

Substantial Shareholding Notice: Form 604

1 September 2014, Melbourne: Australian drug delivery company, Phosphagenics Limited (ASX:POH, OTCQX:PPGNY), advises that it has received a Form 604 Notice (Notice of Change in Interest) from Mr H Rosen.

Mr Rosen, Executive Director and CEO, has advised that arising from completion today of the equity capital raising by Phosphagenics Limited as announced on 11 July 2014 of, in aggregate, 241,500,000 new ordinary shares, and in particular with the allotment today of 51,000,000 shares, his unchanged interest in the Company's shares has been diluted **as a percentage** of the number of the Company's shares now on issue by greater than a one per cent change since his Form 604 Notice in January 2012.

Mr Rosen's Form 604 Notice is attached for release to the market.

END

Enquiries

Australia:

David Segal

Investor Relations Manager

Phosphagenics Limited

+61 3 9565 1103

About Phosphagenics

Phosphagenics Limited is a drug delivery company that is commercialising various products within the pharmaceutical, cosmetics and animal health sectors, using its proprietary drug delivery system called TPM[®] (Targeted Penetration Matrix). TPM[®] is a patient friendly and cost effective system, based on Vitamin E, that enhances the topical or transdermal delivery of active molecules. The lead products advancing through clinical trials are oxymorphone and oxycodone patches for the relief of chronic pain.

Phosphagenics' shares are listed on the Australian Securities Exchange (POH) and its ADR – Level 1 program in the US is with The Bank of New York Mellon (PPGNY).

Inherent Risks of Investment in Biotechnology Companies

There are a number of inherent risks associated with the development of pharmaceutical products to a marketable stage. The lengthy clinical trial process is designed to assess the safety and efficacy of a drug prior to commercialisation and a significant proportion of drugs fail one or both of these criteria. Other risks include uncertainty of patent protection and proprietary rights, whether patent applications and issued patents will offer adequate protection to enable product development, the obtaining of necessary drug regulatory authority approvals and difficulties caused by the rapid advancements in technology.

Forward-looking Statements

Certain statements in this announcement may contain forward-looking statements regarding Company business and the therapeutic and commercial potential of its technologies and products in development. Any statement describing Company goals, expectations, intentions or beliefs is a forward-looking statement and should be considered an at-risk statement. Such statements are subject to certain risks and uncertainties, particularly those risks or uncertainties inherent in the process of developing technology and in the process of discovering, developing and commercialising drugs that can be proven to be safe and effective for use as human therapeutics, and in the endeavour of building a business around such products and services.

www.phosphagenics.com

www.bioelixia.com

Phosphagenics Limited

ACN 056 482 403 ABN 32 056 482 403

11 Duerdin Street, Clayton VIC 3168

PO Box 1415, Clayton South MDC VIC 3169 Australia

Tel: +61 (0)3 9565 1119 Fax: +61 (0)3 9565 1151

www.phosphagenics.com Email: info@phosphagenics.com

Form 604

Corporations Act 2001

Section 671B

Notice of change of interests of substantial holderTo Company Name/Scheme PHOSPHAGENICS LIMITEDACN/ARSN 056 482 403**1. Details of substantial holder (1)**Name HARRY ROSEN

ACN/ARSN (if applicable) _____

There was a change in the interests of the substantial holder on

01/09/2014

The previous notice was given to the company on

16/01/2012

The previous notice was dated

16/01/2012**2. Previous and present voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
REFER ANNEXURE "A"				

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
	REFER ANNEXURE "A"				

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
	REFER ANNEXURE "A"				

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

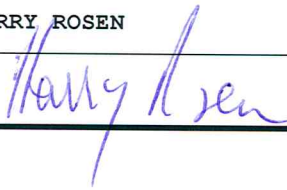
Name and ACN/ARSN (if applicable)	Nature of association
REFER ANNEXURE "A"	

6. Addresses

The addresses of persons named in this form are as follows:

Name	Address
REFER ANNEXURE "A"	

Signature

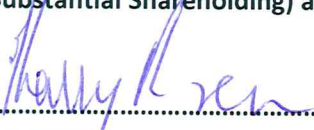
print name **HARRY ROSEN** capacity **SELF**
 sign here  date **01/09/2014**

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

This is the Annexure "A" of two (2) pages referred to in the Form 604 Notice (Notice of Change of Substantial Shareholding) and dated the date of signing



 Harry Rosen
 Self and Director Paroha Nominees Pty Ltd

Details of Directors Entitlements and Registered Holdings of Ordinary Shares in Phosphagenics Limited

	PREVIOUS Form 604 16 01 2012	NEW Form 604 01 09 2014	Movement
1.0 Entitled Holder			
1.1 Harry Rosen * 3 Glyndebourne Avenue Toorak Vic 3142	64,226,436	64,226,436	Nil
1.2 Total Entitlement	64,226,436	64,226,436	Nil
2.0 Entitlement held in the Names of:			
2.1 Harry Rosen *	Nil	Nil	Nil
2.2 Paroha Nominees Pty Ltd *	61,367,143	61,167,143	(200,0000)
2.3 Paroha Nominees Pty Ltd * (Superannuation Fund A/c)	2,859,293	3,059,293	200,000
2.4 Total Entitlement	64,226,436	64,226,436	Nil
* All addresses at 3 Glyndebourne Avenue, Toorak Vic 3142			
3.0 Number of Phosphagenics Limited Shares on Issue	1,017,565,957	1,261,965,957	244,400,000
4.0 Percentage Entitlement	6.31%	5.09%	(1.22%)

5.0 Movements in Entitlements (5.1)

No change in the entitlement to the aggregate number of shares registered in the names of Paroha Nominee Pty Ltd and Paroha Nominees Pty Ltd (Superannuation Fund A/C).

In March 2012 200,000 shares were transferred from Paroha Nominees Pty Ltd to Paroha Nominees Pty Ltd (Superannuation Funds A/C) – no change in overall interest/entitlement.

The **only change in Mr Rosen's interest/entitlement is to the percentage entitlement** which has been **diluted** since January 2012 through the issues of shares by Phosphagenics Limited totalling 244,400,000 shares which have, as a percentage of the number of ordinary shares on issue, **diluted Mr Rosen's entitlement from 6.31 per cent to 5.09 per cent**. The last issue of shares by Phosphagenics (51,000,000 new shares) being as of 1 September 2014 at which time Mr Rosen's percentage interest was diluted to 5.09 per cent.

6.0 Comments

- | | | |
|-----|--|---|
| 6.1 | Harry Rosen | Holds no Phosphagenics shares |
| 6.2 | Paroha Nominees Pty Ltd | Mr Rosen is a director and the holder of a prescribed interest in the issued capital of Paroha Nominees Pty Ltd |
| 6.3 | Paroha Nominees Pty Ltd
(Superannuation Fund A/c) | Mr Rosen maybe a beneficiary under the Superannuation Plan of which Paroha Nominees Pty Ltd is the trustee. |

ssn\poh hr 01 09 14