



## ASX & MEDIA RELEASE

### PEPLIN DELIVERS 2003 RESULTS

Brisbane, Australia, 8 September, 2003.

Anti-cancer drug developer Peplin Biotech Ltd (ASX:PEP) today released its audited financial results for the year ended 30 June 2003, its third year as a listed entity. Peplin's revenue was up 140% to \$3.2 million, including US\$1.0 million received from Allergan as a sign-on payment for a licence to the company's PEP005 non-melanoma skin cancer drug candidate. The company reported a consolidated loss for the year of \$3.7 million (up from \$2.7 million in 2002) as a result of R&D expenditure more than doubling to \$5.2 million (from last year's \$2.5 million). This loss was within with the forecast range of \$3.5 million to \$4.0 million provided to the market in November 2002 when the Allergan licensing deal was announced.

#### SUCCESSFUL PARTNERING & COMMERCIALISATION

Peplin Biotech is a fast-moving company. In less than five years from commencing research, the company made history by closing the first-ever Australian licensing of an anti-cancer drug to the US pharmaceutical industry.

The agreement with Allergan, Inc of the USA announced at Peplin's last AGM was not only an important third-party validation of Peplin's technology but also demonstrated the company's capacity to deliver commercial results against the vision which it outlined upon listing just over two years previously.

The agreement retains great value for shareholders in PEP005's applications for treating cancer (other than skin) worldwide, and provides a further opportunity for Peplin to license the drug's use for skin cancer for the rest of the world at a price reflecting the reduced risk as the clinical development programme proceeds.

#### EFFECTIVE R&D

The year past has seen a vast effort to create an efficient and powerful virtual development team around Peplin Biotech. A combination of world-class Australian and UK contractors are working with the company's executive on plant biomass production, assay development, drug formulation, toxicology, drug manufacture and scale-up – completing the essential tasks which comprise the complex process of drug development.

Independently of its work with Allergan towards an FDA regulatory filing, Peplin has been developing PEP005 for additional routes of administration as an anti-cancer drug. Several projects are underway in Australian and international laboratories to guide our planning for its next clinical trial which is expected to come from one or more of the therapeutically important and commercially exciting fields of colorectal cancer, prostate cancer, head and neck cancer, and leukaemia.

#### FINANCIAL STRENGTH

March 2003 saw the lowest point in the Australian biotech index in several years. However, despite market vagaries, Peplin Biotech completed the year with a strong share price and pleasing support in two capital raisings.

Last September's rights issue to shareholders and its June placement to institutions, together with its initial payment under the Allergan deal, left Peplin Biotech with \$6.4 million in cash at 30 June. This is enough to secure the company's future through towards the end of 2004, regardless of the receipt of expected further milestone payments from Allergan during calendar 2004.

## **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 novel proprietary products through collaborative development arrangements with international pharmaceutical companies. In November 2002 Peplin signed an Americas-focused research collaboration and license agreement involving its lead drug for skin and eye disease with Allergan, Inc. that may result in milestone and other payments to Peplin of up to US\$23m. Peplin's product pipeline comprises small molecule drug candidates addressing major cancer targets including breast, colorectal, pancreatic and prostate cancer, leukemia and melanoma using topical, intralesional and systemic routes of administration.

### **Further information:**

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