

**A V E X A**

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ASX Release

Avexa HIV Integrase Option Period with Tibotec Expires

Melbourne, Australia, 1 March 2010: Avexa Limited (ASX:AVX) today announced that Tibotec will not continue its option on Avexa's early stage HIV integrase program and the agreement will be allowed to expire effective March 2nd. Tibotec has chosen to let the option period expire due to potential future conflicts with its own internal programs. During the exclusivity period Tibotec profiled a number of Avexa compounds, which have shown a high level of potency and activity against raltegravir resistant enzymes that validate Avexa's results. Avexa will continue to interact with Tibotec on a non-exclusive basis, and upon the expiration of the option, Avexa will be able to discuss collaborations and licensing of the program with other parties. Avexa retains all of the intellectual property and data from the program generated by the two companies during their interaction.

"Over the option period with Tibotec we have made considerable progress with our HIV Integrase Program. We now have a number of very exciting and potent leads with activity against HIV resistant to other integrase inhibitors," stated Dr Jonathan Coates, Chief Scientific Officer of Avexa.

About Avexa's HIV Integrase Program

The HIV Integrase program has discovered and identified a number of novel compound classes and potential lead assets with low nanomolar potency that have demonstrated significant activity against known integrase resistant HIV strains. These compounds are highly potent against raltegravir- and elvitegravir- resistant viruses and have shown activity superior to raltegravir against wild type HIV-1. The compound classes also possess properties that may suggest a once-a-day, un-boosted oral dosing regime is likely. The studies completed to date have demonstrated that the Avexa compounds are specific for HIV integrase (in-vitro studies), are integration/integrase specific inhibitors in whole cell assays (confirmed by PCR studies), are highly active against wild type integrase and mutations in integrase that confer cross-resistance to raltegravir, elvitegravir and the diketo acids and maintain equivalent potency in 50% normal human serum. Avexa maintains a strong IP position with its integrase program.

About Avexa

Avexa Limited is a Melbourne-based biotechnology company with a focus on discovery, development and commercialization of small molecules for the treatment of infectious diseases. Avexa has dedicated resources for key projects including apricitabine (ATC), its HIV integrase program, its HCV polymerase program and an antibiotic program for antibiotic-resistant bacterial infections.

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