

**A V E X A**

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ASX Release

Avexa Option Agreement with Tibotec extended

Melbourne, Australia, 10 December 2009: Biotechnology company Avexa Limited (ASX:AVX) today announced that further to the ASX release on the 5th of November, Avexa and Tibotec have agreed to a four month extension of their agreement relating to Avexa's HIV Integrase Inhibitor program. Under the extension, Tibotec's exclusive option to enter into a research and license arrangement will continue for a further four months and is now due to expire on March 2, 2010. During this period the two companies will continue to review Avexa's HIV Integrase Inhibitor program.

Over the past year the two companies have been working collaboratively to evaluate compounds from Avexa's HIV Integrase Inhibitor program. If Tibotec exercises the option, the companies will enter negotiations for an exclusive research and license agreement on Avexa's HIV Integrase Inhibitor program. Avexa is currently optimizing a number of lead compound series towards the selection of lead molecules for preclinical testing.

About HIV Integrase:

HIV integrase is the enzyme encoded by HIV which is responsible for inserting the HIV genome into the host cell DNA. The insertion of this viral DNA is an essential step in HIV replication, allowing new virus to be made in some cells while other cells become hidden reservoirs of HIV primed for subsequent rounds of HIV replication.

About Avexa:

Avexa Limited is a Melbourne-based biotechnology company with a focus on discovery, development and commercialization of small molecules for the treatment of infectious diseases. Avexa has a pipeline of products that include apricitabine (ATC) a nucleoside analogue reverse transcriptase inhibitor for the treatment of drug-resistant HIV, an HIV integrase program, an HCV polymerase program and an antibiotic program for antibiotic-resistant bacterial infections. The company is expecting 24 week data for its ATC program in the first quarter, 2010. For further current information on Avexa please refer to the 2009 Annual Report and to recent announcements posted with the ASX. These documents can be found on Avexa's website at www.avexa.com.au

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