



ASX Release

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Avexa Wins \$4.3m Commercial Ready Grant for Anti-HIV Drug Discovery Program

Avexa (ASX:AVX) announced today that it has been awarded an Australian Government Commercial Ready Grant worth \$4.3m AUD to develop a new generation of HIV antiviral drugs using 'fragment based drug design,' a non-traditional research methodology. Avexa will work with CSIRO's Molecular and Health Technologies division to discover inhibitors of the HIV integrase enzyme which conventional techniques are unable to identify. This program can also be applied to other antiviral targets.

Australian Industry Minister Ian Macfarlane today congratulated Avexa on being awarded the Australian Government Commercial Ready grant. Mr Macfarlane said the funding would support Avexa in its work to treat this devastating disease. "There are many treatments for HIV-AIDS but to date, there is no cure. This new approach may bring us closer to finding a cure and saving millions of lives. It will also reinforce Australia's role in being at the forefront of medical innovation."

The Commercial Ready Program is a competitive merit-based grant which supports innovative research. The grants provide funding for up to 50% of eligible project expenditures for early-stage R&D activities. It will contribute to funding the discovery and preclinical development required to advance the expected novel outcomes of the early phase of the program to proof of concept studies.

"We are pleased that the Australian Government has given Avexa this strong and valuable support in recognition of our capabilities in the antiviral drug-discovery area. This funding allows Avexa to benefit from the expertise of CSIRO in this new area of technology and to extend and support our existing HIV integrase program. The potential to discover a completely new generation of HIV integrase inhibitors is exciting both scientifically and commercially" said Julian Chick, CEO of Avexa.

Avexa is developing novel anti-HIV drugs, which are targeted against the specific and unique functions of the virus. These drugs will have therapeutic potential for the treatment of many aspects of HIV infection, including new infections and infections which have become resistant to current drugs.

For more information:

Dr. Julian Chick
Chief Executive Officer
+61 3 9208 4300

Mr Rod North
Bourse Communications
+ 61 (03) 9510-8309

www.avexa.com.au

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, Nifeviroc.