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PHYLOGICA GRANTED CORE PHYLOMER^O PATENT IN AUSTRALIA

PERTH, AUSTRALIA: March 22, 2013 – Phylogica Ltd (ASX: PYC, XETRA: PH7), a leading Australian peptide drug discovery company, announced today that a core patent has been granted in Australia (Registration no: 2009251209; Divisional of AU 2008200790).

The broad claims of this patent cover Phylomer libraries as 'composition-of-matter' *per se*, regardless of how such libraries are constructed or screened. There is also no restriction on the source of genomes represented in any Phylomer library, provided that the sequenced genomes are 'compact'. This definition allows for the libraries to be comprised of biodiverse genomes not simply from bacteria and archaea, but also covers libraries made from more complex eukaryotic genomes such as those of yeast, protozoa, algae and even vertebrates such as the Japanese puffer fish *Takifugu rupripes*.

This new patent complements the Company's other composition-of-matter patents granted in major jurisdictions, including a recently granted European case EP2230303 B1, covering phage display Phylomer libraries. This has similar breadth to the previously granted European patent EP 1696038 B1.

Phylogica's CEO Paul Watt commented on the Company's intellectual property: "The new Australian and European patents confirm Phylogica's dominant IP position over the Phylomer peptide class. Our Phylomer libraries, which now encode more than 170 billion compounds, represent the most structurally diverse source of peptides available due to their unique composition. Our IP estate blocks potential competitors and controls access to this rich resource of drug-like peptides by any current or future means, since we have protected the Phylomer libraries themselves, in addition to multiple methods of constructing and screening them. These newly granted patents also protect Phylogica's recent upgrades to the Phylomer platform, which have enhanced the overall complexity of the phage libraries and allow for the inclusion of selected bacterial and viral genes with known cell-penetrating and cell-targeting properties as a source of new delivery peptides."

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About Phylogica

Phylogica Limited (ASX: PYC) is a biotechnology company based in Perth, Australia 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[®] libraries containing over 170 billion unique 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[®] 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).