section beginning on Page 22.

COMPANY EXPECTED EXPENDITURE AND REVENUE

MTL-004 and MTL-102

The Expenditure breakdown in Section 3 of the Business Plan (see Appendix A) has been modified (Appendix B) of this Investor Proposal Summary to take into account recent decisions to accelerate MTL-004, MTL-102 and the further investment into MTL-005.

Appendix 2 of this Investor Proposal includes the newly revised Cost Analysis for the proposed expenditure for the above products from June 2017 to end 2020.

Reductions in the monthly expenditure had been achieved since 2012 as the development and administration costs of the company's two core products have reduced as the products have now reached a late development stage.

Currently, prior to this capital raise proposal, the expenditure of Morvus Technology Limited (MTL) is GBP 35,000 per month which is a 'subsistence' rate since 2012.

The investor proposal will raise the monthly expenditure accounted over the financial year mainly due to fees and further administration costs as per the Cost and Revenue Spreadsheet in Appendix 2.

The following Tables show, in summary, the expected monthly total expenditure for the next 13 months to 30th April 2018, following the capital raise as proposed spreading the cost of fees and additional expected expenditure. Staff wages, 10 members in the central business of which only 3 are full time, are noted which has been set at a monthly rate of GBP 24,500. These are administration staff although the whole team is much bigger but are accounted for under the budgets for each of the product development programmes which are separately funded.

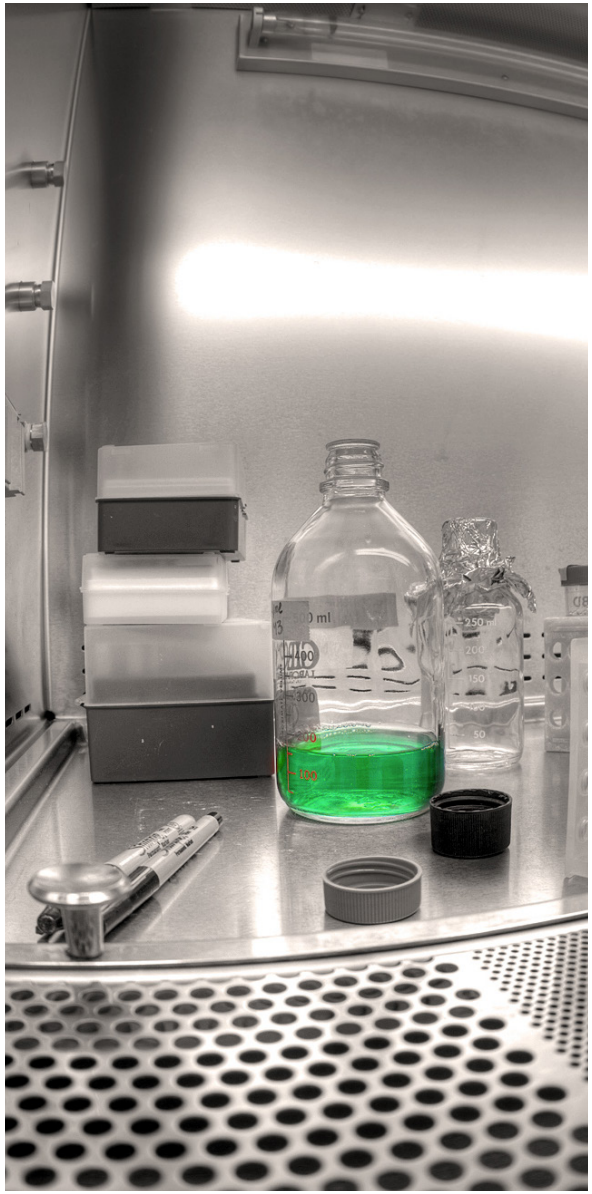


Table 1

Period:
June 2017/ April 2018 inclusive (11 months)
MTL-004 and MTL-102 only

Type	Total GBP
Administration	330,082
Wages	269,500
Total IP Costs	187,950
Research MTL-004 & MTL-102	552,633
Total for the Period	1,340,169
Income from Royalties MTL-005 & MTL-401	30,250
Nett Expenditure for the Period	**1,309,919**

Table 1 – Notes

1) A budgeted reserve of GBP 230,000 has been allocated for fund raising administration costs and spread across the remaining 11 months for the period at GBP 20,909 per calendar month.

2) Strathclyde University Laboratory facilities at a cost of GBP 500,000 over a nine-month period from June 2017 to February 2018 inclusive for MTL-004 at a monthly budgeted figure of GBP 56,095

3) MTL-102 efficacy assessment costs, for a six month's period, of GBP 20,000 spread over the period June 2017 to November 2017 inclusive at a monthly budgeted figure of GBP 3,333

4) MTL-102 rat bait from December 2017 for eighteen months at a monthly budgeted figure of GBP 5,555. Five months of costs (GBP 27,777) allocated to this period

In the following Tables the predicted expenditure for the periods May 2018 to April 2020 are detailed:

Table 2

Period:
May 2018/ April 2019 inclusive (12 months)
MTL-004 and MTL-102 only

Type	Total GBP
Administration	271,200
Wages	330,000
Total IP Costs 223,000	
Research MTL-004 & MTL-102	2,072,223
Total for the Period	2,896,423
Income from Royalties MTL-005 & MTL-401	33,000
Nett Expenditure for the Period	**2,863,423**

Table 2 – Notes

1) Budgeted costs are shown as totals for the Period as comparison to 11 month projected costs for June 2017 & April 2018 inclusive

2) A budgeted reserve of GBP 150,000 has been allocated for fund raising administration costs for the period to raise a further GBP 2,000,000 for MTL-004 Phase II Clinical trials and remainder of GBP 100,000 (GBP 72,223) for Rat Bait costs for development of MTL-102 (Rat Poison)

3) All other costs show a buffer of 15% uplift for inflationary costs

4) Intellectual Property (IP) costs show an increase of nearly GBP 36,000 in legal expenses costs

5) Research costs are GBP 2,000,000 for the Tox package costs for MTL-004 allocated in full to the May 2018 – April 2019 Period even though the period of development is 18 months

6) MTL-102 rat bait from December 2017 for eighteen months at a monthly budgeted figure of GBP 5,555. Seven months of costs (GBP 72,223) allocated to this period

7) Additional GBP 3,000 per month allocated to increased staff costs (+12% increase)

Table 3

Period:
May 2019/ April 2020 inclusive (12 months)
MTL-004 and MTL-102 only

Type	Total GBP
Administration	725,500
Wages	360,000
Total IP Costs	223,000
Research MTL-004 & MTL-102	12,500,000
Total for the Period	13,810,500
Income from Royalties MTL-005 & MTL-401	33,000
Nett Expenditure for the Period	**13,777,500**

Table 3 – Notes

1) Budgeted costs are shown as totals for the Period as comparison to 11 month projected costs for June 2017 & April 2018 inclusive

2) A budgeted reserve of GBP 600,000 has been allocated for fund raising administration costs for the period to raise a further GBP 10,000,000 for MTL-004 Phase II Clinical trials and remainder of GBP 100,000 (GBP 72,223) for Rat Bait costs for development of MTL-102 (Rat Poison)

3) All other costs show a buffer of 15% uplift for inflationary costs

4) Intellectual Property (IP) costs show an increase of nearly GBP 36,000 in legal expenses costs

5) Research costs are GBP 2,000,000 for the Tox package costs for MTL-004 allocated in full to the May 2018 – April 2019 Period even though the period of development is 18 months

6) MTL-102 rat bait from December 2017 for eighteen months at a monthly budgeted figure of GBP 5,555. Seven months of costs (GBP 72,223) allocated to this period

7) Additional GBP 3,000 per month allocated to increased staff costs (+12% increase)

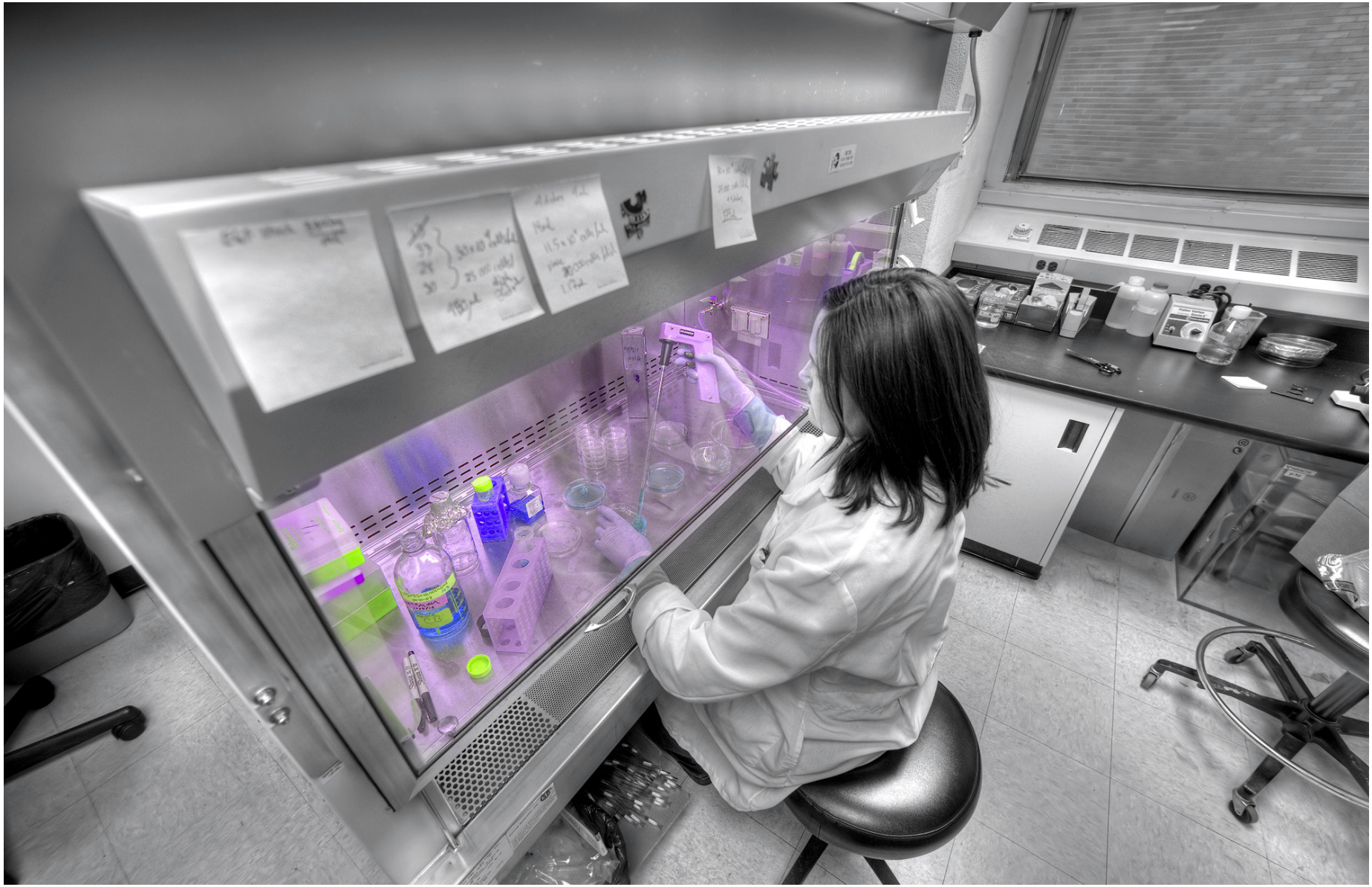
Important Note:

A) The additional capital raise of GBP 10m will be a separate exercise for the Phase I costs of MTL-004 and the projections within this Investor Summary is for illustration purposes.

