

### Pharmachal Health Group Newsletter January 2021

Pharmachal Health Group is a Melbourne-based pharmaceutical company with a certified globally-patented mini-emulsion drug-in-oil delivery methodology (“Nano Drug Delivery System” or “NDDS”) capable of delivering a wide range of APIs (drugs / other active ingredients) topically, sublingually, or rectally.

The first NDDS product “Nopayne” uses the methodology to deliver a very common analgesic called lidocaine as a spray, patch or cream, in many instances eliminating the need for injections for burns, wounds and minor procedures and providing users with new options for delivering this drug.

After receiving compelling results in clinical trials under the supervision of renowned burns doctor Fiona Wood AO, Pharmachal needed to produce three commercial-scale batches of the Nopayne spray to confirm that it could be made at scale before TGA registration.

In late 2020, the company received compelling independent results for the second commercial-scale batch, confirming a two-year shelf-life without refrigeration, a molecular size an order-of-magnitude smaller than its competitors, and minimal diminution of lidocaine over time.

These results confirm that Nopayne can be a new and unique analgesic/anaesthetic solution for first responders, physician’s rooms, surgeons, sports, industrial and domestic use in what is a billion-dollar-per-year industry of lidocaine injections, patches and creams.

Since the Guatemala Volcano eruption where Nopayne Spray was used with success (see photo 1.), a portion of this second commercial-scale production run was sent to the paediatric burns ward in the Roosevelt Hospital in Guatemala City, where it was used on children with both minor and major burns. The hospital reported that it routinely avoids general anaesthetic when it uses Pharmachal’s Nopayne. They can also perform on more than one patient at a time in the same room. The product has become an important tool during the debridement of burnt and dead tissue and during the changing of dressings. The hospital requested further supplies over the Christmas break this year.

Pharmachal is now ready to produce the third commercial-scale production run to demonstrate that it can make 100L (10,000 bottles) of Nopayne at a time. Following this final run, the company will submit the product to the TGA for registration and a 2H21 launch of the product in Australia.

During 2020, Pharmachal further developed its understanding of the potential for the Nano Drug Delivery System’s ability to deliver a wide range of small-molecule drugs (molecular size 1µm) more effectively. The Company stabilised medical cannabis for an oral buccal spray and began preliminary work on diabetic, viral SARS A & B / Covid 19 and antibiotic oral buccal NDDS sprays.

PHG also entered into an agreement with Global Viral Pharma Company to develop an Oral Buccal spray for SARS A & B. Global Viral is running COV-19 clinical trials using a 200mg capsule in Russia and South Africa with great success on positive cases,



1 -Patient after the Guatemalan Volcano eruption.



2 - Treatment after severe burns.

achieving a 4-day recovery period and also mending post COVID-19 ailments associated with lung infection.

Pharmachal Health Group has made significant strides in the 2020, bolstering its leadership team with several highly experienced executives and finalising preparations to launch a range of over-the-counter topical creams that will be launched early this year.



3 - Treatment of severe burns. Dec 2020.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'C. Fridlender'.

Charles Fridlender

Director/CEO

Pharmachal Health Group Pty Ltd

19 January 2021