

# The IDAL Story

InJet Digital Aerosols Ltd

# Agenda

- The Technology
- Company History
- Current Status
- Future / Opportunities

# Technology

- Vapour aerosol drug delivery
  - Effective
  - Fast
- Micro processor controlled
  - Accurate dosage
  - History
  - Managed self medication

# IDAL History

- Vapotronics Ltd formed 1997
- Vapotronics Ltd raised \$19 million dollars
- Intellectual Property (IP) related to vapour aerosol
- IDAL inc formed and relocated to USA
- IDAL inc unable to conclude licence to Canon/HP
- Cash flow crisis ( US \$1.8 million debt )
- Complete IDAL inc board resigns in 2003

# IDAL History

- S Jones, W Hanisch, M Monsour form new board of IDAL Inc.
- New board discovered company was insolvent. Resolve that technology too valuable not to rescue.
- New company IDAL Ltd formed in Brisbane and funded by major shareholders

# IDAL History

- EGM of Vapotronics shareholders
- IDAL Ltd in Australia clears debt of IDAL inc in USA
- Transfer of IP to IDAL Ltd in Australia
- IDAL Ltd signs world wide licence agreement with Canon of Japan to licence IP
- Canon pays IDAL Ltd initial royalty US\$1million

# Royalty

- IDAL Ltd will receive 10% world wide royalty from Canon on all Pharmaceutical royalties received by Canon
- IDAL Ltd will also receive 0.5% royalty on the sale cost of the device sold by Canon

# IDAL Ltd Current Situation

- Principal focus is IP Maintenance and protection.
- Only overheads are IP costs and corporate costs to maintain the company
- Unlike the old company the current three directors are not being paid
- IP patent life continues to be extended by further lodgements

# IDAL Ltd Current Situation

- Canon are very conscious of commercial confidence in current development stage
- Current fund raising to maintain patents and company for 1 year

# Use of Funds

|                            | Maximum<br>Subscription<br>\$'000<br>(approximate) | Minimum<br>Subscription<br>\$'000<br>(approximate) |
|----------------------------|--|--|
| Patent costs               | 823  | 189  |
| Compliance costs           | 541  | 86   |
| Corporate costs            | 260  | -  |
| Administration & overheads | 237  | 35   |
| Repayment of borrowings    | 50   | 50   |
| Offer costs                | 89   | 40   |
| Total                      | <hr/> 2,000 <hr/>                                  | <hr/> 400 <hr/>                                    |

# Canon progress

- Stephen Goodall and Michael Monsour have made regular trips to Japan to discuss the progress of the device
- Canon have opened a new Biotechnology Division.
- Our IP is one of their major developments in this division

# Opportunities

- IDAL Ltd in addition to core IP has accumulated research in inhaled aerosol drug delivery
- May be able to develop our own Pharmaceuticals using the Canon device
- Potential to licence this to a major Pharmaceutical

# Opportunities

- Nicotine
- Topical antibiotics
- Palliative care

# Topical Antibiotics

- Delivery of antibiotics via the Canon device to the lung to treat Pneumonia
- Much lower doses can be delivered as all the drug is getting to the lung
- Less toxicity as lower doses will be used

# Palliative care

- Aerosol delivery of Morphine and an anti emetic in palliative care patients and migraine patients
- Cost effective as this will allow patients pain to be treated at home saving hospital costs

# Nicotine

- World wide market of US \$180 billion
- IDAL Ltd has considerable experience and expertise in this product
- Nicotine trial already started at PA Hospital Prof. Charles Mitchell but now on hold
- Can be easily restarted

# The Future

- IDAL directors are encouraged at the investment and progress that Canon have undertaken
- IDAL directors meetings with Canon received positive encouragement of future development of pharmaceutical applications.

# The IDAL Story

- IDAL has strong IP and continues to extend and protect
- IDAL has a major partner in Canon commercialising this IP
- IDAL has minimal operating costs
- IDAL anticipate a major milestone within the year
- Shareholders have additional opportunity with the attached rights