MTL-005 – Morex

Morvus Technology Limited have a 50 /50 share agreement with the Joint Venture company, Stephens Inc (website https://stephens.com/) whereby Stephens Inc would finance the trials to completion and the drug to market or exit the agreement. The funding of the development with Stephens Inc is fully funded by Stephens Inc with no financial input from Morvus Technology Limited.

The funding of the development with Stephens has been fully funded to date without financial in put from Morvus Technology.



EXPENDITURE: - SUMMARY

The immediate capital raise involves a total of GBP 10m split between four main elements to fund the following for the Period June 2017 – April 2020 inclusive:

1) Company general costs of administration, wages, intellectual property

2) MTL-004 Formulation and Toxicology costs

3) MTL-005 Further development

4) MTL-102 Efficacy development costs and Rat Bait

Note: The Capital raise in the Investor Proposal Summary is GBP 10m.

The following Table shows the total expenditure for each of the above elements for the Period June 2017 – April 2020 inclusive:

Table 4

Period:
June 2017/ April 2020 inclusive (35 months) less fees for additional capital raises also less income derived from Royalties

Type	Total GBP
Administration	250,532
Wages	959,500
IP Costs	635,950
Sub-total (35 months)	1,845,982
Research MTL-004 & MTL-102	2,624,856
Research MTL-005	5,500,000
Total for the Period	**9,970,838**

CORE PRODUCTS

MTL-007

MTL-007 – THE PROTIDES PLATFORM (ACELARIN) - ProTides programme, a fully funded product named Acelarin which is out licenced to Nucana (see: http://Nucanabiomed.com)

By 2019 Acelarin will be ready to submit to the European Agency to obtain marketing approval for Pancreatic Cancer, in late stage Phase 3 Clinical trials for Ovarian Cancer and late Phase 2 clinical trials for Biliary and Phase 1 for Non-Small Cell Lung Cancer (NSCLC).

Morvus' Pro-Tide technology has been shown to improve the therapeutic index of established chemotherapeutic molecules hence it is applicable to a broad range of tumours.

Gemcitabine is also licensed for use alone or in combination with other chemotherapeutics in patients with Bladder, Lung and Biliary Cancer. This confers low development risk, fast development cycles and clearly defined commercial potential. The results from the Phase 1 and 2 clinical trials conducted at the Hammersmith Hospital provided statistically significant evidence of MTL-007 (Acelarin) safety and efficacy profiles.

The estimated global market for these Cancers is USD 11.2bn (source Global Data 2014, 2015, Fiercebiotech, Persistent Market Research).

MTL-005

MTL-005 – MOREX - is a 50/50 Joint Venture Partnership with Morvus and Stephens Inc the latter with the sole responsibility for financing MoreEx the product being a Radiosensitiser that has been demonstrated to significantly enhance the effect of radiation - (coppermeso-5.15-bis[3-[1,2-dicarba-closo-dodecaboanyl] methoxy]phenyl]-meso-10,20-dinltropropphyrin) in the treatment of Cancer cells for Head and Neck Cancer.

The compound is non-cytotoxic but is activated by radiation doubling the effectiveness of the radiation therapy.

This product is undergoing Clinical trials to complete by Mid-2017 to enter pivotal Phase 2b study to be completed by 2019 and will be moving towards market approval. If this product is successful, and all reports suggest it is very effective, it will lead to a 'liquidity event' by end of 2018 early 2019.

Morvus placed MTL-005 into a Joint Venture (JV) company, MorEx Development Partners (MDP) and in June 2013 the European Commission granted MDP orphan designation **(EU/3/13/1138)** for patients with Biliary Cancers undergoing radiotherapy.

The potential market is huge with over 100,000 patients undergoing radiotherapy treatment daily.

This compound is the subject of the Investment Capital Raise together with the compound MTL-004 and MTL-102.

FUTURE PRODUCTS

MTL-004

MTL-004 – NON-SMALL CELL LUNG CANCER (NSCLC), NON-MELANOMA SKIN CANCER (NMSC), BLADDER AND PERITONEAL CANCER – MTL-004, a potent cytotoxic agent

This compound is the subject of the Investment Capital Raise together with the compound MTL-005 and MTL-102.

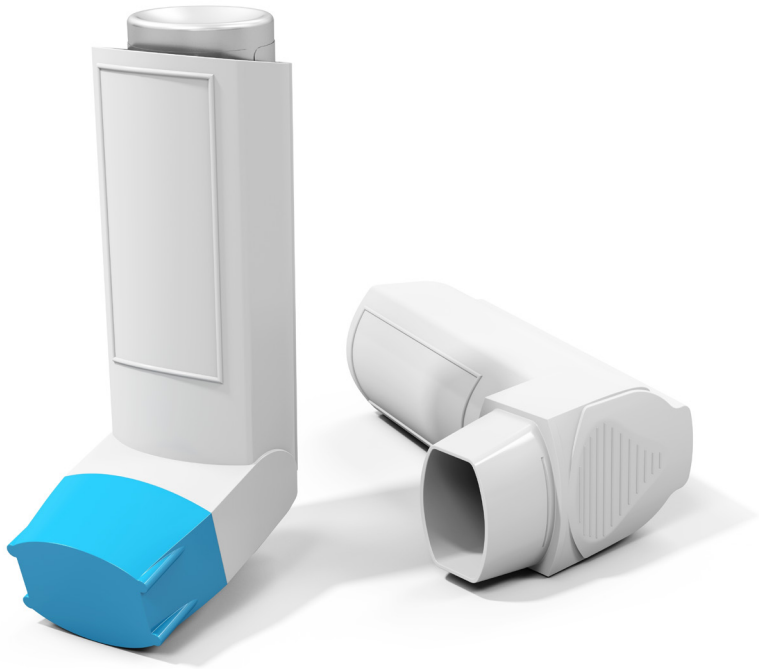
There are over 1.8 million new cases of Lung Cancer each year with 80% of them being NSCLC.

MTL-004 has a short 'range' that directly treats the Lung Cancers via an inhalation route and it can be highly effective without damaging normal cells and is rendered harmless in the bloodstream.

To the knowledge of Morvus there is no competing product with its' unique deliver mechanism and inherent safety features.

The global NSCLC treatment market value is forecast to increase to USD 18Bn according to business intelligence provider GBI Research.

MTL-004 is currently in late stage preclinical development requiring formulation and toxicology studies. Agreement has been reached with Strathclyde University to provide Laboratory and research personnel to accelerate the development of this highly regarded compound to early Clinical trials by 2019 at the latest.



MTL-102

MTL-102 – RODENTICIDE (SELECTIVE RAT POISON)

To be developed with the financial capital raise now proposed to new investors.

Arising from an observation that Tretazicar was converted to a very toxic 'species' in the liver of rats. Current rodenticides contain anti-coagulants which rats tend to develop resistance and are also toxic to other species.

A suitable and effective rodenticide would be looked upon favourably by the regulatory authorities and rapidly establish a dominant position in the market place.

The Food and Environment Research Agency (FERA) has agreed verbally to an outline proposal, at a cost, to undertake the development for Morvus. This should not demand too much administration by Morvus and when completed will also significantly enhance the Balance Sheet of the Company.

The annual worldwide market is valued at USD 500m.

EXECUTIVE SUMMARY

MTL supported by the current Shareholders want investor support to develop MTL-004 and MTL-102 as new products bringing both to the global marketplace at the earliest opportunity. MTL-005 is included within the Capital raise for further development.

Initially GBP 500,000 is required to reserve laboratory time at Strathclyde University. The remaining GBP 9.5m would be required over a three-year period with the new investment funds supporting MTL whilst the two new products (MTL-004 and MTL-102) are developed and the current range of products are further developed (MTL-005) or readied for disposal (MTL-007) possibly as early as mid- 2018.

The anticipated disposal of MTL-007 may realise GBP 120m.

MTL wish to retain MTL-005 until further development is completed thus greatly enhancing the products eventual disposal price and returns to Investors.

