



PHOSPHAGENICS

15 September 2011

COMPANY RELEASE

Phosphagenics Limited
Notice of Initial Substantial Shareholder:
(i) Mr R G Copeland & ors and
(ii) Mrs G S Copeland & ors

Enclosed for release to the market is a copy of each of the Forms 603 (Notice of Substantial Shareholder) as received by the Company today and now released to the market:

- (i) Ross Graham Copeland & ors; and
- (ii) Gina Susan Copeland & ors.

END

About Phosphagenics Limited

Phosphagenics is commercialising drug delivery applications based on its novel transdermal (drugs administered via skin) TPM® – Targeted Penetration Matrix technology. TPM® is a patient friendly and cost effective system used to deliver proven pharmaceutical and nutraceutical products.

The lead product advancing through clinical trials is an oxycodone matrix system 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).

www.phosphagenics.com

Phosphagenics Limited
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Web : www.phosphagenics.com Email: info@phosphagenics.com

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme PHOSPHAGENICS LIMITED

ACN/ARSN 320 5648 2404

1. Details of substantial holder (1)

Name MR ROSS GRAHAM COPELAND AND ASSOCIATES PER ANNEXURE "A"

ACN/ARSN (if applicable) _____

The holder became a substantial holder on _____ / ____ / _____

2. Details of 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 on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
ORDINARY SHARES	REFER ANNEXURE "A"		

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
REFER ANNEXURE "A"		

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

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

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
REFER ANNEXURE "A"				

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:


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

7. Addresses

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

Name	Address
REFER ANNEXURE "A"	

Signature

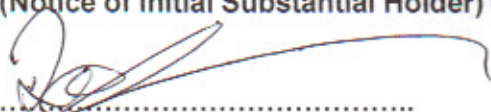
print name ROSE GAZDAR COBELMAN capacity _____
 sign here  date 14 10 9/11

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 7 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 total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. 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.
- (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) Details of the consideration must include any and all benefits, moneys 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.

This is the Annexure marked "A" of three pages(s) referred to in the Form 603 (Notice of Initial Substantial Holder) dated the day of signing



.....
Ross Copeland; and as Trustee for
Publicity Press Superannuation Fund A/c;
and as Owner/Director of Publicity Press Pty Ltd

1 Holders of Relevant Interest in the Ordinary Voting Shares of Phosphagenics Limited

<i>Name and Address</i>	<i>No. Shares</i>
Mr Ross Graham Copeland 12 Albany Road TOORAK VIC 3142	<u>45,175,335</u>
Issued Ordinary Voting Shares – Phosphagenics Limited	<u>823,593,731</u>
Percentage – Relevant Interest	<u>5.48%</u>

2 Registered Holders of the above Relevant Interest

(a) Mr Ross G and Mrs Gina S Copeland *	31,940,209
(b) Mr Ross Graham Copeland and Mrs Gina Susan Copeland (ATF Publicity Press Superannuation Fund A/c) (ABN 20 698 679 509) *	10,782,010
(c) Publicity Press Pty Ltd (ACN 005 90 068) *	2,453,116
* All of 12 Albany Road, Toorak Vic 3142	
	<u>45,175,335</u>

3 Details of Relevant Interest

(a) Mr Ross G and Mrs Gina S Copeland are registered as the joint holders of 31,940,209 ordinary voting shares and as such hold a legal and beneficial interest in the 31,940,209 shares registered in their joint names.

(b) Mr Ross Graham Copeland and Mrs Gina Susan Copeland (ATF Publicity Press Superannuation Fund A/c)

Mr and Mrs Copeland as trustee of the Publicity Press Superannuation Fund have authority to deal with the Phosphagenics Limited shares as held in the Fund.

Accordingly Mr and Mrs Copeland each has a relevant interest in the 10,782,010 ordinary Phosphagenics Limited shares held by the Publicity Press Superannuation Fund.

They are also beneficiaries of the Superannuation Fund.

(c) Publicity Press Pty Ltd

Mr Copeland is the sole shareholder and sole director of Publicity Press Pty Ltd. As such he has a relevant interest in the 2,543,116 ordinary Phosphagenics Limited shares registered in the name of Publicity Press Pty Ltd.

