



## Company announcement

### **Avexa's Research Partner Valevia Pharmaceuticals announces key *in vitro* results from testing of lead anti-bacterial compound AVX13616**

**Melbourne, Australia, Tuesday 23rd October 2012:** Australian biotechnology company Avexa Limited [ASX:AVX] today announced that its research partner Valevia Pharmaceuticals GmbH has reported key *in vitro* results from its testing of Avexa's lead anti-bacterial compound AVX13616.

The results show that AVX13616 showed positive activity against a broad range of bacteria, including *Clostridium difficile*, multi-drug resistant *Staphylococcus aureus* (MRSA), penicillin-resistant Streptococci, and Vancomycin-resistant enterococci (VRE).

"The strains tested were clinical isolates from recent hospital cases, so the resistance profile of these bacterial strains is highly relevant," said Dr Jonathan Coates, interim CEO of Avexa. "AVX13616 showed no cross-resistance with other currently marketed classes of antibiotics."

The activity of AVX13616 against *Clostridium difficile* has led to an initial focus on infections caused by this bacterium. In addition, the activity of AVX13616 during topical use has been confirmed. This suggests potential uses of AVX13616 in nasal decontamination in the hospital setting. The profile of AVX13616 also makes it an excellent candidate for the topical treatment of other Gram-Positive infections of the skin, such as diabetic foot ulcers, which are common in diabetics.

"Hospital-acquired infections are a serious health problem which are estimated to affect nearly two million patients annually in the USA alone," said Dr Coates. "The cost of treating these infections is estimated at over US\$10 billion per annum. The growing problem of drug-resistant bacteria continues to drive growth in new and expanding market opportunities."

*Clostridium* infections are increasing due to the heavy use of broad-spectrum antibiotics in hospitals. The average cost of a hospital stay because of *Clostridium* infections has been estimated at US\$25,000. Hospital stays because of *Clostridium* infections account for 2.3% of all hospital costs in the USA.

Valevia Pharmaceuticals GmbH is currently in partnering discussions for the development of AVX13616. The compound is planned to enter clinical trials in late 2013/early 2014.

Mr Iain Kirkwood, Chairman of Avexa, said, "We are delighted that Valevia Pharmaceuticals has made significant progress with AVX13616. We look forward to the beginning of further pre-clinical and clinical studies."

#### **About Avexa Limited**

Avexa Limited is a Melbourne-based biotechnology company with a focus on discovery, development and commercialisation of small molecules for the treatment of infectious diseases. Avexa's key projects include apicitabine (ATC) for the treatment of drug resistant HIV, an HIV integrase program and an antibiotic program for antibiotic-resistant bacterial infections.

#### **About Valevia Pharmaceutical GmbH**

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Valevia Pharmaceuticals GmbH is a Swiss-based privately owned biotechnology company dedicated to the development of innovative therapies for antibacterial infections. Valevia focuses on research and development of compounds for difficult to treat hospital infections.

**About AVX13616**

AVX13616 is a novel antibiotic derived from a new chemical class. It is rapidly bactericidal, with a long post-antibiotic effect. The absence of cross-resistance to other common classes of Gram-Positive antibiotic drugs suggests a novel mode of action and a low propensity for emergence of endogenous resistance. Animal models of nasal colonization and wound infection have demonstrated efficacy against community-acquired and hospital-acquired MRSA strains. The pharmacokinetic and toxicological profiles are compatible with oral administration for treatment of *Clostridium difficile* and topical administration.

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