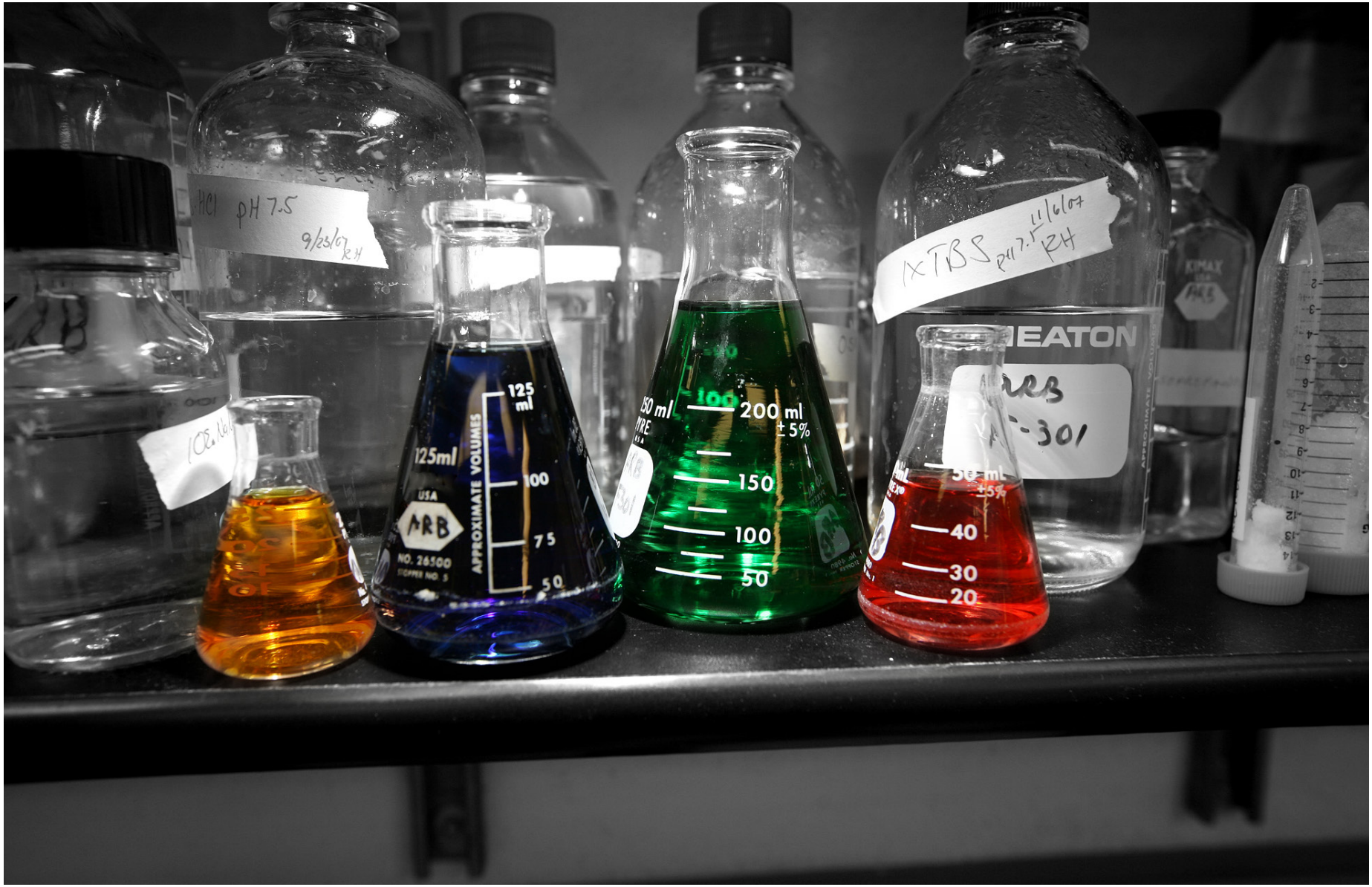
The current valuation of the Share price is 0.17p but a recent Company Valuation puts the Share price at 0.29p giving a revised Implied Equity Valuation of approximately GBP 78m.

MTL previously, as detailed in the Company Report and Accounts, had an onerous Shareholder provision accumulating significant liabilities on the last capital raise. This detrimental effect is now voided and the Company has a healthier Balance Sheet as a result.

Cash receipts to date have been limited, as shown is past Report and Accounts, with administration costs accumulating yearly. However, the Company does have cash reserves but additional Investor support is required to maintain liquidity whilst MTL-007 is readied for possible early exit.

The new Investor support is directed also at the development of MTL-004 and MTL-102 and further development of MTL-005.

Investors are invited to purchase all of the remaining allocation of shares bringing the total Company Capitalisation to 281.4m shares less any share allocation otherwise committed.


HCl pH 7.5
9/23/07 KH
125ml
125 ml
100
75
50
APPROXIMATE VOLUMES
USA
ARB
NO. 26500
200 ml
±5%
150
100
50
EATON
40
30
20

APPENDIX A

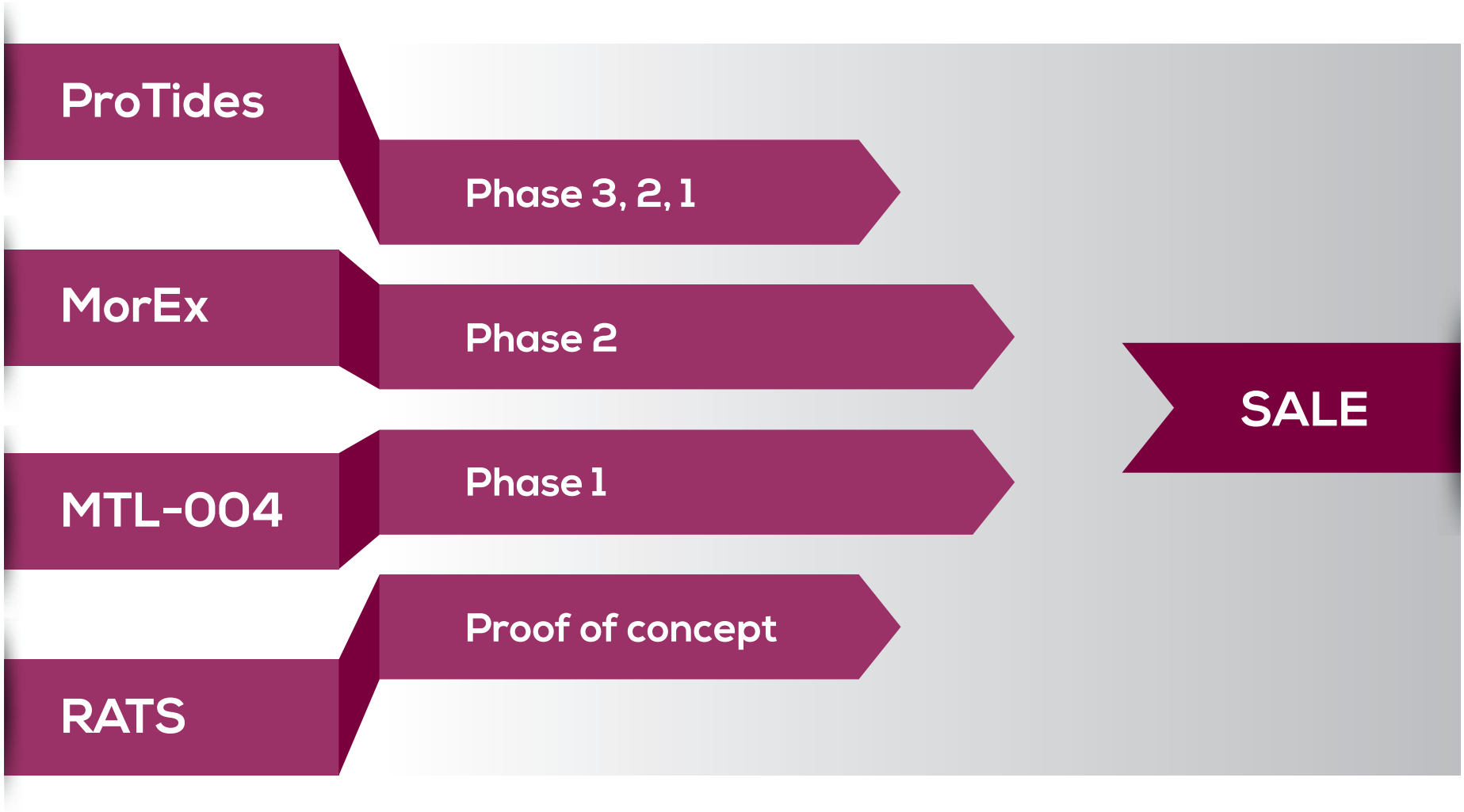
MORVUS TECHNOLOGY LTD

BUSINESS PLAN

UPDATED MAY 2017

1. CORPORATE AIM

The aim of the Board is to ready the range of Morvus products for exit either individually or collectively from 2019.



By 2019

Acelarin will be ready to submit to the European Agency to obtain marketing approval for Pancreatic cancer; it will be in late stage Phase 3 for ovarian cancer, late stage Phase 2 for biliary and Phase 1 for Non Small Cell Lung Cancer (NSCLC).

The MorEx Radiation Enhancer will have completed its pivotal Phase 2b study in Head and Neck cancers and moving towards market approval.

MTL-004 will be ready for the clinic having completed formulation and pre-clinical tox packages as an inhalable treatment for NSCLC and as a topical non-melanoma skin cancer treatment.

The rodenticide (MTL-102) will be ready to enter the regulatory process.

An independent valuation produced in February 2017 valued Morvus at £78m. It is the Board's belief that these major milestones reached over the next 2 years will significantly increase the valuation of the business.

At this stage, the Board is aiming to attain a valuation of Morvus collectively in excess of £400m.

2. CORPORATE STRATEGY

To achieve its stated aim, the company now needs to leverage up its costs to include the research programmes for MTL-004 and MTL-102. The current burn rate is approximately £35,000 per month. This has been a subsistence rate since 2012 when the burn rate was reduced from £575,000 per month. The two core products have reached a stage whereby the risks have been considerably reduced making investment attractive. Thus it is possible now to increase the burn rate in order to meet the challenges of the research programme.

The key objectives in the first quarter of 2017, namely the cleaning up of the balance sheet, have been achieved and the company is now ready to execute a 36 month strategy to exit.

The Company will raise capital at 0.17p per share or a valuation of £45.6m to initiate MTL-004 and MTL 102 research programmes and fund the business through to April 2019. This will involve increasing resources and will require up to £10m (on a draw down basis) providing a post money valuation of £55.6m.

The Company will then be funded until the next inflection point where it will be in a position to exit all or some of the products.

Should the Board believe that it is to shareholders interest to take MTL-004 into Phase 1, a further fundraise of £11m will be required. If we decide to take 102 into the regulatory process, a further £5m will be required.

3. FUNDING

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	Total 2017/2018	Total 2018/2019	Total 2019/2020	
Adminstration	7,710	38,571	39,642	39,642	37,142	37,242	37,242	37,242	37,245	8,671	8,671	8,671	8,671	346,362	271,200	725,500	1,343,062
Total IP Costs	12,000	22,000	13,066	12,775	31,109	27,000	12,000	12,000	22,000	12,000	12,000	22,000	12,000	221,950	223,000	225,000	669,950
Staff (9)	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	318,500	330,000	360,000	1,008,500
Research 004/201/MDP	34,000	34,000	45,000	445,000	445,000	445,000	445,000	445,000	445,000	445,000	445,000	445,000	411,000	4,529,000	4,100,000	13,000,000	21,629,000
Total	**78,210**	**119,071**	**122,208**	**521,917**	**537,751**	**533,742**	**518,742**	**518,742**	**528,745**	**490,171**	**490,171**	**500,171**	**456,171**	**5,415,812**	**4,924,200**	**14,310,500**	24,650,512
Total carried fwd		**197,281**	**319,489**	**841,406**	**1,379,157**	**1,912,899**	**2,431,641**	**2,950,383**	**3,479,128**	**3,969,299**	**4,459,470**	**4,959,641**	**5,415,812**		**10,340,012**	**24,650,512**	

MTL-004 Formulation costs £500,000 and takes 9 months
Tox package costs £2,000,000 and takes 18 months.
Phase 1 costs £10m

MTL 102 Efficacy costs £20k and takes 6 months
Bait costs £100,000 and takes 18 months
Regulatory process costs £5m over 2 years

MorEx £1.5m total investment required now to complete Phase 1
Up to £15m to complete Phase 2
Morvus will make available a minimum of £4m for this programme.

