



PEPTECH
LIMITED

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15 March 2005

ASX / MEDIA ANNOUNCEMENT

Peptech announces share buy-back

Australian biotechnology company, Peptech Limited, today announced it would commence an on-market share buy-back of up to five percent (8.1 million shares) of the company's issued ordinary share capital from 30 March 2005 for a maximum period of 12 months.

This buy-back follows closely on the heels of the company's fully franked dividend payment of eight cents per share paid at the end of February.

Peptech's current strong cash position of \$45 million resulted from the resolution of outstanding legal issues with Abbott Laboratories and Centocor.

Peptech Executive Chairman Mel Bridges said ongoing strong regenerative revenue streams were expected from the TNF (tumour necrosis factor) licence agreements with Abbott and Centocor and the increasing sales from the Animal Health division.

"It is our clear intention to use our cash reserves, not only to fund our internal initiatives, but also to support our shareholder base in the process," said Mr Bridges.

He said directors had agreed to the buy-back program because of their confidence in the company's deep product development pipeline and the status of the company's current initiatives.

Mr Bridges said Peptech would leave sufficient capital in place to take advantage of strategic growth initiatives.

"We believe that shareholder value is best served by us executing on our own excellent near-term opportunities, and those presented through our partnerships with Domantis Limited and Biosceptre International Limited," he said.

"The share buy-back demonstrates that we view our people, our science and our partners as one of the best immediate investments available to us."

Peptech will focus in 2005 on advancing current product development initiatives:

Human Therapeutics

- **Tumour necrosis factor (TNF) anti-inflammatory therapeutic antibodies:** Advance Peptech's lead compounds into production, that accords with good manufacturing practice, towards toxicology and clinical trials
- **Bioceptre-Peptech joint venture:** Conduct pre-clinical trials of the unique lead compounds arising from this venture to test their efficacy in diagnosing, imaging and treating targeted cancer types
- **Domain antibody and anti-TNF technologies:** Explore commercialisation opportunities

Animal Health

- **Suprelorin®:** Conduct clinical trials of the pet contraceptive in the USA in preparation for the submission of the product for Federal Drug Administration approval, and for the regulatory process for European approval
- **Suprelorin®:** Conduct trials for the validation of its use for incontinence control in spayed female dogs, and prostatic disease and behavioural problems in intact male dogs
- **Ovuplant®:** Continue the approval process to market the horse-breeding aid in Europe

ENDS

Further information:

Mr Mel Bridges
Executive Chairman
Peptech Limited
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Dr Paul Schober
Investor Relations
Peptech Limited
Tel: 02 9870 8788

Background:

Peptech Limited focuses on the research and development of peptides and proteins in the areas of human pharmaceuticals and animal health. Peptech holds a 36.1 per cent shareholding in Domantis, a UK-based drug development company. The company is positioned to become a globally recognised leader in biopharmaceutical development.

Appendix 3C

Announcement of buy-back (*except* minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001.

Name of entity	ABN
<input type="text" value="Peptech Limited"/>	<input type="text" value="98 002 951 877"/>

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	<input type="text" value="On market"/>
2	+Class of shares which is the subject of the buy-back (<i>eg, ordinary/preference</i>)	<input type="text" value="Ordinary"/>
3	Voting rights (<i>eg, one for one</i>)	<input type="text" value="One for one"/>
4	Fully paid/partly paid (<i>and if partly paid, details of how much has been paid and how much is outstanding</i>)	<input type="text" value="Fully paid"/>
5	Number of shares in the +class on issue	<input type="text" value="161,726,104"/>
6	Whether shareholder approval is required for buy-back	<input type="text" value="Shareholder approval not required"/>
7	Reason for buy-back	<input type="text" value="Capital management"/>

+ See chapter 19 for defined terms.
30/9/2001

Appendix 3C

Announcement of buy-back

8 Any other information material to a shareholder's decision whether to accept the offer (*eg, details of any proposed takeover bid*)

None

On-market buy-back

9 Name of broker who will act on the company's behalf

To be advised

10 Deleted 30/9/2001.

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11 If the company intends to buy back a maximum number of shares - that number

Note: This requires a figure to be included, not a percentage.

Up to 8,086,305 (Peptech Limited reserves the right to terminate the buyback at any time)

12 If the company intends to buy back shares within a period of time - that period of time; if the company intends that the buy-back be of unlimited duration - that intention

From 30 March 2005 to 29 March 2006 (Peptech Limited reserves the right to terminate the buyback at any time)

13 If the company intends to buy back shares if conditions are met - those conditions

No conditions

Employee share scheme buy-back

14 Number of shares proposed to be bought back

-

15 Price to be offered for shares

-

⁺ See chapter 19 for defined terms.

Selective buy-back

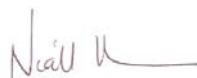
- 16 Name of person or description of class of person whose shares are proposed to be bought back -
- 17 Number of shares proposed to be bought back -
- 18 Price to be offered for shares -

Equal access scheme

- 19 Percentage of shares proposed to be bought back -
- 20 Total number of shares proposed to be bought back if all offers are accepted -
- 21 Price to be offered for shares -
- 22 ⁺Record date for participation in offer -
Cross reference: Appendix 7A, clause 9.

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.



Sign here
(Company secretary)

Date: 15 March 2005

Print name: NIALL HENDERSON

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⁺ See chapter 19 for defined terms.