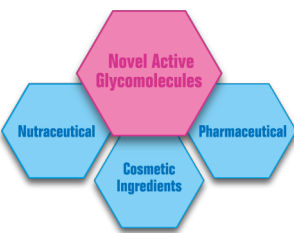




Sector:

- Glycobiology
- Pharmaceutical discovery
- Cosmetics discovery
- Nutraceutical discovery



Commercial Partners:

- Pharmaceutical – Verona Pharma Plc. (VRP)
- Nutraceutical – Scanbio (Norway)
- Cosmetic – Under negotiation

Current Shareholders:

243,549 (10p Ordinary) shares on issue

Major Shareholders-

C Bavington	31%
Highlands & Islands Enterprise	15%
AEH Salvesen	14%
C Dallas	13%
SAMS	9%

Investment required:

£1.5 M

Background:

Many healthcare products including drugs, cosmetics and nutritional supplements, have been derived from terrestrial sources such as plants and soil dwelling micro-organisms. In contrast, the marine environment has not been a major focus for healthcare product discovery despite significant commercial successes such as:

- Yondelis® for the treatment of soft tissue sarcoma
- Prialt® for the treatment of severe and chronic pain
- Glucosamine /chondroitin joint health supplements
- Antiageing skincare products such as the Algenist range

The primary reason for neglecting marine organisms as a source of new products is the lack of know-how and technology. GlycoMar is seeking to exploit this significant commercial opportunity and has developed a proprietary technology platform, already validated through commercial partnerships, which has delivered a broad and deep portfolio of potential high value healthcare products.

Company Overview:

GlycoMar’s strategy is to exploit its proprietary technology in the discovery of novel pharmaceutical, cosmetic and nutrition products through a low risk business model where cash generative partnerships are entered into early in the product development process to off-set development cost and risk. The multi-partnership approach generates technology validation; multiple licensing income streams; multiple value inflection points and multiple potential exit routes for shareholders. Significant progress has been made towards sustained revenue generation by licensing out intellectual property to pharmaceutical and nutrition companies.

There is a strong and urgent demand for early stage, novel products to fill large company development pipelines due to the poor success rate of major pharmaceutical companies’ in house R&D programmes and the well documented problem of patent expiration for many blockbuster drugs. This is reflected in the number of in-licensing and M&A deals in recent years, which in turn goes some way towards explaining the rise in value of speciality drug discovery companies.

GlycoMar’s marine bio-discovery technology is uniquely positioned to capitalise on this demand. The Company’s primary focus is the progression of its novel anti-inflammatory drug candidates for the treatment of psoriasis and respiratory disease (the latter in collaboration with LSE AIM-listed Verona Pharma), through to completion of preclinical development within 18-24 months. Both potential products will satisfy poorly met medical needs and have market potentials projected to be of the order of £2.6 billion and £15.3 billion respectively by 2015. Successful development of our drug candidates through the preclinical stage will confer a significant rise in the value of the Company.

The implementation of GlycoMar’s business plan is possible due to the extensive experience of its management team in marine biotechnology, natural-products-based drug discovery and drug development. The Company’s R&D and commercialisation strategies are driven by founder and Managing Director, Dr Charlie Bavington under the chairmanship of Dr Mike Wyllie, formerly Director of Research at Pfizer Inc. The management team has already demonstrated an ability to realise value from its development programmes by cementing licensing agreements for its early stage programmes and divesting GlycoMar’s testing service subsidiary, Veromara, to Neogen Corporation Inc. (NEOG) in June 2011 generating a return in excess of \$1 million.

From inception, GlycoMar has generated revenue from early stage collaboration deals and service provision, which has enabled the Company to mature its technology platform while maintaining a low cash burn relative to its peers. GlycoMar’s Board now believes that the company has reached sufficient maturity to progress to the next stage of value creation and is planning to raise £1.5 M through two tranches of equity investment. The proceeds of this financing will enable the Company to accelerate development of its drug candidates and drive its products into clinical development within 3 years. During this period the Company will achieve positive cash flows due to licensing income from its nutraceutical and cosmetic product license agreements. GlycoMar’s knowledge of glycobiology, natural product isolation and characterisation, and access to an untapped source of marine biodiversity makes this a unique offering.

Investment Thesis:

- The GlycoMar proprietary platform enables the identification of high value product candidates from the under utilised marine environment.
- The Company has isolated a valuable portfolio of product candidates which meet unmet needs in pharmaceutical, nutraceutical and cosmetic markets – this removes any reliance on a single product or single market thus mitigating investment risk.
- Multiple near term value inflection points from existing development and commercial partnerships mean that technology is validated and some commercial risk minimised.
- GlycoMar is practising a low cost and highly capital efficient business model.
- The Company is led by an experienced management team with a track record in realising value for shareholders in this sector through innovative product development programmes and corporate partnerships.
- The combination of partnerships and accumulated IP opens multiple opportunities for exits and shareholder liquidity.