4. BACKGROUND

Global spending on oncology medicines exceeded US$100 billion threshold in 2015 and expected to reach US$161 billion by 2021, growing at a CAGR of c. 7.4%. The focus today is on targeted cancer therapy. As the cancer market evolves over the coming development cycle, it is anticipated that cost/benefit will become a limiting factor in the competitive landscape; the result of wider choices for physicians, raised bars from regulators and tighter controls from payers.

Rising costs coupled with pressure to increase pharmaceutical R&D output have created new needs for specialized and constantly upgraded technologies with the potential to enhance efficiency at all stages of the whole R&D value chain, reduce lead times and streamline the drug discovery and development process. Morvus' intellectual property covers patents on therapeutics that may address 7 of the top 10 most prevalent cancers and 57% of the total cancer market by cancer type. Furthermore, the Company's strategy of taking existing off-patent drugs with well-documented safety and efficacy profiles, and significantly improving their therapeutic index as well as reducing the cost of production lowers the risk profile. Thus Morvus is well positioned to take advantage of a significant portion of the market and its trends.

Morvus has already completed licensing deals with four companies; these stand the Company in good stead for generating revenues while uplifting the Company's valuation downstream as these drugs advance from one clinical milestone to the next. The progress of Morvus' core products is sufficiently substantial to offer potential investors or joint venture partners an investable proposition. This proposition will allow the investor to participate in the upside from the lower risk opportunity afforded by the core products, ProTides and MorEx, in order to provide funding to take the earlier stage, hence higher risk, research programmes into the clinic.

The two core technologies that address multiple cancers have been out-licensed and progressing in clinical trials, which are being funded by the licensees and expected to complete within the next two years.

There are currently 4 key patent families that are ready for exploitation based on the drug tretazicar. This is a prodrug,

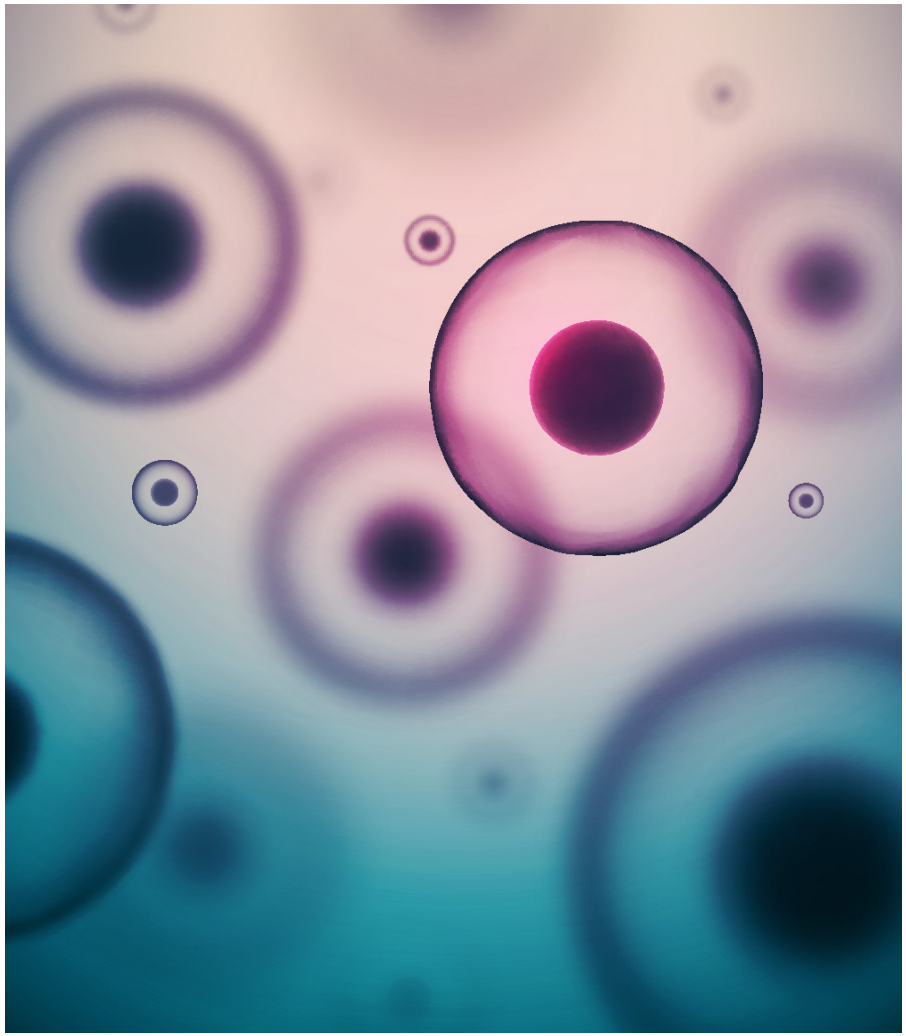
meaning that, on administration, must undergo chemical conversion by metabolic processes before becoming an active pharmacological agent.

Whilst tretazicar drug has been studied since the 1960's, it has suffered from two problems. Firstly, it is difficult to manufacture and secondly, it is neutralized by serum when entering the blood stream.

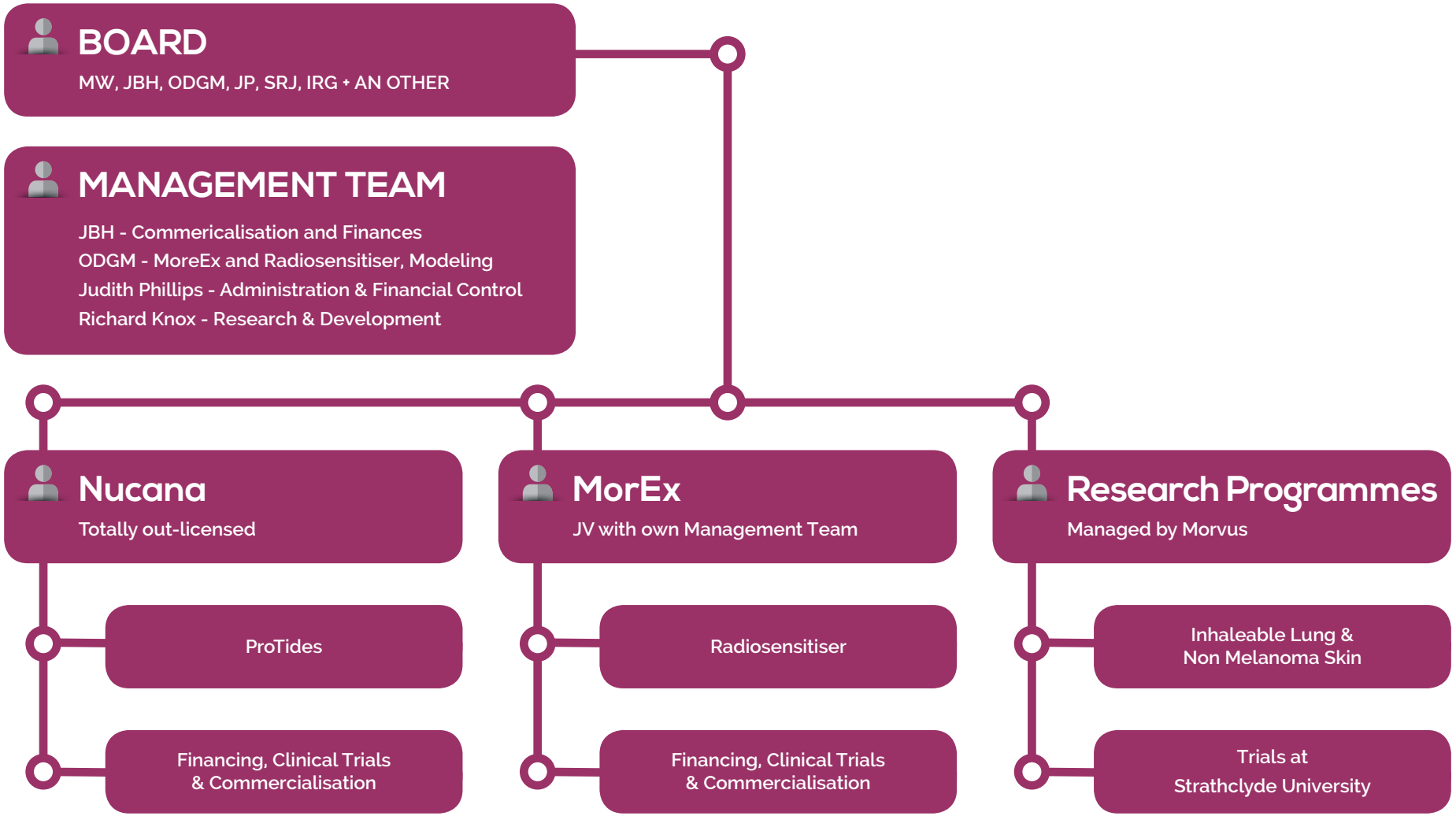
Morvus has reformulated the drug and is targeting 3 major segments of the cancer (and pesticide) markets characterized as having significant unmet medical needs:

- An inhalable therapeutic for Non Small Cell Lung Cancer
- A topical therapeutic for Non melanoma Skin and vaginal cancers
- A rodenticide

The protocol for the trials of each of these formulations will be determined by the financing plan. The groundwork in identifying the route to take these drugs into the clinic (or field testing) has been completed.



