



Eastland Medical  
Systems LTD

# ASX Release

## ArTiMist Update

Eastland Medical Systems Ltd (EMS) received the following email from Mr Clive Booles on the evening of 1 September:

*"I have been asked by the Directors of ProtoPharma, Mr Chapman and Mr Parker, to inform you that due to cashflow issues the Ghana and Tanzania sites for the study will not be initiated.*

*Any communications on this issue should be directed to the Directors of ProtoPharma."*

The directors of Eastland do not understand the context of this email as;

- Mr Clive Booles is not an Officer of ProtoPharma. We understand Mr Booles is an employee of London Pharma, a UK based laboratory contracted to undertake aspects of the ArTiMist program.
- The email is contradictory to information previously received by EMS from ProtoPharma indicating that the current ART004 clinical trials are on track.
- ProtoPharma is a single entity which holds the ArTiMist patents and is responsible under the contract with EMS to manage the clinical development program on behalf of and for the benefit of EMS. ArTiMist is ProtoPharma's only project and all aspects of the clinical development program are subcontracted.
- EMS is contractually responsible for all agreed costs related to the ArTiMist project development and payments are made on a pass through basis (cost plus margin) as and when received from ProtoPharma and verified by EMS.
- EMS is up to date with its payments to ProtoPharma on invoices received for confirmed expenditure. Moreover, EMS is fully funded to meet its contractual obligations to ProtoPharma in relation to the current ART004 Study.

Due to the time differences with the United Kingdom the directors of EMS have not been able to contact the directors of ProtoPharma to ascertain the validity of, or reason for, the email from Mr Booles. EMS directors are taking appropriate actions to address the email and will inform the market of the outcome.

**Further information:**

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