



## ASX Release

### Avexa Closes Oversubscribed Rights Issue

24 April 2007

Melbourne based biotechnology company Avexa Ltd (ASX:AVX) announced today that it has closed its \$60 million rights issue with total share applications of \$76 million. The Company raised \$50.2 million through the rights issue, with a shortfall of \$10.0 million. The shortfall will be met through the issue of shares under the raising's oversubscriptions program. The Company received a total of \$25.8M in oversubscription applications. The issue was fully underwritten by ABN AMRO Morgans Corporate Limited, however, due to the oversubscriptions no shares are required to be taken up by the Underwriter.

With the completion of this capital raising Avexa has cash resources of approximately \$75 million. The Company will allocate the majority of the funds raised to conduct the Phase III trials for Apricitabine (ATC). The Company reported a cash balance at the end of the 1<sup>st</sup> quarter of \$19.8 million, which includes \$15.4 million received from the placement of 29 million shares to US institutional investors immediately prior to the rights issue.

"The completion of the capital raising places Avexa in an extremely strong position, enabling us to substantially progress ATC towards commercialisation" stated CEO Dr Julian Chick. "We are delighted with the support that existing shareholders have shown us again and look forward to the future growth of the Company."

Over 90% of all shareholders, including Shire Pharmaceuticals Group Plc, took up their entitlements and 42% applied for oversubscriptions. The Company intends to accept in full all oversubscriptions up to the value of \$100,000.

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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, Nifeviroc.