5. ORGANISATIONAL CHART



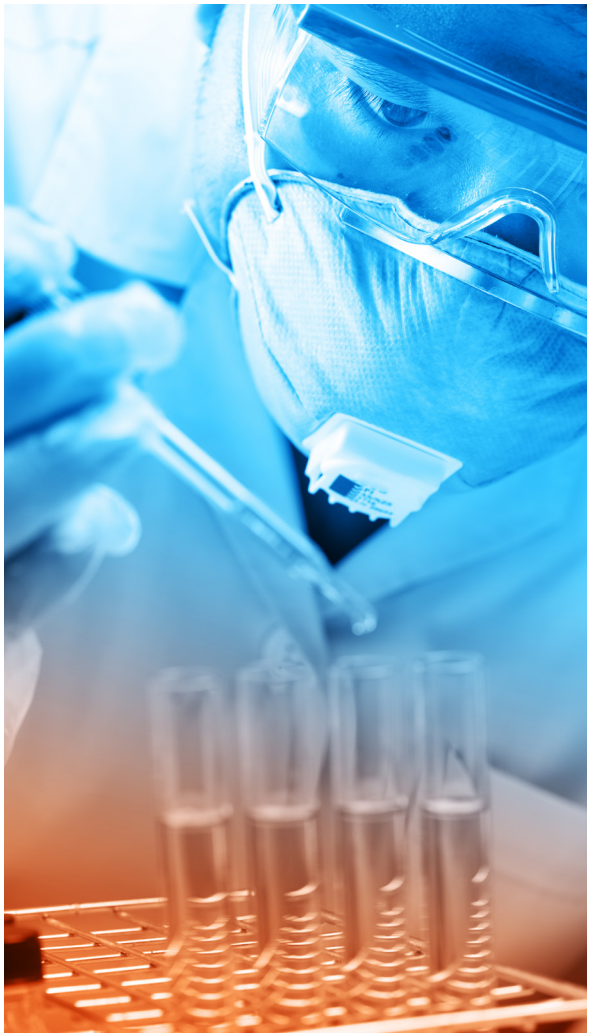
Current staffing has been kept to a minimum. With the start of the research programmes, this will require additional resources and more time from existing resources.

The Board

It is intended to strengthen the Board with the addition of one more Non-Executive who has further drug development expertise. The Management Team is already interviewing candidates and will present them to the Board once they have found suitable individuals.

The Management Team

More time will be required from the operational team as well as the addition of some post- graduates for the research programmes. Once formulation is complete for MTL-004, it may be necessary to recruit a new drug development officer to oversee the project in addition to the CSO, Richard Knox. Thus it is anticipated that basic staff costs will increase by at least £8,000 per month.



6. THE MORVUS POSITION IN THE ONCOLOGY MARKET

Global spending on oncology medicines including therapeutic treatments and supportive care crossed the US$100 billion threshold in 2015 and is set to become the number one therapeutic class in value with sales anticipated to reach US$161 billion by 2021 (Source: https://www.zionmarketresearch.com/report/cancer-drugs-market).

It will remain the most dynamic for many years, driven by the rising incidence of cancer, earlier initiation of treatment, high unmet medical needs, high premium pricing in particular for biologicals/targeted therapies, immunotharapies, the genomics/ proteomics revolution leading to the increasing identification of novel therapeutic targets, and the evolution of cancer into a chronic illness (e.g. haematological cancers and recurrent low grade tumours).

The oncology sector is becoming increasingly segmented and highly competitive. In response, pharmaceutical companies are now developing mono and combination therapies with the potential to deliver multiple commercial opportunities in terms of broader types of cancer their drug can treat, including protection of existing marketed assets, and differentiation from competitors. Payers and national health systems have intensified their scrutiny of the value of new medicines relative

to their incremental benefits over existing treatments, with cost effectiveness assessments frequently resulting in limited patient access to these drugs. Their demand for drugs that offer more than modest incremental efficacy continues to gain momentum. (Source: https://beta.finance.yahoo.com/news/ims-health-finds-global-cancer-114300893.html).

The focus today is on targeted cancer therapy. This approach to cancer treatment not only supplements the conventional chemotherapy and radiotherapy but also personalises cancer treatment to a patient's biology and pathophysiology, preventing damage to normal tissues and drug resistance in the process. Innovative cancer therapies are based on current concepts of molecular biology of cancer. These include anti-angiogenic agents, immunotherapy, viral oncolysis, targeting of cyclic-dependent kinases and tyrosine kinase receptors, antisense approaches, gene therapy and combination of various methods.

Cancer is a leading cause of death in many wealthy countries, and its toll is rising in poorer regions. A 2012 study in The Lancet Oncology predicted that from 2008-2030, cancer incidence will rise 75 percent globally and will double in the least developed countries (http://globalcancermap.com). According to the World Cancer Research Fund International there were an estimated 14.1 million new cases of cancer in 2012 worldwide. This is likely to grow to over 20 million within 10 years. A person's risk of developing cancer appears to depend on many factors, including age, genetics, and exposure to risk factors (including some potentially avoidable lifestyle factors). Smoking, insufficient physical activity, alcohol, diet, overweight and obesity, and infections account for a high proportion of cancers worldwide. Smoking is the single most preventable cause of death in the world, causing nearly one third of cancer deaths. Alcohol drinking causes an estimated 6% of deaths worldwide, around 1 in 8 of which are due to cancer. Alcohol drinking prevalence is highest in Europe and America. Unhealthy diets, e.g. low in fruit and vegetables and high in salt, are becoming more common in lower-resource countries. Overweight and obesity prevalence is increasing particularly in low- and middle-income countries. Overweight and obesity are leading causes of death worldwide. Infections cause 18% of the global cancer burden, with a much higher proportion in low-income countries.

Morvus's intellectual property covers patents on therapeutics that may address 7 of the top 10 most prevalent cancers and 57% of the total cancer market by cancer type.

Global Incidence of Cancer

Rank	Cancer	New cases diagnosed in 2012 (1,000s)	Per cent of all cancers
1	Lung	1,825	13
2	Breast	1,677	11.9
3	Colorectum	1,361	9.7
4	Prostate	1,112	7.9
5	Stomach	952	6.8
6	Liver	782	5.6
7	Cervix uteri	528	3.7
8	Oesophagus	456	3.2
9	Bladder	430	3.1
10	Non-Hodgkin lymphoma	386	2.7
11	Leukaemia	352	2.5
12=	Pancreas	338	2.4
12=	Kidney	338	2.4
14	Corpus uteri (endometrium)	320	2.3

Rank	Cancer	New cases diagnosed in 2012 (1,000s)	Per cent of all cancers
15	Lip, oral cavity	300	2.1
16	Thyroid	298	2.1
17	Brain, nervous system	256	1.8
18	Ovary	239	1.7
19	Melanoma of skin	232	1.6
20	Gallbladder	178	1.3
21	Larynx	157	1.1
22	Other pharynx	142	1
23	Multiple myeloma	114	0.8
24	Nasopharynx	87	0.6
25	Hodgkin lymphoma	66	0.5
26	Testis	55	0.4
27	Kaposi sarcoma	44	0.3

(excl. non-melanoma skin cancer)

Source: http://globalcan.iarc.fr

The Directors hold the view that with pharmeconomics of drugs set to determine the uptake of new cancer treatments, Morvus' portfolio is well poised to take advantage of the raised bars from regulators and payers as it comprises primarily of established treatment approaches with significant cost-beneficial enhancements. Such products will have large and already defined commercial markets as well as demonstrable clinical relevance, clear regulatory pathways and lower development risks and a favourable risk profile relative to many of its peers at a similar stage of development.

a) Radiotherapy adjuvants, which are able to enhance the effectiveness of radiation. Radiation is still administered as the first line of treatment in the vast majority of patients, thus the commercial potential for such an agent is enormous.

b) ProTides of existing nucleoside-based chemotherapies, which offer significant improvements over their existing therapeutic window (increased efficacy and/or reduced toxicity). These already represent significant commercial opportunities.

c) Novel prodrugs that are selectively activated by enzymes over-expressed in certain tumours. Prodrug therapy can be used to selectively attack the tumour but limits the toxic effect on non-tumour cells and so overcomes the non-selective nature of chemotherapy. The approach is applicable to many common solid cancers.

Rising costs coupled with pressure to increase pharmaceutical R&D output have created new needs for specialised and constantly upgraded technologies with the potential to enhance efficiency at all stages of the whole R&D value chain, reduce lead times and streamline the drug discovery and development process. It is these factors that led Morvus in 2012 to restructure its R&D without impacting drug development programmes, while reducing clinical phase and early stage R&D costs, by outsourcing this function to a contract research organization (CRO) with in-depth knowledge of cancer and therapeutics, in particular expertise in early phase oncology research.

Morvus's strategy of taking existing well-documented drugs, which are now generic, and meaningfully improving their performance as well as reducing the cost of production

lowers the risk profile. Thus Morvus is well positioned to take advantage of a significant portion of the market and its trends.

The Board believes that the positioning of Morvus and its products is right for the market and requires no further adjustment. However, once the research programmes are financed, a decision will be made as to whether to continue the process of identifying further drugs in the market where the Company can add value.

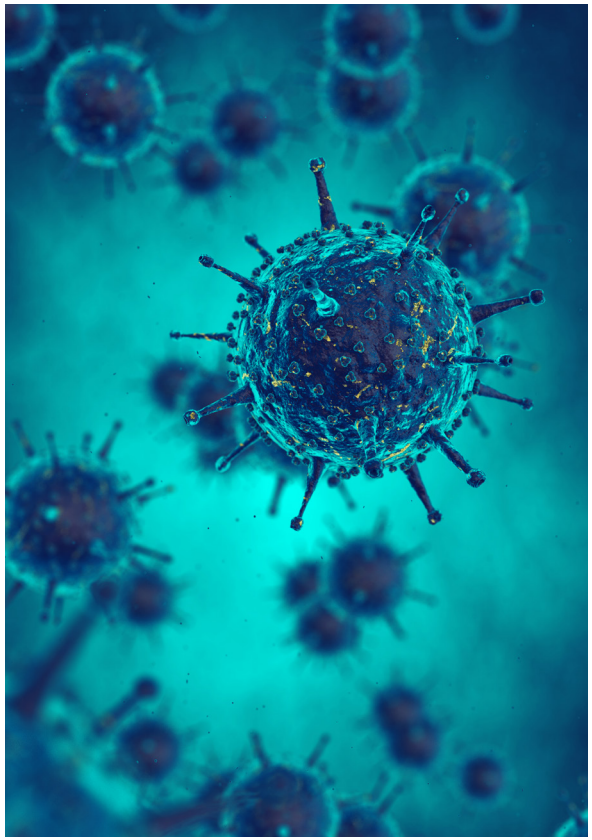
Once Morvus has successfully brought its first drug to market, the Company will start the process of identifying further known molecules to which it believes it can apply its expertise and strategic model to develop into successful cancer therapeutics.

