



ASX Release

1 May 2007

Concluding allocation following Avexa rights issue

Australian Biotechnology company Avexa (ASX:AVX) today announced that following its recent announcement regarding over-subscriptions for the rights issue, which closed on 19 April 2007, the Company has identified an over-allocation of 8,200,000 shares to existing shareholders. Due to an overstatement of the reported rights issue shortfall of \$10 million, these shares were allocated to Avexa shareholders who applied for additional shares as part of the rights issue over-subscriptions program. The Company has determined to honour the allocation of these additional shares as a placement to shareholders on the same terms as the rights issue shares.

As a result of the above, the Company has been able to accommodate a greater proportion of existing shareholder over-subscriptions and has raised an additional amount of approximately \$4.3 million, bringing the total amount raised to approximately \$64.5 million (before expenses).

Following completion of the latest capital raising, the Company is in a strong financial position and its current cash reserves total approximately \$78 million (after allowing for capital raising expenses).

Holding statements that reflect the above were dispatched by Avexa's share registrar yesterday.

Normal trading for the rights issues shares will commence today and for the additional shares will commence on Wednesday, 2 May 2007.

For more information:

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30 April 2007

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Avexa Limited is a Melbourne-based biotechnology company with a focus on research and development of drugs for the treatment of infectious diseases, in particular diseases which have a significant unmet medical need. Avexa has dedicated resources and funding for key projects including antiviral drugs for HIV and an antibiotic alternative for antibiotic-resistant bacterial infections. The Company's lead program is apricitabine (ATC) which has recently successfully completed the 21 day dosing of its Phase IIb trial. The Company continues to progress ATC towards Phase III trials. Avexa has entered into a collaboration with TargetDrug in China to identify new CCR5 inhibitors for the treatment of HIV infections and has an exclusive option to licence TargetDrug's lead CCR5 inhibitor, Nifediviroc.