

**A V E X A**

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ASX Release

Avexa signs option agreement for HIV program

Melbourne, Australia, 4th May 2009: Biotechnology company Avexa Limited ('Avexa') (ASX:AVX) today announced that it has entered into a 6 month, worldwide exclusive option agreement with Tibotec Pharmaceuticals relating to its HIV integrase program. The option provides an exclusivity period for the two companies to formalize a collaborative research and license agreement while Tibotec continues to review the Avexa HIV-1 Integrase Inhibitor drug program portfolio.

"We are excited and very encouraged by the results of the preliminary evaluation of HIV-1 Integrase Inhibitors that Avexa and Tibotec have undertaken to date." stated Dr Julian Chick. "One of the major benefits of working with Tibotec is the breadth of experience and resources in the anti-HIV drug field that they bring to bear which may enable us to significantly accelerate our programs."

Over the past 5 months the two companies have been working collaboratively to evaluate compounds from Avexa's HIV Integrase program. If they enter into a research collaboration and license agreement, Tibotec and Avexa will continue to collaborate, harnessing the medicinal chemistry and the in-vitro resources of both companies to support and accelerate the Avexa HIV integrase program. Treatment of HIV infected patients with the only currently approved anti-HIV integrase drug, results in the selection of viruses that are resistant to that drug. Avexa's lead anti-integrase compounds are able to inhibit these integrase inhibitor-resistant HIV because they interact with the HIV-integrase in a different way to the marketed drug.

"Tibotec has considerable HIV drug development experience and of course this would benefit our programs in their development. We look forward to our great working relationship with Tibotec and hope that we can conclude a collaboration and license agreement in the near future" stated Avexa CEO Dr Julian Chick."

For more information:

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Avexa Limited is a Melbourne-based biotechnology company with a focus on research and development of drugs for the treatment of infectious diseases. Avexa has dedicated resources and funding for key projects including its HIV integrase program, its HCV polymerase program and a program for antibiotic-resistant bacterial infections. The Company's lead program is apricitabine (ATC), an anti-HIV drug which has successfully completed the 48 week dosing of its Phase IIb trial and is currently in Phase 3 trials. The company recently released impressive 96 week data from its Phase IIb trial extension and is expecting initial Phase III trial results in June 2009.