Exit through acquisition by Big Pharma is taking longer. This is due to the focus of Big Pharma away from basic therapeutics which has dwindling patent protection to immunotherapy.

While the field of cancer immunotherapy promises a major shift in the treatment of cancer in the years ahead, many researchers and oncologists consider it is still in its infancy. Using the immune system to regulate cancer progression traces its roots back to the 1890s. The field progressed little over the following century until the comparatively recent explosion of research, which has identified the mechanisms by which cancer cells evade detection by the immune system. Armed with this knowledge, researchers have identified several protein targets, most notably Programmed Cell Death-1 (PD-1) and Cytotoxic T-lymphocyte-associated protein 4 (CTLA-4), and more importantly, antibodies that act on these targets resulting in the activation of the immune system towards the targeting of cancer cells. While these findings have yielded impressive success in the treatment of certain cancers, they come at a huge cost, which is unaffordable to many patients and state or even private healthcare providers. Moreover, several cancers have proven refractory to PD-1 and CTLA-4 targeted therapies. For these patients,, which globally add up to millions, targeted small molecules will remain the mainstay treatment for many years to come.

7. CURRENT STATUS AND ACHIEVEMENTS TO DATE

In October 2012 Morvus was restructured with a new Board of Directors appointed to manage a shift in direction, away from in-house R&D to outsourcing, the aim being to accelerate monetisation of the products in the Company's portfolio through strategic partnerships.



These ventures most likely would take the form of licensing and collaboration agreements in which the partner is assigned the IP and commercialisation rights to a product and becomes responsible for forward costs including maintenance of patent, final stage development, clinical trials, regulatory approvals as well as production and marketing. In return Morvus would receive an upfront payment for the grant of license, payment upon the drug reaching pivotal milestones along the critical path, and a royalty on sales.

This strategy concentrates on where biotech companies have been successful in the recent past, namely moving drugs as early as possible following discovery to joint venture partnerships, and building on this success while reducing operating costs and ensuring that the Company remains adequately capitalised in the process. Licensing deals remain central, strategically and financially, to the success of a small biotech company.

Morvus has already completed licensing deals with four companies; these stand the Company in good stead for generating revenues while uplifting the Company's valuation downstream as these drugs advance from one clinical milestone to the next.

2005	Acquired under global license early stage radiation enhancer from Brookhaven Laboratories
2007	Acquired Cardiff ProTides Ltd and Cardiff Biologicals Ltd; Out-licensed MTL-401 to Wyeth Laboratories, now Pfizer); Out-licensed MTL-005 to MorEx Development
2009	Out-licensed MTL-007 (ProTide platform technology) to Nucana Biomed Ltd
2010	Received grant from the Welsh Government to progress gene targeting research programme; Out-licensed MTL-401 (genetic modification technology for use in vaccine development) to Pfizer Inc
2011	Out-licensed MTL-401 for use in biochemicals/biofuels production) to LanzaTech Ltd
2012	MTL-007 (ProTide technology) completes Phase l clinical trial in patients with advanced cancer
2013	MTL-005 (Radiation Enhancer) commences Phase l clinical trial
2014	MTL-007 completes Phase I/ll trials demonstrating efficacy;
2015	MTL-007 enters combination trials with carboplatin and cisplatin in ovarian and biliary cancer
2016	MTL-007 entered Phase III clinical trial in pancreatic cancer and Phase 2 in ovarian and billiary cancers. MTL-005 received MHRA acknowledgement to plan for a Phase 2 pivotal study

8. CORE PRODUCTS

The two core products have been out-licensed and the sponsorship through clinical trials and the funding to do so is the responsibility of the out-licensees. This has been a smooth and useful process but there remain three issues that need to be resolved. These are all straightforward.

1. The ProTides platform

MTL-007 in Pancreatic, Ovarian, Bladder, NSCLC, and Biliary Cancer: The aggressive nature of these cancers and inadequate responses to current treatments are major obstacles in the treatment of these tumours. Despite significant improvement in understanding disease biology, the 5-year survival rates remain low - less than 5% when diagnosed in their advanced stage (III and IV). Only 12% to 30% of patients are diagnosed early enough to make it possible to remove the tumour.

The estimated combined global value of the markets for these cancers is US$8.6Bn (Source: GlobalData, 2014, 2015, Fiercebiotech, Persistence Market Research). Eli Lilly's Gemzar (Gemcitabine), Celgene's Abraxane (Paclitaxel-albuminated) and Genentech/OSI Pharmaceuticals/ Roche's Tarceva (Erlotinib) are the main drugs of choice; of the three, Gemzar is the standard of care in treating pancreatic cancer.

Morvus's ProTide technology has been shown to improve the therapeutic index of established chemotherapeutic

molecules and hence is applicable in a broad range of tumours. Gemcitabine is also licensed for use alone or in combination with other chemotherapeutics in patients with bladder, lung and biliary cancer. This confers low development risk, fast development cycles, and clearly defined commercial potential. The results from the Phase I and II trials conducted at the Hammersmith Hospital provided statistically significant evidence of MTL-007 (Acelarin) safety and efficacy profiles.

78 patients were recruited who were suffering from solid tumours. Of these, 14 were suffering from gynaecoloigical cancers and 64 from pancreatic cancer. After taking Acelarin for two or more months, 75% had their disease brought under control. In 49 evaluable patients with advanced solid tumours who had failed on prior chemotherapy, including generic Gemcitabine, 78% showed a response to Acelarin at the lowest therapeutic dose.

The Phase III study comparing Acelarin with generic Gemcitabine in patients with metastatic pancreatic carcinoma (ACELARATE) started on 5th February 2016. The study is a Phase III, open label, multicentre randomised clinical study comparing Acelarin (NUC-1031) with Gemcitabine in patient with metastatic pancreatic carcinoma (ACELARATE)] received Ethics Committee opinion on 7 April, 2015 from East Midlands - Nottingham 2 Research Ethics Committee.

http://www.hra.nhs.uk/news/research-summaries/acelarate/)

This study is now open for recruitment and ongoing.

The study [EudraCT number: 2014-004653-14] started recruiting from 17 August, 2015 (http://www.isrctn.com/ISRCTN16765355) and is funded by NuCana BioMed Ltd.

Details of the trials can be found on the following sites:

1. UK Clinical Research Network: http://public.ukcrn.org.uk/search/StudyDetail.aspx?StudyID=19200
   Funder(s) NuCana BioMed Ltd

2. ISRCTN Registry: http://www.isrctn.com/ISRCTN16765355
   Funder name NuCana BioMed LTD

3. EU Clinical Trials Register: https://www.clinicaltrialsregister.eu/ctr-search/trial/2014-004653-14/GB
   Name of organisation providing support NuCana BioMed Ltd

2. MOREX

MTL-005 is the second core product and is a radiation enhancer (copper meso-5,15-bis[3-[(1,2-dicarba-closo-dodecaboranyl) methoxy]phenyl]-meso-10,20-dinitroporphyrin) and has been demonstrated to significantly enhance the effect of radiotherapy.

MTL-005 offers a number of innovative features. It selectively accumulates and is retained by tumours but is cleared from surrounding normal tissue and blood. This property is due to the boron 'cages' present on the molecule. The compound is non-cytotoxic but is 'activated' by radiation and has been shown to double the effect of radiation. The interaction of X-rays with water in tissues, leads to the formation of very short lived, highly cytotoxic hydroxyl radicals and aqueous electrons. In the presence of oxygen the interaction with hydroxyl radicals leads to the formation of reactive oxygen species (ROS), such as hydroxyl radicals and hydrogen peroxide. These are highly reactive molecules with unpaired electrons and are cytotoxic but are quenched quite effectively by the aqueous electrons. The regulation of oxidation-reduction (redox) reactions is critical to a cell, as these reactions impact negatively on key metabolic pathways. When reactive oxygen species (ROS) generation exceeds the capacity of cellular antioxidant processes, cell damage ensues. An increase in the generation of ROS, or a reduction in their detoxification, results in the induction of programmed cell death, or apoptosis. MTL-005 enhances ROS generation by catalysing the reaction of aqueous electrons with water. This property is due to copper containing porphyrin ring system in the molecule. Additional cytotoxicity can result from a photoelectric effect. This effect is produced by the interaction of elements with high atomic number, such copper directly with X-rays. The photoelectric interaction induces an inner shell electron vacancy within an atom, and this initiates an electronic de-excitation process involving a cascade of inner-shell transitions through the atom. As a result, there is an emission of X-rays, and more significantly, a shower of Auger electrons. These electrons have a limited travel range in tissue (a few microns) and are highly damaging to cytoplasmic organelles and DNA. Because of its mechanism of action, MTL-005 should function in both oxic and hypoxic tumour environments and is totally distinct

from conventional hypoxic cell radiosensitisers. Because MTL-005 is administered as a single dose a few days before a course of radiotherapy, the molecule complements existing radiotherapy practices and no significant modifications are required to existing radiotherapy infrastructure. It could be used to target a wide range of solid tumour types.

Morvus has placed MTL-005 into a JV company, MorEx Development Partners. In June 2013, the European Commission granted to MorEx Development Partners LLP, orphan designation (EU/3/13/1138) for MTL-005 in the treatment of patients with head and neck cancer undergoing radiotherapy. MorEx is currently conducting a UK multi-centre Phase I clinical trial primarily to demonstrate the compound's safety; however the trial protocol has been designed to also obtain a measure of efficacy. The company's intention is to license MTL-005 to Pharma on completion of a Phase II study anticipated to commence in late 2016. The market for the product is huge as it can be used on most cancers; over 100,000 patients are treated every day with radiotherapy.

This programme is progressing extremely well. The regulator has given Morex the green light to plan for a Phase IIb pivotal study the results of which could allow the drug to go straight to market. This is due to the fact that head and neck cancers are classed as orphan diseases.

The issue surrounds financing. Under the agreement with Stephens Inc, Stephens would finance the trials to completion and the drug to market or exit. Stephens has agreed to underwrite the trials, but is willing to allow Morvus to invest more money if the Board so wishes. Given the success of the Phase I trial and the efficacy data which has been shown so far, the Board would definitely like to invest further if it has the funding to do so.

9. R&D PROGRAMMES

Morvus is patent rich. The aim is to focus the business on to its two key strategic vlues; cancer and known molecules. The company will invest into two of the research programmes in order to take them to a level whereby they can become core products. The others patents will be dealt with at a later stage.

