

## Peplin Biotech Announces Fund Raising and Other Corporate Developments

**Brisbane, Australia, 6 October, 2003.** Peplin Biotech Ltd (ASX: PEP) announces the following major corporate developments and trading updates prior to its Annual General Meeting on 21 October, 2003.

- \$5.72 million institutional financing to support ongoing development of product pipeline
- Update on PEP005 collaborative program with Allergan
- Additional studies to support proposed clinical development of PEP005 for leukaemia
- Negotiations to acquire new project intellectual property

### **\$5.72 million institutional financing to support ongoing development of product pipeline**

Peplin has placed 6,500,000 new shares with institutional clients of Wilson HTM at \$0.88 cents per share to raise \$5.72 million before costs associated with the issue. The shares were priced at the bid price at market close (4pm AEST), 2 October 2003. The share placement is in two tranches. The first tranche of 1,000,000 shares is unconditionally placed and the company expects to allot these shares to placees on 9 October 2003. The second tranche of 5,500,000 shares is subject only to ratification by shareholders at the Company's Annual General Meeting on 21 October of an earlier placement in June 2003 of 5,000,000 shares. The company expects to allot the second tranche on 24 October 2003. The net proceeds of the offer will be applied to the ongoing development of the company's expanding product pipeline. Wilson HTM acted as placement agent.

### **Update on PEP005 collaborative program with Allergan**

In November 2002, Peplin announced the out-licensing of its lead compound PEP005 to Allergan for the topical treatment of non-melanoma skin cancer and actinic keratosis for the Americas. Since that time Peplin has made substantial progress towards completing the agreed upon chemistry and formulation development and the pre-clinical development goals. This work is a prerequisite to making an IND (investigative new drug) submission to the US FDA. An IND filing is an essential precursor to a clinical evaluation program. Both the IND filing and the conduct of clinical trials will be the responsibility of its licensing partner. Peplin is pleased to confirm that progress in this program is highly satisfactory and that it continues to address and complete key milestones.

### **Additional studies to support proposed clinical development of PEP005 for leukaemia**

In September 2003, the company announced promising results from studies of PEP005 in cell lines of acute myelogenous leukaemia at the Medical Research Council Centre for Immune Regulation at Birmingham University. Peplin plans to initiate additional toxicology studies of PEP005 delivered by intravenous infusion. These additional toxicology studies would be a necessary precursor to initiating a pilot clinical trial of PEP005 in acute myelogenous leukaemia. Following the successful completion of these studies, Peplin plans to initiate a physician sponsored pilot clinical trial in leukaemia in the first half of 2004.

### **Negotiations to acquire new intellectual property**

Peplin Biotech is in advanced negotiations to acquire the intellectual property relating to a project from Biolipids Pty Ltd. This transaction remains subject to final due diligence investigations and completion of contract. However, negotiations are at an advanced stage and Peplin expects to complete this transaction shortly.

Biolipids Pty Ltd is a company associated with researchers at the Women's and Children's Hospital in Adelaide (WCH). Under the proposed agreement, the acquisition is expected to involve the issue of shares, options and a cash component. The initial payments would have a value of approximately \$500,000. Further consideration would be payable in the future, subject to the successful completion of key pre-clinical and clinical development milestones.

The patent portfolio comprises 43 patents relating to 44 new therapeutic product candidates, which target diseases primarily in the cancer, cardiovascular, inflammation and pain areas. The proposed agreement provides for Peplin to direct and fund a research group based at WCH to undertake the further pre-clinical development of the products. Peplin would have a minimum obligation of \$1m over two years to fund this programme.

The acquisition would build on Peplin's strategy of discovering new small molecule drugs, in-licensing promising research and advancing potential therapeutic products through the clinical development process.

## **ABOUT PEPLIN BIOTECH**

Peplin Biotech Ltd is a biotechnology company based in Brisbane, Australia, discovering and developing drugs for the treatment of cancer and other diseases. Its strategy is to leverage its pipeline of in-licensed and novel proprietary products through collaborative development arrangements with international pharmaceutical companies. Peplin's product pipeline comprises small molecule drug candidates addressing major cancer targets including breast, colorectal, pancreatic and prostate cancer, leukaemia and melanoma, using topical, intralesional and systemic routes of administration.

### **Further information:**

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