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ASX Ltd  
Sydney NSW 2000

## **PHYLOGICA & ISOGENICA: TECHNOLOGY COLLABORATION**

*..Strategic alliance fast tracking screening of drug discovery targets*

**Perth, Australia, February 23, 2011:** – Australian drug discovery company Phylogica Ltd (ASX: PYC, XETRA: PH7) and UK company Isogenica Ltd have succeeded in a proof of concept project demonstrating compatibility of Isogenica's proprietary CIS *in-vitro* display technology for peptide engineering and drug discovery with Phylogica's Phylomer® drug discovery platform.

Phylogica scientists are now confident that using the display technology will ensure accelerated screening of the company's vast Phylomer libraries to meet demand from potential pharmaceutical partners.

Isogenica has been successful in hitting all milestones to date related to the collaboration, which was announced in January 2010.

The objectives of the project were to use Isogenica's CIS display to achieve further optimisation of Phylogica's lead compounds targeting CD40 ligand (CD40L).

Phylogica CEO Dr Paul Watt said this latest milestone has demonstrated Isogenica's CIS display technology is highly compatible with Phylogica's Phylomer libraries.

"This means the technology can be used to screen trillions of variants of Phylomers in a significantly shorter timeframe than is currently achievable," he said.

Isogenica's technology is well established within the industry and the company has relationships with many of Phylogica's current and prospective pharmaceutical partners.

Dr Watt said this combination of the Phylomer libraries with Isogenica's CIS display technology represents a value-adding expansion of Phylogica's drug discovery platform and could open up new partnership opportunities.

"The two companies are exploring a broader alliance to exploit the unique commercial potential of their combined technologies," he said.

Phylomers are sourced from the most structurally diverse peptide libraries in the world.

The primary screening of Phylomer libraries using CIS display could increase this diversity further, resulting in even higher quality outputs.



Moreover, the combined technology offers the ability to screen efficiently against dozens of disease targets in parallel.

Dr Watt added: "This increased capacity could also stimulate significant new revenue opportunities for our drug discovery business by expanding our service offering and reducing our cost base."

Isogenica CEO Dr Kevin Matthews said: "The pharmaceutical industry is constantly exploring new molecular structures that could lead to significant new medical treatments. The broad structural diversity of Phylogica's Phylomer libraries, as a starting point, combined with the ability to rapidly generate trillions of Phylomer variants, fast-tracks molecular evolution and could generate improved lead candidates in a much shorter time frame."

**-ends-**

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**About Phylogica**

Phylogica Limited (ASX: PYC) is biotechnology company based in Perth, Australia and Oxford UK, with a world-class drug discovery platform harnessing the rich biodiversity of nature to discover novel peptide therapeutics. The Company was incorporated in 2001 as a spin out from the Telethon Institute for Child Health Research (Perth, Australia). Phylogica's strategy is to accelerate cash sustainability by focusing on collaborative drug discovery partnerships. The Company's Phylomer<sup>®</sup> libraries have been optimised by natural evolutionary selection for peptides with stable drug-like structures. The unique qualities of Phylogica's Phylomer libraries are validated by its partnerships with Roche, MedImmune (the worldwide biologics unit of AstraZeneca) and Pfizer.

**About Phylomer<sup>®</sup> Peptides**

Phylomer peptides are derived from biodiverse natural sequences, which have been selected by evolution to form stable structures, which can bind tightly, and specifically to disease associated target proteins, both inside and outside cells. Suitable targets for blockade by Phylomers include protein interactions that promote multiple diseases, such as infectious diseases, cancer, autoimmunity, and heart disease. Phylomer peptides can have drug-like properties, including specificity, potency and thermal stability, and are capable of being produced by synthetic or recombinant manufacturing processes. Phylomer peptides are also readily formulated for administration by a number of means, including parenteral or intranasal delivery approaches.



### **About Isogenica**

Isogenica specialises in the discovery and optimisation of therapeutic and diagnostic peptides, proteins and antibodies using its proprietary technology, CIS display. Founded in 2000 Isogenica has developed a unique capability in the field of protein engineering. Isogenica's CIS display technology is an *in vitro* display technology that allows the rapid generation of polypeptide and antibody libraries from which it is possible to select lead molecules with high affinity and specificity for most targets.