



## ASX & MEDIA RELEASE

### Peplin Biotech Out-Licenses Lead Compound for Non-Melanoma Skin Cancer

Brisbane, Australia, November 25, 2002 –Peplin Biotech Ltd (ASX: PEP) today announced that it has entered into a research collaboration and license agreement with Allergan (of Irvine CA) for the right to develop and commercialise Peplin's lead compound PEP005 for the topical treatment of non-melanoma skin cancer and actinic keratosis.

In pre-clinical testing, PEP005 has shown promise in the treatment of a wide range of human cancers, including melanoma and other skin cancers. In a small open-label proof of concept pilot clinical study, Peplin's prototype compound PEP001 showed efficacy against refractory and difficult to treat basal and squamous cell carcinoma.

Under the terms of the agreement, Allergan obtains an exclusive license to develop and commercialise PEP005 for the topical and intralesional treatment of skin and eye conditions in North and South America for the term of Peplin's US patent. In return, Peplin has received an up-front payment of US\$1m (AU\$1.85m) and may receive up to US\$22 million (AU\$40.7 million) including milestone payments and development payments. Upon commercialisation Peplin will receive a market-rate royalty on net sales which Peplin believes to reflect the significant value of the licensed technology.

Milestones include the IND filing, commencement of phase III clinical trials and NDA filing and approval. Peplin will keep the Australian market apprised of progress with regard to all milestones. Allergan will be responsible for clinical development for its territory.

As a consequence of the timing of the payment arrangements under the agreement, Peplin expects its current Financial Year outcome to be a loss falling in the range \$3.5m - \$4m. The financial benefits from the agreement are expected to accrue from 2004, subject to achievement of milestones.

"Allergan is committed to being a leader in specialist markets like dermatology and the Peplin technology is an excellent addition to Allergan's strong new product pipeline," said David E.I. Pyott, Allergan's Chairman, Chief Executive Officer and President. "We have been impressed with the pre-clinical study results on Peplin's lead compound PEP005 and its potential in the large, growing and under-served market for treating non-melanoma skin cancer."

Garry Redlich, Peplin Biotech's Managing Director and CEO said "We are delighted to be partnering with such a dynamic company as Allergan. In BOTOX<sup>®</sup> and TAZORAC<sup>®</sup>, Allergan has two of the fastest-growing products in the world of dermatology today, and has demonstrated a capacity to develop strong markets for important new drugs. We are also greatly impressed by Allergan's clinical development capability and its corporate culture of embracing innovation. This deal with a leading U.S. specialty pharmaceutical company shows that it is possible for Australian biotechnology companies to out-license drug leads at an early stage."

It is estimated that in the U.S. there are approximately 1.3 million new cases a year of non-melanoma skin cancer, which includes basal cell carcinoma and squamous cell carcinoma. The incidence of non-melanoma skin cancer is estimated to be increasing annually at approximately six percent.

#### **About Peplin Biotech:**

Peplin Biotech Ltd is a biomedical research company based in Brisbane, Australia, discovering and developing drugs for the treatment of cancer. Its strategy is to work with large pharmaceutical companies to co-develop and license its family of novel proprietary compounds. Following licensing in the Americas of its lead drug for skin and eye diseases to Allergan, it is proceeding with research into the development of systemic drugs for major cancer targets including breast, colorectal, pancreatic and prostate cancer.

#### **Further information:**

Garry Redlich, Peplin Biotech Managing Director & CEO

Tel: 0417 728 583

[garry.redlich@peplin.com](mailto:garry.redlich@peplin.com)