There are currently 4 key patent families that are ready for exploitation. These are based on tretazicar. Tretazicar is a prodrug of a bifunctional alkylating, dinitrobenzamide derivative with antineoplastic activity. Tretazicar can be activated by the human enzyme quinone oxidoreductase 2 (NQO2) in the presence of the cosubstrate caricotamide, an analogue of the natural cosubstrate dihydronicotinamide riboside (NRH), which acts as an electron donor.
The resulting active, but short-lived metabolite, dinitrobenzamide, leads to DNA replication inhibition and the induction of apoptosis in NQO2 expressing cancer cells. Due to the lack of the natural cosubstrate NRH, NQO2 expression is normally latent but is upregulated in certain types of tumor cells.

Whilst this drug has been around since the 1960's, it has suffered from two problems. Firstly, it is difficult to manufacture and secondly, it is neutralized by serum when entering the blood stream.

Morvus has reformulated the drug and is targeting 3 major cancers with high unmet clinical needs:

1. MTL-004

MTL-004 in Non-Small Cell Lung Cancer (NSCLC): There are over 1.8 million new cases of lung cancer each year and NSCLC constitutes over 80% of these; the 5-year survival rate of lung cancer in many countries is <15%. Chemotherapy remains the mainstay of treatments of lung cancer and cisplatin is one of the most widely used first-line chemotherapeutic agents for NSCLC treatment. However, these therapeutic strategies are unsatisfactory due to side effects experienced and drug resistance. Drugs such as Avastin, Iressa, Gemzar, and Tarceva have dominated the market. However, new drugs such as talactoferrin (Agennix), an immunomodulatory drug, Gilotrif (Boehringer), Xalkori (Pfizer), and ARQ 197 (ArQule/Daiichi Sankyo) will challenge these.

MTL-004 is a potent cytotoxic agent with a short range that directly treats lung cancers via an inhalation route. Its mechanism of action requires the cancer cell to attempt to divide before the cytotoxic effect is manifested. Thus it can be highly effective without damaging normal cells as these divide much less frequently. In animal models, the drug has been directly administered into the lung and achieved >50% reduction in the tumour burden after a single inhalation treatment without any effect on normal lung tissue. Moreover, as the drug is rendered harmless in the bloodstream it is not expected to give rise to the systemic toxicity associated with other anti-cancer agents. The therapeutic and commercial advantage for an anti-cancer agent that removes or reduces the systemic toxicity associated with chemotherapy is considerable, as it will allow a significantly increased dose of the agent to be administered. To our knowledge, there is no competing product with MTL-004 with its unique mechanism of action and inherent safety features. The global Non-Small Cell Lung Cancer (NSCLC) treatment market value is forecast to increase to US$10.1Bn by 2021, according to business intelligence provider GBI Research.

MTL-004 is currently in late stage preclinical development requiring formulation and toxicology studies to progress to Phase l clinical trials in patients with NSCLC.

2. MTL-004

MTL-004 in Non-Melanoma Skin Cancer (NMSC): The incidence of skin cancer has reached epidemic proportions and constitutes a substantial public health problem. In the United States, for example, each year more than 2 million people develop a skin cancer. A number of options are available for treating non-melanoma skin cancer, including surgery, cryosurgery photodynamic therapy (PDT), radiation, topical Efudix, which is a chemotherapeutic (5-fluorouracil), and topical immunotherapy with imiquimod (Aldara). These approaches are effective but not without side effects. Surgery causes scarring; cryosurgery discolours the skin; PDT can be painful; Efudix and Aldara cause burning.

In recent years there has been increasing focus on topical administration for early stage treatment to deliver chemotherapy directly to the abnormal cells with minimal effect to other tissues and/or organs. Morvus has developed a formulation of MTL-004 that is applied as a cream or a gel to deliver the cross-linking agent MTL-004 directly to the tumour to be treated, causing major damage to the tumour cells, which will die after entering the dividing phase. The surrounding, non-dividing tissue will remain unaffected. Furthermore, rapid deactivation of the drug in serum will ensure no systemic toxicity is associated with the treatment.

MTL-004 can also potentially be applied as a solution to treat bladder and peritoneal cancer.

10. IMPLEMENTATION OF RESEARCH & DEVELOPMENT

There are three research programmes; inhalable lung cancer, non-melanoma skin cancer and a rodenticide. All are based on tretazicar.

A. Development of a stable MTL004 formulation for treatment by the pulmonary and topical routes of administration for lung cancer and non-melanoma skin cancer.

The overall aim of the project is to produce a novel formulation of MTL-004, which has a shelf life of at least 3-6 months, can be administered via the topical or pulmonary route and is more effective that MTL-004 solution against murine and human cancer cells both in vitro and in vivo. Development of a novel formulation for topical and pulmonary delivery would generate new IP which could be included in a patent application. This would give the drug additional IP protection and increase its commercial value. The project has a 2-year time period but it may be shorter if all the studies go to plan or it can be accelerated to a 9-12 months project if more than one researcher is employed full time on the contract. The exact time lines can be reviewed at project meetings and the project could be funded for an initial 12 months with the opportunity to extend the project for a further 6 or 12 months. At the end of the project Company would have a comprehensive data package and documentation to help transfer the methods used to a contract GMP manufacturer.

The project has been priced for BALB/c mice and the B16 F10 mouse model. However, it may be better to use SCID Beige mice inoculated with human A549 luciferase expressing cells. This model may be of more interest in a data package. But, these mice are more expensive and need to be maintained in more stringent housing. The patent cost would be towards an initial filing and more money would be required to maintain a patent and extend the territories. We have assumed that we can produce a HPLC assay to determine the drug concentration in tissues. If a more sensitive assay is required then this may be more expensive if we have to outsource.

Objectives:

1. To formulate initially MTL-004 compound for topical and pulmonary delivery.
2. To identify HPLC assays for MTL-004 formulations and its constituents
3. To determine in vitro and in vivo efficacy of MTL-004 formulations.
4. To determine tissue levels in treated animals after treatment with MTL-004 formulations.
5. To generate new IP for patent application(s).

Table 1 Timeline for the project

Objective	Project stage >	1	2	3	4	5	6	7	8
1.	Produce different formulations of MTL-004								
2.	Identify HPLC assays and assay levels in formulation over 2-week period								
3.	Carry out in vitro assays to compare efficacy of different formulations against murine (B16 F10) and human cancer (A549) cell lines – determine IC50 values								
4.	Carry out in vivo assays to compare efficacy of two lead formulations (topical/pulmonary routes) in a murine model of lung cancer. Studies will determine the effect of using different dosing regimens								
5.	Carry out studies to determine tissue levels in animals treated with lead MTL-004 formulations								
6.	Determine stability of lead MTL-004 formulations at different storage temperatures (4˚C, 25˚C and 40˚C)								
7.	Prepare paper work for transfer of methods to GMP manufacturer of lead MTL-004 formulation								
8.	Prepare report for patent agent for a patent on the new IP generated								
9.	Project update meeting								

Timescale: 9 months

Overall Cost: £504,858

Table 2 Breakdown of project costs

Item	Cost
Staff Researcher grade 7 KCCarter AMullen VFerro	£352,186
Animals BALB/c mice 8-10 weeks female –– 6 expts at 32 mice each (maintenance 6 weeks) Nude BALB background mice for cancer studies – 4 expts at 24 mice each (maintenance 6 weeks)	£50,321
HPLC and reagents	£38,067
Mass spec - other activity if higher sensitivity required or other special assay method used	£16,429
Reagents for NIV	£15,429
Patent costs	£24,409
Travel and subsistence: meetings	£8017
Total cost	**£504,858**

B. MTL-102 Novel, selective rat poison with no toxicity to other species

MTL-102 arose from the observation that Tretazicar was converted to a very toxic species by an enzyme in the livers of rats. The toxic compound is a highly reactive species that does not persist and can't migrate far from the liver. Current rodenticides containing anti-coagulants are prone to the development of resistance, and are extremely toxic to a wide range of other species. The annual worldwide market for rodenticides is estimated to be US$500M. An effective rodenticide with a suitable safety profile would be favoured by the regulatory authorities and rapidly assume a dominant position in the market place.

Vermin such as rats constitute a major health and safety hazard. Due to their presence in high numbers and close association with human environments, rodents can pose a serious threat to human health, directly or indirectly. In addition, they can provide a link for infection to cross over from area to area and even from species to species. They may consume human food at all stages of production and processing, including transportation of food to its final destination. In commercial factories that produce food for human consumption, the presence of rats may be very hazardous and costly. They not only cause the loss of food that they consume, but also the whole portion or batch of food in the vicinity that they have come in contact. This is caused by cross-contamination, through droppings, urine and hair mostly. In addition, they have the ability to gnaw through objects. This can represent a fire hazard as they frequently chew through electric cables. Rats can also disrupt other services, such as water and gas supplies, as they have been known to chew through lead pipes.

Rats are a problem throughout the world and they are growing in number The decay and lack of maintenance funding for ageing sewerage systems, the use of plastic building products, the proliferation of fast food outlets, increasing urban litter, poor hygiene, reduction of local authority pest control funding, and resistance to first and second generation poisons may be contributing to the increase in population.

The rat population has become more resistant to many of the known poisons. Furthermore, the known poisons are typically toxic to other species such as humans, pets, other mammals and birds.

The predominant vermin (particularly rat) poison products on the market remain the first generation anti-coagulant warfarin and

its analogues, and second-generation anti-coagulants such as bromadiolone. The first generation anti-coagulants typically suffer from the development of resistance by rats and other vermin. The second-generation anti-coagulants, although typically less prone to the development of resistance, are extremely toxic to a wide range of other species.

Rats are difficult to kill with poisons because their feeding habits reflect their place as scavengers. It is known that rats will initially avoid new foods and the initial sampling when bait is first taken is very small. If adverse effects occur rapidly thereafter, the bait will not be taken again, a situation known as bait-shyness. Thus an effective rat poison will typically be palatable and slow acting. In other words, symptoms will be slow to set in so that the rodent will continue eating the bait, thus avoiding bait-shyness. Other desirable characteristics of rat poisons are described below.
The poison should be specific to a particular species or group of species, e.g. rats, and toxic in an average quantity of consumed bait. Moreover, the vermin should not develop immunity or physical tolerance to the poison.

The poison should present a minimal hazard to humans and other creatures such as domestic animals. There should also be a minimal risk of secondary poisoning of scavengers. Importantly,, the poison should be inexpensive to produce, easily formulated into solid and/or liquid bait. And degrade into harmless products.

