



Afexa Life Sciences Inc.

## Corporate Profile:

Afexa Life Sciences Inc., (TSX:FXA) founded in 1992, strives to deliver the most trusted health brand on the planet through pioneering evidence-based natural medicines that empower people to achieve their health potential. The Company's patented ChemBioPrint® discovery and standardization technology enables the development of effective and safe medicines from complex natural sources, while ensuring reliable health benefits and batch-to-batch consistency. COLD-FX®, a ChemBioPrint product, is the Company's flagship product and Canada's leading over-the-counter (OTC) cold and flu remedy. It is officially indicated in Canada to help reduce the frequency, severity and duration of cold and flu symptoms by boosting the immune system. COLD-FX products have product licenses (NPN) and are supported by scientific evidence, including randomized, double-blind, placebo-controlled clinical trials.

## Investment Highlights:

- COLD-FX® approved by Health Canada to fight colds and flu by boosting the immune system
- COLD-FX remains the #1 selling cold and flu remedy in Canada\*
- #1 pharmacy recommended natural cold and flu remedy in Canada\*\*
- Company is optimally positioned in the growing market for a wellness approach to health maintenance and prevention of disease with natural based products
- Ongoing scientifically rigorous research and development into discovering new proprietary products and technology for medical conditions and disease management in areas such as infectious diseases, cancer, diabetes, lipid management, blood pressure, obesity and mental conditions
- Exploring licensing our intellectual property for use in other industries
- Strong balance sheet/cash flow to support existing operations
- New product launched fall, 2009, – IMMUNITY-FX®

\*Source: The Nielsen Company MarketTrack National all channel service for Cold Remedies (including Antihistamines), and Natural Supplements for 52 week period ending July 3, 2010

\*\*Source: April 2009 Drugstore Canada's - 2008 survey results

## Clinical Trials:

The previously announced United States National Cancer Institute approved and Wake Forest University led multi-centre study examining COLD-FX for colds and flu, and other immune related effects in chronic lymphocytic leukemia is currently in analysis and proceeding according to schedule. Other studies are also in various stages including investigation of the core active ingredient in REMEMBER-FX® and MEMORY-FX® in healthy aging adults, and the application of new formulations in metabolic syndrome, particularly cholesterol and blood sugar management.

## Previously reported clinical trial results:

- Preliminary results of a clinical trial in vaccinated seniors demonstrated that COLD-FX significantly supplemented the flu shot's effectiveness in this group and cut colds and flu by one-third.
- Preliminary results from a Hackensack University Medical Centre trial assessing the safety and effects on immunological parameters of a three-day high dose of COLD-FX on its front-line medical workers suggest immune-modulating effects in these volunteers and that COLD-FX affects the human immune system by targeting the adaptive pathway, the immunity developed throughout life.

## Key Facts:

- Spin off from Faculty of Medicine, University of Alberta in 1992
- Life sciences company with product development focused on evidence-based preventative health care
- Breakthrough patented discovery/standardization technology is ChemBioPrint®, a crucial competitive advantage
- Lead commercialized products: COLD-FX®, REMEMBER-FX®, CELL-FX® and IMMUNITY-FX®
- Health Canada product license to sell COLD-FX under a therapeutic claim to reduce the frequency, severity and duration of cold and flu symptoms by boosting the immune system
- U.S. FDA clearance to sell COLD-FX as an immune enhancing, New Dietary Ingredient (NDI)
- COLD-FX chosen as official cold and flu remedy of the Vancouver 2010 Olympic and Paralympic Winter Games.

## Strategy:

- Extend leading position in Canada and dominate all key regional markets
- Enhance product/brand recognition and build on socially conscious, healthy, green image
- Grow existing business via new distribution channels, marketing and advertising, and product pipeline extensions
- Pursue licensing opportunities and/or international partnerships



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### Lead Commercial Products:

- **COLD-FX®** Regular & Extra Strength – For prevention and relief of colds and flu and strengthening the immune system
- **REMEMBER-FX®** – Helps temporarily restore mental alertness or wakefulness when experiencing fatigue or drowsiness
- **CELL-FX®** – Helps relieve symptoms of bone and joint pain and helps in the formation of connective tissue
- **IMMUNITY-FX®** – is a daily supplement to support the immune system and ongoing health and wellness

<b>Financial Highlights</b>				
<b>(\$000s, except as noted)</b>	<b>Quarter ended June 30, 2010</b>	<b>Quarter ended June 30, 2009</b>	<b>Six month period ended March 31, 2010</b>	<b>Fiscal year ended September 30, 2009</b>
Revenue	1,758	6,195	34,374	47,592
Gross profit	770	5,328	23,508	32,152
Gross margin (%)	43.8%	86.0%	68.4%	67.6%
(Loss) earnings before tax	(5,507)	(1,195)	4,312	2,244
Net (loss) earnings	(4,075)	(1,120)	2,789	1,301
(Loss) earnings per share – Basic	(0.04)	(0.01)	0.03	0.01
(Loss) earnings per share – Diluted	(0.04)	(0.01)	0.03	0.01
Cash	8,575	5,976	17,685	3,495
Total assets	38,910	40,175	44,077	37,887
Working capital	13,653	12,685	17,503	15,135
Common shares outstanding	104,504,670	105,252,768	104,504,670	104,912,918

NOTE: Fiscal year-end changed from September 30 to March 31 on March 5, 2010

### Directors

- **Jack Moffatt**, MBA, ICD.D *Chairman & CEO*
- **J. Douglas Gilpin**, CA, *Lead Director*
- **Maurice (Ted) Bilyea**, MA, BA
- **Robert B. Church**, PhD, BSc, MSc
- **John A. Rogers**, FCA
- **David T. Weyant**, QC, BA, LL.B, ICD.D
- **William B. White**, BSc

### Corporate Office

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 Toll Free: 1-888-280-0022  
[www.afexa.com](http://www.afexa.com)

### Registrar and Transfer Agent

Computershare Trust Company of Canada  
 Calgary, Alberta  
 1-800-564-6253 or (514) 982-7555 for International calls

### Investor Relations

Jane Tulloch, Sr. Director Board Affairs  
 and Investor Relations  
 Toll Free: 1-888-280-0022 Direct: (780) 577-3724  
 Email: [jtulloch@afexa.com](mailto:jtulloch@afexa.com)

### Executive Leadership Team

- **Jack Moffatt, MBA, ICD.D**  
Chairman & CEO
- **Jacqueline J. Shan, PhD, DSc, ICD.D**  
Chief Scientific Officer
- **Allan Cleiren, CA, ICD.D**  
Chief Financial Officer, Sr. VP Operations
- **Michael D. Obert, LLB**  
Chief Legal Officer, Sr. VP Corporate Development

### Officers

- **Lei Ling, PhD**  
Vice President Product Development
- **Warren Michaels**  
Vice President Communications
- **Frederick Pittman**  
Vice President Sales
- **Sharla Sutherland, PhD, FICN**  
Vice President Scientific & Regulatory Affairs
- **Jason Vandenberg, CA**  
Vice President Finance
- **Steve Wallace**  
Vice President, Marketing