4 Movement in Holdings

(a) Mr Ross and Mrs Gina Copeland

Balance held 31 03 11			<u>32,361,619</u>
PLUS on-market acquisitions:			
19 05 11	@ 15.5	Cents	3,500
15 06 11	@ 14.0	Cents	700,000
11 07 11	@ 14.0	cents	710,000
13 07 11	@ 14.5	Cents	<u>69,850</u>
			1,483,350
LESS transferred to Mr Ross G Copeland and Mrs Gina S Copeland (ATF Publicity Press Superannuation Fund A/c)			
25 07 11	@ 10.5	Cents	(1,904,760)
			<u>(1,904,760)</u>
Net Movements			<u>(421,410)</u>
Balance held 09 09 11			<u>31,940,209</u>

**(b) Mr Ross Graham Copeland and
Mrs Gina Susan Copeland
(ATF Publicity Press Superannuation Fund A/c)**

Balance 31 03 11			<u>3,557,141</u>
PLUS on-market acquisitions			
07 07 11	@ 14.0	Cents	40,539
PLUS Transfers to Superannuation Fund A/c from:			
R & G Copeland	25 07 11	1,904,760	
Publicity Press Pty Ltd	25 07 11	29,570	
Publicity Press Pty Ltd	06 09 11	<u>5,250,000</u>	7,184,330
Net Movement			<u>7,224,869</u>
Balance held 09 09 11			<u>10,782,010</u>

(c) Publicity Press Pty Ltd

Balance held 31 03 11			<u>3,911,331</u>
PLUS on-market acquisitions			
06 04 11	@ 11.0	cents	170,109
07 04 11	@ 12.0	cents	1,820,000
14 04 11	@ 14.5	cents	10,000
25 08 11	@ 12.0	cents	250,000
26 08 11	@ 12.5	cents	250,000
30 08 11	@ 12.5	cents	300,000
01 09 11	@ 14.0	cents	321,246
05 09 11	@ 15.0	cents	<u>700,000</u>
			3,821,355
LESS transferred to Mr Ross Graham Copeland and Mrs Gina Susan Copeland (ATF Publicity Press Superannuation Fund A/c)			
25 07 11	@ 10.5.....Cents		(29,570)
06 09 11	@ 10.5.....Cents		(5,250,000)
			<u>(5,279,570)</u>
Net Movements			<u>(1,468,215)</u>
Balance held 09 09 11			<u>2,453,116</u>

Comments:

The net change in relevant interest of Mr Ross Graham Copeland from 31 March 2011 until the date of this notice, is 5,345,244 ordinary fully paid Phosphagenics Limited shares which represent 0.64 per cent of the number of ordinary shares on issue by Phosphagenics Limited.

This has increased the overall percentage relevant interest held to 5.48 per cent. The fact that the relevant interest had risen above five per cent of the number of Phosphagenics Limited shares on issue was not realized until Thursday 8 September 2011 reviewing the holdings following the recent purchases by Publicity Press Pty Ltd as noted above.

Advice was sought on Thursday 08 September 2011 as to "Associated Holdings" and whether the collective holdings attract the operation of Section 671B of the Corporations Act 2001 and whether these "Associated Holdings" and their aggregation consequence a reporting obligation. The advice was not obtained until Wednesday 14 September 2011 due to the absence on leave of the solicitor requested to advise. This document is lodged on the basis of that advice.

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme PHOSPHAGENICS LIMITED

ACN/ARSN 320 5648 2404

1. Details of substantial holder (1)

Name MRS GINA SUSAN COPELAND AND ASSOCIATES PER ANNEXURE "A"

ACN/ARSN (if applicable) _____

The holder became a substantial holder on / /

2. Details of 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 on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
ORDINARY SHARES"	REFER ANNEXURE "A"		

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
REFER ANNEXURE "A"		

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

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

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
REFER ANNEXURE "A"				

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

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

7. Addresses

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

Name	Address
REFER ANNEXURE "A"	

Signature

print name

Gina Capeland

capacity

sign here



date


14 / 9 / 11

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 7 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 total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. 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.
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This is the Annexure marked "A" of two pages(s) referred to in the Form 603 (Notice of Initial Substantial Holder) dated the day of signing