These are the key characteristics of a rodenticide on which MTL-102 has been developed.

A research and development partner has been identified in FERA, the Food and Environment Research Agency. This is part of the Department of Food and Agriculture. Based in York, FERA has already agreed verbally an outline proposal – at a cost – to undertake the development for Morvus. This will be implemented with the other research programmes and should not demand too much management attention.

The Board wishes to start the R&D work at DEFRA's laboratory (APHA) in York under Dr Mark Lambert to determine the most appropriate way forward for MTL-102; particularly carrying out a no-choice feeding (mortality) test as per HSE guidelines, as long as we are first satisfied that the LD50 has been satisfactorily established if the approximate acute oral LD50 of 150mg/kg reported in the briefing document could not be substantiated from documentary sources. The approximate LD50 is similar to some acute LD50 figures reported for warfarin (hence antacid testing may not be required). The aim of the mortality test is to demonstrate 90% or greater mortality over 20 days as per the attached EU (BPD) guidance.

This is a make or break test to decide if it was worth taking the concept forward or not and was estimated to cost approx £20,000. This first stage would take between 3 and 6 months. If MTL-102 does not achieve the desired mortality in this type of study, then there is no prospect of it passing the steps for regulatory approval.

Once efficacy has been established, APHA will undertake a bait study to determine the optimum bait and dosage. This would take between 12 and 24 months.

APHA are ready to proceed, subject to the availability of funding.

11. SHARE CONSOLIDATION

Critical Path

The largest 25 shareholders own 80% of the company.

	2Q 2017	3Q 2017	4Q 2017	1Q 2018
Funding	£0.5m	£5.5m	Consolidate shareholers	
Board Change	Add non executive			
MTL-004	Commence formulation		Complete formulation	Start Tox package
MTL-201	Start efficacy study		Complete efficacy study	Start bait trials

2Q 2018	3Q 2018	4Q 2018	1Q 2019	2Q 2019	3Q 2019	4Q 2019	1BP - Ta20
				£11m			
Add CDO							
Drug Synthesis	Formulation for Clinic	ADMET	Safety Pharmacol	Complete Tox API/IMP manuf. Trial site(s) MS, ClinTeam, Statistician, P/kineticist, etc MHRA/EMA mtg	Submit IMPD	MHRA/EMA and Ethics approval	Start Patient Recruitment Phase 1
			Complete bait trials	Search for Out-licensee		Out-license	

Critical Path

	2Q 2017	3Q 2017	4Q 2017	1Q 2018
MorEx	Complete EIP review & Phase 1 (14mg) safety	Decision on investment End of Phase 1 (18mg) efficacy Complete Phase 2b protocol Mtg MHRA	Submit IMPD	Commence API/IMP manuf MHRA/EMA and Ethics approval
Acelarin	Complete Phase 1 Ovarian cancer	Complete Phase 1 (primary) Biliary cancer Commence Phase 2 Ovarian	CRC aapproval to proceed to Phase 2 Ovarian	Commence Phase 2 Ovarian cancer

2Q 2018	3Q 2018	4Q 2018	1Q 2018	2Q 2019	3Q 2019	4Q 2019	1Q 2020
Start Patient Recruitment Phase 2b - total 100 pts in 4 trial centres	Cohort Review Committee (CRC) mtg 1	CRC mtg 2	CRC mtg 3	CRC mtg 4	Commence discussions with potential licensees and/or buyers	Submit trial results for EU marketing authorisation (MA)	Grant of MA (Head & Neck)
Complete Phase 1 study Biliary cancer	CRC aapproval to proceed to Phase 2 Biliary	Complete Phase 3 study Pancreatic cancer	Cohort Review Committee - prepare MA submission Pancreatic	Commence Phase 2 Biliary	Submit Pancreatic trial results for EU marketing authorisation (MA)	Complete Phase 2 Ovarian cancer	Grant of MA Pancreatic cancer

APPENDIX B

REVISED BUDGET AND EXPENDITURE SPREADSHEET

REVISED BUDGET AND EXPENDITURE SPREADSHEET

	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	Total 2017/2018	Total 2018/2019	Total 2019/2020
Income														
Royalties (MTL-005)	**1,250**	**1,250**	**1,250**	**1,250**	**1,250**	**1,250**	**1,250**	**1,250**	**1,250**	**1,250**	**1,250**	**13,750**	**15,000**	**15,000**
Royalties (MTL-401)	**1,500**	**1,500**	**1,500**	**1,500**	**1,500**	**1,500**	**1,500**	**1,500**	**1,500**	**1,500**	**1,500**	**16,500**	**18,000**	**18,000**
	2,750	**2,750**	**2,750**	**2,750**	**2,750**	**2,750**	**2,750**	**2,750**	**2,750**	**2,750**	**2,750**	**30,250**	**33,000**	**33,000**
Expenditure														
Administration														
Insurance	861	861	861	861	861	861	861	861	861	861	861	9,472	10,500	11,000
Office Costs	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	33,000	41,500	43,000
Gower Business	2,700	2,700	200	300	300	300	300	300	300	300	300	8,000	9,000	9,000
Corporate legal costs	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	22,000	26,000	27,000
Audit/Tax	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	22,000	27,000	28,000
Sage support	160	160	160	160	160	160	160	160	160	160	160	1,760	2,200	2,500
Fund raising costs	20,910	20,909	20,909	20,909	20,909	20,909	20,909	20,909	20,909	20,909	20,909	230,000	150,000	600,000
Miscellaneous	350	350	350	350	350	350	350	350	350	350	350	3,850	5,000	5,000
Total Adminstration Payments	**31,981**	**31,980**	**29,480**	**29,580**	**29,580**	**29,580**	**29,580**	**29,580**	**29,580**	**29,580**	**29,580**	**330,082**	**271,200**	**725,500**
IP Costs														
Potter Clarkson	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	55,000	65,000	65,000
Computer patent annuities	1,066	775	9,109	15,000	0	0	10,000	0	0	10,000	0	45,950	47,000	49,000
Protides legal	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	66,000	78,000	78,000
MDP legal	0	0	10,000	0	0	0	0	0	0	0	0	10,000	20,000	20,000
Royalties (Ingex/Univ Nottingham)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	11,000	13,000	13,000
Total IP Costs	**13,066**	**12,775**	**31,109**	**27,000**	**12,000**	**12,000**	**22,000**	**12,000**	**12,000**	**22,000**	**12,000**	**187,950**	**223,000**	**225,000**

	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	Total 2017/2018	Total 2018/2019	Total 2019/2020
Research Costs														
MTL-004	56,096	56,096	56,096	56,095	56,095	56,095	56,095	56,095	56,095	0	0	504,858	2,000,000	10,000,000
MTL-102	3.334	3.334	3.333	3.333	3.333	3.333	5.555	5.555	5.555	5.555	5.555	47.775	72,223	2,500,000
Total Research Costs	**59,430**	**59,430**	**59,429**	**59,428**	**59,428**	**59,428**	**61,650**	**61,650**	**61,650**	**5,555**	**5,555**	**552,633**	**2,072,223**	**12,500,000**
Staff														
10 staff	**24,500**	**24,500**	**24,500**	**24,500**	**24,500**	**24,500**	**24,500**	**24,500**	**24,500**	**24,500**	**24,500**	**269,500**	**330,000**	**360,000**
Total Expenses	**£128,977**	**£128,685**	**£144,518**	**£140,508**	**£125,508**	**£125,508**	**£137,730**	**£127,730**	**£127,730**	**£81,635**	**£71,635**	**£1,340,165**	**£2,896,423**	**£13,810,500**
Carried forward	**£128,977**	**£257,662**	**£402,180**	**£542,688**	**£668,196**	**£793,704**	**£931,434**	**£1,059,164**	**£1,186,895**	**£1,268,530**	**£1,340,165**	**£1,340,165**	**£4,236,588**	**£18,047,088**
MTL-005 Possible additional Funding														
MTL-005 - Complete Phase I	**157,142**	**157,142**	**157,142**	**157,142**	**157,142**	**157,142**	**157,142**	**157,142**	**157,142**	**157,142**	**157,142**	**1,728,592**	**1,885,704**	**1,885,704**

GBP 1.5m + GBP 4m over the Period from June 2017 - April 2020 inclusive cost spread across the Period

MTL-005 - Complete Phase II requires additional GBP 15m from May 2020

MTL-004 Additional funding for Phase I will require GBP 10m in May 2020 the subject of a separate capital raise

Fee Raising Costs

June 2017 - April 2018; GBP 230,000 for MTL-004, MTL-102 and MTL-005; GBP 10m Capital raise

May 2018 - April 2019; GBP 150,000 for MTL-004; GBP 2,072,223

May 2019 - April 2020; GBP 600,000 for MTL-004; GBP 10,000,000

MONEY TOTALS

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	Total 2017/2018	Total 2018/2019	Total 2019/2020
Adminstration	7,710	38,571	39,642	39,642	37,142	37,242	37,242	37,242	37,245	8,671	8,671	8,671	8,671	346,362	271,200	725,500
Total IP Costs	12,000	22,000	13,066	12,775	31,109	27,000	12,000	12,000	22,000	12,000	12,000	22,000	12,000	221,950	223,000	225,000
Staff (9)	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	24,500	318,500	330,000	360,000
Sub-total	**44,210**	**85,071**	**77,208**	**76,917**	**92,751**	**88,742**	**73,742**	**73,742**	**83,745**	**45,171**	**45,171**	**55,171**	**45,171**	**886,812**	**824,200**	**1,310,500**
Research 004/201	34,000	34,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	11,000	529,000	3,600,000	12,500,000
Total w/o MorEx	**78,210**	**119,071**	**122,208**	**121,917**	**137,751**	**133,742**	**118,742**	**118,742**	**128,745**	**90,171**	**90,171**	**100,171**	**56,171**	**1,415,812**	**4,424,200**	**13,810,500**
Total carried fwd		**197,281**	**319,489**	**441,406**	**579,157**	**712,899**	**831,641**	**950,383**	**1,079,128**	**1,169,299**	**1,259,470**	**1,359,641**	**1,415,812**	**2,831,624**	**7,255,824**	**21,066,324**

NB **MorEx would require £4,000,000 in July**

morvus

Further details are available upon request to:

Irene Bisset
Managing Consultant

TessIB Limited Registered Address:

5 Peacock Parkway, Bonnyrigg,
Midlothian, EH19 3RQ

Telephone: 00 44 7512 871625

E-Mail: TessIB1@outlook.com

TessIB Ltd
investment 2 insurance