

ASX RELEASE

Melbourne, Australia
10 July 2008

Cytopia strengthens scientific team with US based drug development specialist

US office relocation to California

Cytopia (ASX:CYT) announced today the appointment of Dr. Devron Averett as Chief Scientific Advisor to the company.

Based in California, USA, Dr. Averett will work closely with the company's executive management team, on a part time basis during this year, to provide scientific leadership and guidance. He has held global leadership roles at Glaxo Wellcome and Burroughs Wellcome and in recent years, at Valeant Pharmaceuticals International and Anadys Pharmaceuticals, Inc, a company he co-founded.

Holding a Ph.D. in Microbiology and Immunology, Dr. Averett has authored or co-authored over 40 peer-reviewed publications and numerous presentations. He is an inventor on 17 issued and nine pending US patents, and their corresponding international filings. His work has contributed to the discovery or development of multiple oncology and antiviral medicines and drug candidates, including Zeffix, Emtriva, Ziagen, Arranon, and most recently ANA598 for HCV and ANA773 in oncology.

"We are extremely pleased to have secured the services of Dr. Averett" said Cytopia CEO, Mr Andrew Macdonald. "His contribution will bolster the work currently underway on our range of small molecule compounds that are both approaching the clinic and progressing through clinical trials."

Cytopia Inc is consolidating its North American operations in Woodside, California and closing the Rensselaer, New York office, which is currently led by Dr. Shreefal Mehta as VP Business and Corporate Development. Dr. Mehta has chosen not to relocate to the West Coast and will leave Cytopia Inc at the end of July, 2008. The company is grateful for his considerable contributions.

Mr. Richard Haiduck, who has been working with the company in a strategic consulting role, has been appointed as Chief Business Advisor, with responsibility for Cytopia's global business and corporate development. Mr. Haiduck has over 25 years of extensive experience with prominent life sciences companies, including Abbott, Geron, Desmos, and BioStreet, and most recently as Managing Director in the Merchant Banking Group of Burrill & Company. He has an undergraduate degree in Marketing and an MBA in Finance.

About Cytopia

Cytopia Ltd is an Australian biotechnology company focused on the discovery and development of new drugs to treat cancer and other diseases. Cytopia conducts its research and drug development through subsidiaries based in Melbourne, Australia and San Francisco, USA and specialises in developing new small molecule compounds with an improved therapeutic profile for the treatment of cancer.

The lead program for the company is CYT997, a vascular disrupting agent (VDA) for the treatment of various cancers, and currently being trialed in Phase 1 and Phase 2 clinical studies. Cytopia also is building on its range of JAK inhibitors and kinase expertise, with CYT387, a novel oral JAK2 inhibitor focused on the treatment of myeloproliferative disorders, expected to enter Phase 1 clinical studies in early 2009.

Website: www.cytopia.com.au

Enquiries:

Mr. Andrew Macdonald
Chief Executive Officer
T: +61 3 9208 4232
andrew.macdonald@cytopia.com.au