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Global patent approval secured for unique and novel Balaenone bioactive compound

- **Patent rights for balaenone, a unique bioactive compound with positive medicinal properties, formally granted in the jurisdictions of Great Britain, France and Germany**
- **Patent grants are also being processed in China and Japan, with applications in the USA, Australia, New Zealand, Canada and South Korea now expected to be granted in coming years**
- **The approvals give Aether Pacific a global IP footprint for the development of medical applications using balaenone – IP protection unlocks considerable upside for the Company**
- **Balaenone is a type of sesquiterpene – a class of compounds which can be found in higher plants, marine organisms and fungi and are commonly found to have positive medicinal properties**
- **The patent effectively covers all medicinal uses of Balaenone, providing a strong barrier to entry to support Aether Pacific’s pursuit of future commercial channels for health applications using this unique bioactive**
- **Product development and new medical formulations will be developed in conjunction with the Ferrier Institute – the chemistry focused R&D arm of Victoria University in Wellington, New Zealand – which is also a shareholder in Aether Pacific Pharmaceuticals**
- **The initial discovery of Balaenone as a unique bioactive compound was made by Ferrier Institute researchers, thus aligning Aether Pacific with the leading research group in the field to develop patented commercial applications**

New Zealand: Medicinal research and nutraceutical wellbeing company **Aether Pacific Pharmaceuticals** (“Aether Pacific”, “APP” or “the Company”) is pleased to advise that it has received patent approval in several key international jurisdictions for the medical compound Balaenone.

The patent application was originally filed by Aether Pacific’s 100%-owned subsidiary Hardie Health in 2019 in accordance with the Patent Cooperation Treaty (PCT), as international patent application PCT/IB2019/057224. Hardie Health was founded by mining entrepreneur Mr Duncan Hardie in 2016 and is focused on the research, development and commercialisation of plant-based novel compounds which can be used across a range of applications.

Patents have now been granted in Great Britain, France and Germany, with formal approvals pending in China and Japan. This global IP footprint is now expected to underpin further approvals over the next 2-3 years for applications lodged in the USA, Australia, New Zealand, Canada and South Korea.

Balaenone is a sesquiterpene – a class of compounds found in higher plants, marine organisms and fungi, which are commonly found to have positive medicinal properties. Hardie Health’s patent protection covers the Balaenone compound itself, as well as methods of extracting it from the tree in which it grows.

The original patent also provides downstream protection by covering all medicinal uses of Balaenone, including uses that have not yet been discovered. This broad patent coverage thus provides a strong barrier or protection for any future commercial applications that are developed by Aether Pacific and its research partners.

The development of new medical formulations using Balaenone will be carried out in conjunction with the Ferrier Institute – the chemistry focused R&D arm of Victoria University of Wellington – which is also a shareholder in Aether Pacific.

The initial discovery of Balaenone as a unique bioactive compound was made by Ferrier Institute researchers, thus aligning Aether Pacific with the leading research group in the field to develop patented commercial applications.

The primary use-case for Balaenone is expected to be in the field of antibiotic-resistant bacteria – an increasingly prevalent issue in the field of global health where new classes of antibiotics are required to treat bacterial infections that have become resistant to standard care.

Sesquiterpenes are a class of terpenes found in natural products with antibiotic properties. They have attracted significant interest among medical researchers for their therapeutic properties but to date, no sesquiterpenes have been approved for antibiotic use. This also presents a unique opportunity to bring a new class of antibiotics to market.

Initial research for the application of Balaenone has found it to be active against gram-positive bacteria including *Staphylococcus aureus* – designed by the World Health Organisation as a high priority pathogen.

The Company and its research partners at the Victoria University of Wellington are also assessing the application of Balaenone for non-infectious disease indications, where it is considered to have even greater potential.

Management commentary:

Aether Pacific Pharmaceuticals Chairman, Mr Aldo Miccio said: *“We are excited to have achieved these patent approvals in several important international market jurisdictions – the successful result of a multi-year application process. The approvals lay a strong foundation for the further growth of our global IP footprint for the application of Balaenone, that is ultimately expected to cover all of the world’s largest markets and most advanced medical jurisdictions. In addition, the nature of the patent approvals covers future medical solutions using Balaenone as they are discovered – an exciting development for our R&D pipeline in the years ahead. Aether Pacific’s partnership with Victoria University of Wellington gives the Company direct access to the leading scientists and researchers who discovered Balaenone and know the most about the compound. With a distinct pathway for IP protection now established, we look forward to working with our research partners at Victoria University of Wellington and its chemistry focused R&D arm, the Ferrier Institute, to develop*

exciting new applications for Balaenone, with the ultimate goal of accessing large addressable global markets.”

Details for the [Capital Market raise here](#) and [company information here](#).

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About Aether Pacific:

Aether Pacific Pharmaceuticals (formerly Medical Kiwi Ltd.) is the 100% owner of the business unit Medical Kiwi, which is focused on cultivation of medicinal cannabis plants. Aether Pacific Pharmaceuticals also operates other business units including the Pain Clinic and Hardie Health.

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