



PHYLOGICA ENTERS AGREEMENT WITH ROCHE TO EVALUATE ITS PROPRIETARY TECHNOLOGY ON DISEASE TARGETS WITHIN CELLS

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Australian drug discovery company Phylogica (ASX:PYC) today announced that it has signed an agreement with Roche (SWX: ROG.VX; RO.S, OTCQX: RHHBY; www.roche.com) to evaluate Phylogica's proprietary Phylomer® technology in transporting large molecules to attack disease targets within cells.

Phylogica's Chief Scientific Officer Adjunct Professor Paul Watt said the challenge of targeting macromolecules to the intracellular matrix was an exciting new frontier in drug development.

"Biologics such as peptides and proteins, constitute the fastest growing market for pharmaceuticals. While there has been great success with these drugs in hitting the disease targets outside of cells, we will be working to hit the plethora of potential targets that exist within cells," Dr Watt said.

"This is a very exciting collaboration where we will be working at the cutting edge of drug discovery in a space which could open up an enormous range of new targets and potentially lead to new treatment options for patients. We are delighted to be working with Roche, an innovative company which is already strong in the biologics space with a commitment to exploring this new frontier."

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About Phylomers

Phylomer[®] peptides are derived from biodiverse natural sequences which have been selected by evolution to form stable structures which can bind tightly and specifically to disease associated target proteins. Suitable targets for Phylomer[®] blockade include protein interactions that promote multiple diseases, such as infections, cancer, autoimmunity and heart disease. Phylomer[®] peptides can have drug-like properties including specificity, potency and thermal stability, and are capable of being produced by synthetic or recombinant manufacturing processes. Phylomer[®] peptides are also readily formulated for administration by a number of means, including parenteral or intranasal delivery. Phylogica has recently initiated a collaboration with Aegis Therapeutics LLC (www.aeglsthera.com) to develop the delivery of Phylomer[®] peptides by their formulation using Intravall[®] for transmucosal delivery.

About Phylogica (www.phylogica.com)

Phylogica is a biopharmaceutical company focusing on the discovery, development and commercialization of Phylomer[®] peptides, especially for inflammatory diseases. Phylogica engages in the discovery and validation of Phylomer[®] peptides for the development of innovative therapeutic products, through relationships with commercial partners and its in house drug discovery programmes. Phylogica's discovery platform uses its proprietary Phylomer[®] libraries, a highly diverse and complex collection of billions of Phylomer[®] peptides, to provide a rich source of potent drug leads for a broad range of disease targets. Over the past few years, Phylogica has gained significant leverage in the area of peptide drug discovery by establishing proprietary rights for their Phylomer[®] libraries and screening methods which when combined with Phylogica's significant know-how in the field of drug discovery, constitutes a powerful drug discovery platform, which offers the highest hit-rates for bioactive peptides.

Phylogica[®] and Phylomer[®] are registered service marks of the company in Australia and USA, and Phylomer[®] is also a registered goods mark of the company in Australia.

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