



PEPTECH
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ASX / MEDIA ANNOUNCEMENT

Peptech advances TNF drug

Australian biotechnology company Peptech Limited today announced the completion of a successful collaboration on the development of a domain antibody (dAb) against Tumour Necrosis Factor alpha (TNF) for the treatment of multiple diseases including rheumatoid arthritis (RA) and Crohn's disease. The Domantis press release is attached.

Peptech has already initiated pre-clinical development of the lead dAb isolated by Domantis and the company expects to reach the clinic in 2007.

Peptech R&D Director, Dr Phil Jennings said, "The results achieved so far in our TNF collaboration with Domantis have been exceptional. The performance of the TNF dAb that has been transferred to Peptech to take into GMP production and into the clinic gives us confidence in our ability to commercialise this important drug lead. The TNF dAb has the clear potential to become the next generation in anti-inflammatory treatments," he added.

Anti-TNF antibodies already constitute an expanding market and there are opportunities to develop further products to treat additional clinical conditions using these therapeutic antibodies.

The worldwide antibody market continues to provide strong growth, with 2004 sales exceeding US\$9 billion. The sales of anti-TNF antibodies alone topped US\$6.4 billion in the 2004.

Peptech Executive Chairman Mel Bridges said, "The Company has a very strong intellectual property position in the area of TNF and is at the forefront in developing effective therapeutic antibody treatments for a wide of inflammatory diseases. Peptech is in the enviable position of receiving ongoing strong revenue streams from the TNF (tumour necrosis factor) licence agreements with Abbott and Centocor and the increasing sales from the Animal Health division," he added.

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.

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DOMANTIS AND PEPTECH COMPLETE SUCCESSFUL THERAPEUTIC COLLABORATION

- Peptech Advances Domain Antibody Therapeutic Toward the Clinic -

Cambridge, UK and US; 6th April 2005... Domantis Limited, the Domain Antibody Therapeutics company, and Peptech Limited (ASX:PTD), the Sydney based biotechnology company, today announced the successful completion of their collaboration to discover Domain Antibodies (dAbs) against Tumor Necrosis Factor Alpha (TNF) for the treatment of multiple diseases including rheumatoid arthritis (RA) and Crohn's Disease. Peptech has already initiated pre-clinical development of the lead dAb discovered by Domantis and expects to reach the clinic in 2007.

Domantis and Peptech reached agreement in April 2001 for the discovery of dAb therapeutics. Peptech also invested in Domantis as part of that deal and remains Domantis' largest shareholder. During 2003 and 2004 the companies ran a number of industry standard models of rheumatoid arthritis and in each one demonstrated significant efficacy an anti-TNF dAb when compared to marketed anti-TNF biologics.

Peptech Executive Chairman, Mel Bridges said, "We are excited by the results achieved to date in our TNF collaboration with Domantis. The performance of the TNF dAb that has been transferred to Peptech to take into GMP production and into the clinic has met our expectations and provides us with the opportunity to commercialize a world class drug." he added

Domantis CEO Robert Connelly commented, "The TNF program has been an unqualified success. The *in vivo* data indicates that the dAb lead we have provided to Peptech could result in a next generation anti-TNF drug that is a major player in a huge and growing market. We are delighted to have met every milestone for each of our corporate partnerships and EU funded programs and look forward to working with Peptech on additional dAb programs to help build their therapeutic pipeline. "

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ENDS

Notes to Editors

Domantis is a drug discovery company that is leveraging its proprietary dominance in dAbs to deliver human therapies, which address large, unmet medical needs including inflammation (e.g. asthma, Crohns Disease) cancer (e.g. haematological and solid tumors) and autoimmune diseases (e.g. rheumatoid arthritis). In less than three years it has initiated more than a dozen proprietary therapeutic programs, several of which should enter clinical trials in 2006.

Therapeutic antibodies are a major commercial opportunity. Seventeen monoclonal antibodies have been approved for use to date and these are expected to generate sales exceeding \$9 billion by 2006. Fully human dAbs, the smallest binding domains of a full antibody, combine the therapeutic benefits of small molecule drugs (formulation and delivery versatility, wide therapeutic target range, low cost) with those of full human antibodies (enormous diversity, high specificity, lower toxicity). Thus they have very broad therapeutic relevance.

The growing antibody market and the commercial potential of dAbs makes Domantis an attractive partner for the pharmaceutical industry and it has already struck deals with Peptech, Abbott Laboratories, ImClone, Tanox, and Argenta Discovery whilst also attracting funding from the European Union for several therapeutic collaborations. A series of dAb therapies derived from these collaborations should begin to enter the clinic in 2006.

Monoclonal antibodies were invented in the 1970's at the UK Medical Research Council's Laboratory of Molecular Biology (MRC-LMB), which has remained at the forefront of therapeutic antibody research since that time. In 1989, scientists in the LMB laboratories of Sir Gregory Winter published the discovery of dAbs. This discovery led to the creation of an extensive portfolio of intellectual property covering the development and use of dAbs, the binding domains of fully human antibodies, derived from any species. Domantis has exclusive licenses and assignments to these pioneering inventions for dAbs and extensive intellectual property covering dAb libraries, methods of discovery, compositions, and formulations of dAbs. As a result, Domantis is the only company capable of fully exploiting the commercial therapeutic applications of dAbs.

Sir Gregory and Dr Ian Tomlinson, world-renowned scientists from the MRC-LMB, launched Domantis in December 2000. Sir Gregory was also a founder of Cambridge Antibody Technology (CAT) plc. To date Domantis has raised \$54 million from investors including 3i, Gray Ghost (Baltimore, US), Albany Ventures, MVM Limited (London, UK) and Peptech Limited. Domantis employs 46 staff and has laboratory facilities in Cambridge, UK and commercial offices in Cambridge, Massachusetts, US. See also www.domantis.com.