



ASX Release

Avexa licenses one of its HIV integrase programs to Chinese partner

- All future development costs for China covered by the partner
- Avexa to receive 50% of all net revenues in China
- Avexa to retain all development and marketing rights for the rest of the world

Melbourne, Australia, 14 July 2010: Avexa Limited (ASX:AVX) has today announced that it has entered into a license agreement with the Shanghai Institute of Organic Chemistry (SIOC) to develop one of Avexa's HIV integrase inhibitor series.

Under the terms and conditions of the license SIOC will be responsible for all future development costs for the program in China and will pay Avexa 50% of any net commercialisation revenues. Avexa retains all development and marketing rights for the program outside of the China region.

"This series of molecules has shown a high level of potency similar to the existing HIV integrase inhibitors on the market or in development. The synthesis of this series of molecules is relatively simple and provides opportunities in the Chinese market," said interim CEO Dr Jonathan Coates.

"Avexa is determined to realise the value and opportunities from its early programmes for the benefit of shareholders. I am confident that this agreement will generate the best possible returns."

About the program

The series of compounds that is the subject of this license is one of the first discovered by Avexa and shows considerable potency and a relatively simple synthesis route. The profile of these molecules is similar to Merck's HIV integrase inhibitor Isentress®, and therefore they could have particular potential in emerging markets and may provide further competitive opportunities in traditional markets.

Since the discovery of this series of compounds Avexa has discovered additional series of HIV integrase inhibitors whose profile is improved compared to Isentress® as they retain activity against viruses resistant to the marketed and late stage development integrase inhibitors. These new generation HIV integrase inhibitors have considerable potential and Avexa is currently exploring ways to commercialise them, including pursuing partnering options for the program. Avexa has focused on generating a once-a-day, non-boosted integrase inhibitor that targets viruses resistant to existing integrase inhibitors that are either on the market or in late stage clinical development.

About Avexa

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 apricitabine (ATC), an HIV integrase program, an HCV polymerase program and an antibiotic program for antibiotic-resistant bacterial infections.

For more information:

Jonathan Coates
CEO
+61 3 9208 4300

Kyahn Williamson
Buchan
+61 3 9866 4722

Stephen Kerr
Company Secretary
+613 9208 4300