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## **PHYLOGICA LICENSES SKIN-REPAIR PEPTIDE TO LE MÉTIER DE BEAUTÉ FOR COSMETIC MARKET**

PERTH, AUSTRALIA: September 12, 2012 – Phylogica Ltd (ASX: PYC, XETRA: PH7), a leading Australian peptide drug discovery company, has licensed its skin-repair Phylomer® peptide PYC35 to Le Métier de Beauté for use in cosmetic products in the US, UK and Hong Kong markets.

Le Métier will use PYC35 in its premium range of Peau Vierge anti-aging creams that will be commercialised initially across the US through department stores such as Neiman Marcus, Bergdorf Goodman and Nordstrom. Le Métier is responsible for all future costs including formulation, manufacturing and marketing.

Under the terms of the agreement Phylogica will receive a significant royalty on all sales of Le Métier's cosmetic products that contain PYC35. Phylogica retains all pharmaceutical rights to PYC35.

The Phylomer peptide PYC35 derives from the genome of a microorganism known as *Pyrococcus horikoshii*, that belongs to an ancient kingdom of life that evolved billions of years ago. This thermophilic species dwells in undersea volcanic vents and can endure extreme environmental conditions such as high pressure and high temperature. In these environments the pressure is about 200 atmospheres with temperatures of nearly 100°C.

The properties of the PYC35 peptide reflect some of the unique characteristics of its host species. In preclinical models of dermal wounds, UV radiation damage and severe skin burns; PYC35 showed potent skin-repair activity. For example PYC35 significantly improved the process of wound healing in a well-validated model of severe skin burns. The potential cosmetic applications of PYC35 include use in treatments to repair skin following sun or thermal damage and in a rejuvenating serum to reduce skin damage from long-term environmental exposure to UV.

Le Métier's Chief Executive Officer Richard Blanch commented on the news: "Le Métier de Beauté is very excited to license PYC35 from Phylogica. There is genuine demand from our client base and retail partners for products that can prevent scars and repair skin from the sources of damage such as UV exposure. Le Métier plans to use PYC35 within its Peau Vierge product range to develop groundbreaking new cosmetic and skincare products for the luxury beauty marketplace."

Phylogica's Chief Executive Officer Dr Paul Watt added: "We are delighted to have licensed our PYC35 peptide to Le Métier de Beauté as an active ingredient in its high-end range of cosmetics. Given the exotic habitat of *Pyrococcus* which dwells in the harsh environment of undersea vents, it is intriguing that a peptide derived from that organism's genome has potential in repairing burn injuries and preventing long-term skin damage such as scars."

“While we expect to announce new alliances in the coming months relating to our core drug discovery, this cosmetics deal opens up a new market opportunity and could generate meaningful near-term revenue for Phylogica. This deal with Le Métier is non-exclusive and we are evaluating other opportunities to maximise the market opportunity for this peptide.”

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**About Phylogica**

Phylogica Limited (ASX: PYC) is a biotechnology company based in Perth, Australia, and Oxford, UK, with a world-class drug discovery platform harnessing the rich biodiversity of nature to discover novel peptide therapeutics. The Company was incorporated in 2001 as a spin out from the Telethon Institute for Child Health Research (Perth, Australia) and the Fox Chase Cancer Centre (Philadelphia, USA). The Company’s drug discovery platform is based on its proprietary Phylomer<sup>®</sup> libraries of natural peptides, which have been optimised by evolutionary selection to have stable drug-like structures. Phylogica offers fully integrated drug discovery services to the pharmaceutical industry utilising its Phylomer<sup>®</sup> libraries and proprietary screening technologies. Its current partners include Roche, MedImmune (the worldwide biologics arm of AstraZeneca), Pfizer and Janssen (the pharmaceutical arm of Johnson & Johnson).

**About Phylomer<sup>®</sup> Peptides**

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, both inside and outside cells. Suitable targets for blockade by Phylomers include protein interactions that promote multiple diseases, such as infectious diseases, 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 approaches.

**About Le Métier de Beauté**

Le Métier de Beauté is a New York-based company that manufactures and markets luxury cosmetic products such as the Peau Vierge range of anti-aging treatments. The company is dedicated to superior craftsmanship, design and performance, producing products exclusively in small batches to ensure consistent quality, Le Métier de Beauté works with more than 20 innovative and creative laboratories around the world to bring the finest products to market. Le Métier de Beauté’s manufacturing processes allow a fast-acting response to the marketplace, making possible the creation of new and exciting products to inspire trends and delight customers.

The French translation for “the craft of beauty,” Le Métier de Beauté are available exclusively in the United States via Neiman Marcus and Bergdorf Goodman, and Nordstrom, as well as in Selfridges of London, in Printemps, Paris and Lane Crawford of Hong Kong. For more information, please visit [www.lemetierdebeaute.com](http://www.lemetierdebeaute.com)