

## ASX Announcement

8 May, 2008

# Cytopia announces novel anti-cancer drug development collaboration

*Boosts Cytopia's development of early pipeline cancer drug candidates*

Cytopia Limited (ASX:CYT) today announced that it has entered into an anti-cancer drug discovery and development collaboration with Cancer Therapeutics CRC Pty Ltd. This agreement leverages Cytopia's early stage drug discovery pipeline of kinase inhibitors, a class of targeted therapeutics that is one of the fastest growing segments of the cancer drug market.

Cytopia will retain an option over exclusive commercialisation rights for any drug candidates delivered by the collaboration. Should Cytopia choose not to exercise this option, Cancer Therapeutics may proceed with commercialisation activities. In the event that all milestones to registration are successfully achieved, both Cancer Therapeutics and Cytopia will share in any partnering revenues, as well as royalty payments from a marketed drug.

Andrew Macdonald, CEO of Cytopia said, "Cytopia's drug discovery engine has generated many opportunities for novel cancer therapies and this innovative partnership gives us the freedom to focus investment on our later stage pipeline while still allowing our very early pipeline to move forward."

"Most importantly, the agreement leaves us with an option to capture the value upside for our investors if a new cancer drug is taken to market."

Under the terms of the collaboration, Cytopia has out-licensed specific proprietary technology to Cancer Therapeutics for an undisclosed kinase enzyme target with potential for treating metastatic cancers. Development of an inhibitor of this particular kinase could have blockbuster potential in the cancer market. Under the project plan, Cancer Therapeutics will conduct and fund further development of the Cytopia compounds for at least two years.

Cancer Therapeutics is a company, formed under the Australian Commonwealth Government's CRC scheme, to discover and develop new cancer drugs from Australia's research base. It will undertake responsibility for the further development of Cytopia's early compounds towards a preclinical candidate compound which is capable of further development into and through clinical trials.

"We are delighted to be embarking on a collaboration of this type with a leading Australian drug development company such as Cytopia," said Tony Evans, CEO of

Cancer Therapeutics. “Our company was founded with the vision to aid in the further development of Australian biotechnology industry by applying drug discovery and development capabilities to early research findings and take on projects that are in the high risk category from commercial organisations or academic institutions to unlock their commercial potential”

Cytopia’s advanced anti-cancer drug program includes four drug applications in Phase I and Phase II clinical programs in calendar 2008. Trials are advanced for both oral and injectable vascular disrupting agents (VDAs), multiple myeloma and an aggressive brain tumor glioblastoma multiforme (GBM).

### **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 development via subsidiaries based in Melbourne, Australia and New York and specialises in discovering new molecules with an improved therapeutic profile for the treatment of cancer. Cytopia’s lead compound, CYT997, is currently in Phase II clinical trials.

Website: [www.cytopia.com.au](http://www.cytopia.com.au)

### **About Cancer Therapeutics**

Cancer Therapeutics CRC Pty Ltd has been formed through a collaboration between a number of Australia’s leading research institutions and commercial organisations for the purposes of cancer drug discovery and development. It is funded under the Australian Government’s CRC scheme.

The objective of the Company is to take novel or relatively novel molecular targets or early stage compounds from research institutes or biotech companies in Australia, or overseas, undertake hit discovery, hit to lead development and lead optimisation, to produce high quality pre-clinical trial candidates for further development through commercialisation.

Website: [www.cancercrc.com](http://www.cancercrc.com)

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