



## ASX AND MEDIA RELEASE

### Underwritten rights issue to raise \$10.2 million

**BRISBANE, Australia, 8 November 2004: Peplin Limited (ASX:PEP)** announced today an offer to shareholders to raise \$10.2 million to fund the first phase II clinical trials for its proprietary skin cancer product PEP005 Topical.

The renounceable rights issue is fully underwritten by ABN AMRO Morgans and Wilson HTM. Peplin plans to issue approximately 24.3 million new shares at \$0.42 each to raise approximately \$10.2 million before the costs of the issue. This provides a discount to shareholders of 16% based on Friday's closing price of \$0.50 for Peplin shares or 22% based on the volume weighted average price of \$0.54 during the past four weeks.

Proceeds will be used primarily to fund:

- phase II clinical studies of PEP005 Topical, Peplin's proprietary and novel topical therapy for the treatment of actinic keratosis and non-melanoma skin cancer; and
- general and administrative expenses including those for ongoing discussions with potential partners for this product.

Peplin expects to initiate phase II skin cancer studies in Australia in early 2005 and announce the results of the first of these studies in Q3 2005. In parallel with these important clinical trials Peplin will be holding discussions with potential pharmaceutical partners.

Managing Director and Chief Executive Officer Michael Aldridge said he was pleased with the strong support the issue had received among institutional investors and he was very excited about Peplin initiating skin cancer clinical trials in Australia early next year.

"Given the high prevalence of skin cancer in Australia, the high profile that the disease has in this country and the fact that Peplin's discovery was made here, it makes a lot of sense to conduct our clinical trials in Australia," he said.

"Phase II studies are a key validating step in defining a pharmaceutical product's market potential. While conducted in Australia these studies are an integral component of our global skin cancer product development program.

"This initiative will keep this program on its timeline to market and ensure that we get the most attractive collaboration with the most capable partner," he added.

Mr. Aldridge said Peplin had been approached by a number of pharmaceutical companies with a view to potentially licensing the rights to develop and market PEP005 Topical for actinic keratosis and non-melanoma skin cancer.

Shareholders will be entitled to buy one new share for every three shares registered in their name as at 5:00 pm Tuesday 16 November 2004. Shareholders will be able to sell all or a part of their entitlement with rights' trading expected to commence on 10 November 2004 and continue until 29 November 2004.

Full details of the rights issue are set out in the prospectus which was lodged today with Australian Securities and Investments Commission and Australian Stock Exchange Limited. A copy of the prospectus is available for download from Peplin's website at [www.peplin.com](http://www.peplin.com) and via [www.asx.com](http://www.asx.com). Eligible shareholders will be sent a prospectus together with a personalised entitlement and acceptance form by 22 November 2004. Applications for the new shares in Peplin may only be made on the personalised entitlement and acceptance form.

#### **ABOUT PEPLIN**

Peplin is focused on the discovery, development and commercialisation of prescription human therapeutic products for the treatment of cancer and other diseases with limited treatment options.

Peplin's lead product is a clinical stage potential topical therapy (PEP005 Topical) for actinic keratosis and non-melanoma skin cancer. Peplin holds global rights for PEP005 Topical and all rights worldwide to other oncology applications of PEP005. Peplin's lead product is supported by the Australian Federal Government under its R&D Start program.

Peplin's earlier stage pipeline is targeted at bladder cancer using PEP005 in an intra-cavity or intravesical formulation (PEP005 IC) and leukaemia (a blood borne cancer) using an intravenous formulation (PEP005 IV). Its portfolio of EPUFA compounds opens additional potential opportunities in cancer and adds candidates for cardiovascular disease, pain, inflammation and diabetic complications.

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