

20 November 2019

OBJ and Procter & Gamble (P&G) Execute New Agreements

OBJ Limited (ASX: OBJ) is pleased to announce it has executed two new Licensing Agreements, a Third Addendum and Release under the Product Development Agreement of April 2016, and a First Amendment to five Licensing Term Sheets under the Master Licensing Agreement of August 2016.

These Agreements are designed to harmonise and unify a number of separate Agreements already in existence between the two companies and improve the practical aspects of their operation.

Highlights for OBJ include:

- **Improved royalty rates;**
- **Revised: payment schedules, and exclusivities & distribution routes for existing OBJ products & technologies**
- **More clearly defined exclusivity provisions**
- **The release back to OBJ of all Beauty sub-categories other than Skin care.**

The new Agreements also provide a clearer definition of each company's freedom to operate across various Beauty and Grooming sub-categories.

Under the Agreements, Addenda and Amendments, P&G will hold a worldwide exclusive license for certain existing OBJ technology platforms, enabling research, development and commercialisation of products within defined fields of use. The OBJ technology platforms covered by the license are Permanent Magnetic Technology, Electromagnetic Technology, Pre-programmed Electromagnetic Technology, and Programmable Electromagnetic Technologies.

While OBJ has renegotiated improved royalty rates on products commercialised by P&G, specific details around these rates and related terms will remain confidential for commercial reasons. The Company deems the change in royalty is not material to its agreements but will recognise revenue and payment at the point of shipment rather than the wholesale sale.

Royalties will be payable under the terms of the new agreement on all licensed products manufactured on or after 30 September 2019.

"After extensive discussion with P&G over many months regarding our ongoing relationship and future plans for technology and product development, we were pleased to reach new terms under which OBJ will continue to be rewarded for the significant innovation it has delivered," said OBJ's Chairman Antonio Varano.

"With numerous programs underway and in the pipeline, we look forward to continuing our work with P&G and seeing more commercialisation of OBJ's technologies in the marketplace."

Directors

Mr Antonio Varano
Mr Steven Schapera
Mr Jeffrey Edwards
Mr Cameron Reynolds
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ABOUT OBJ

OBJ develops proprietary magnetic microarray drug delivery and product enhancement technologies for the pharmaceutical, healthcare and consumer goods sectors. OBJ partners companies in the design and development of next generation products using physical science rather than chemistry to provide new levels of product performance without the cost of reformulation or new ingredient approvals.

OBJ offers a portfolio of proprietary technologies and supports partners by providing IP-protected market exclusivity, expertise in magnetic array design, feasibility and efficacy and claims testing, engineering and production.

ABOUT OBJ'S TECHNOLOGIES

OBJ has developed a number of physical enhancement technologies based on the interactions between ingredient molecules and weak atomic forces. These influence the movement and penetration through the skin of drugs, active ingredients and formulations at the molecular level.

Complex 3-D magnetic fields produced by low cost microarrays or powered electromagnetic inductors have the ability to repulse certain molecules to enhance diffusion and to alter the permeability of biological and non-biological targets.

OBJ's low cost microarray film technology that utilises diamagnetic repulsion, induced permeation and energy redirection has already reached international markets to provide OBJ's Partners with a new way of managing the speed, depth of penetration and delivery of active ingredients in a wide range of pharmaceutical, healthcare and consumer products.

FORWARD-LOOKING STATEMENTS

This announcement contains certain "forward-looking statements" concerning OBJ. Where OBJ expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis.

Forward-looking statements provided in this announcement are based on assumptions and contingencies which are subject to change without notice. Such forward-looking statements including statements regarding intentions, planned events and potential results are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

There can be no assurance that actual outcomes will not differ materially from these forward-looking statements, and there are risks associated with OBJ and the industry which may affect the accuracy of the forward-looking statements. OBJ does not undertake any obligation to release publicly any revisions to any forward-looking statement to reflect events or circumstances after the date of this announcement or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

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