.....
Gina Susan Copeland and as Trustee for
Publicity Press Superannuation Fund A/c

1 Holders of Relevant Interest in the Ordinary Voting Shares of Phosphagenics Limited

<i>Name and Address</i>	<i>No. Shares</i>
Mrs Gina Susan Copeland 12 Albany Road TOORAK VIC 3142	<u>42,722,219</u>
Issued Ordinary Voting Shares – Phosphagenics Limited	<u>823,593,731</u>
Percentage – Relevant Interest	<u>5.19%</u>

2 Registered Holders of the above Relevant Interest

(a) Mr Ross G and Mrs Gina S Copeland *	31,940,209
(b) Mr Ross Graham Copeland and Mrs Gina Susan Copeland (ATF Publicity Press Superannuation Fund A/c) (ABN 20 698 679 509) *	10,782,010
* All of 12 Albany Road, Toorak Vic 3142	<u>42,722,219</u>

3 Details of Relevant Interest

- (a) Mr Ross G and Mrs Gina S Copeland are registered as the joint holders of 31,940,209 ordinary voting shares and as such hold a legal and beneficial interest in the 31,940,209 shares registered in their joint names.
- (b) Mr Ross Graham Copeland and Mrs Gina Susan Copeland (ATF Publicity Press Superannuation Fund A/c)

Mr and Mrs Copeland as trustee of the Publicity Press Superannuation Fund have authority to deal with the Phosphagenics Limited shares as held in the Fund.

Accordingly Mr and Mrs Copeland each has a relevant interest in the 10,782,010 ordinary Phosphagenics Limited shares held by the Publicity Press Superannuation Fund.

They are also beneficiaries of the Superannuation Fund.

4 Movement in Holdings

(a) Mr Ross G and Mrs Gina S Copeland

Balance held 31 03 11			<u>32,361,619</u>
PLUS on-market acquisitions:			
19 05 11	@ 15.5 cents	3,500	
15 06 11	@ 14.0 cents	700,000	
11 07 11	@ 14.0 cents	710,000	
13 07 11	@ 14.5 cents	<u>69,850</u>	1,483,350
LESS transferred to Mr Ross G Copeland and Mrs Gina S Copeland (ATF Publicity Press Superannuation Fund A/c)			
25 07 11	@ 10.5 cents	(1,904,760)	<u>(1,904,760)</u>
Net Movements			<u>(421,410)</u>
Balance held 09 09 11			<u>31,940,209</u>

(b) Mr Ross Graham Copeland and Mrs Gina Susan Copeland (ATF Publicity Press Superannuation Fund A/c)

Balance 31 03 11			<u>3,557,141</u>
PLUS on-market acquisitions			
07 07 11	@ 14.0 cents		40,539
PLUS Transfers to Superannuation Fund A/c from:			
R & G Copeland	25 07 11	1,904,760	
Publicity Press Pty Ltd	25 07 11	29,570	
Publicity Press Pty Ltd	06 09 11	<u>5,250,000</u>	7,184,330
Net Movement			<u>7,224,869</u>
Balance held 09 09 11			<u><u>10,782,010</u></u>

Comments:

The net change in relevant interest of Mrs Gina Susan Copeland from 31 March 2011 until the date of this notice is 6,803,459 ordinary fully paid Phosphagenics Limited shares which represent 0.82 per cent of the number of ordinary shares on issue by Phosphagenics Limited.

This has increased her overall percentage relevant interest held to 5.19 per cent. The fact that the relevant interest had risen above five per cent of the number of Phosphagenics Limited shares on issue was not realized until Thursday 8 September 2011 reviewing the holdings following the recent acquisitions of shares for the Publicity Press Superannuation Funds in September 2001 and as noted above.

Advice was sought on Thursday 08 September 2011 as to "Associated Holdings" and whether the collective holdings attract the operation of Section 671B of the Corporations Act 2001 and whether these "Associated Holdings" and their aggregation consequence a reporting obligation. The advice was not obtained until Wednesday 14 September 2011 due to the absence on leave of the solicitor requested to advise. This document is lodged on the basis of that advice.