

E cvtopia@cvtopia.com.au

www.cytopia.com.au

ACN 079 253 606



Cytopia Limited PO Box 6492
Level 5 St Kilda Road Central
Baker Heart Research Melbourne Victoria 8008
Institute Building Australia
Commercial Road
Melbourne Victoria 3004
Australia

MEDIA RELEASE

13 September 2007

Cytopia compounds show potential as treatment for bone loss

Cytopia Limited (ASX: CYT) announced today that novel compounds from its FMS project have demonstrated potent activity in a model of bone degradation. Bone degradation is a cause of osteoporosis, a debilitating bone disease which can lead to serious clinical issues such as fractures. Bone can also be destroyed in some cancers.

The research was conducted by Dr Geoff Nicholson and Jason Hodge from Barwon Health Geelong and has been presented at the Australian and New Zealand Bone and Mineral Society Conference in Queenstown, New Zealand this week.

This work demonstrates that CYT645, a potent inhibitor of the enzyme FMS, blocks the function of cells known as osteoclasts which cause destruction of bone, in a process known as resorption.

Importantly the activity of CYT645 is significantly greater than the blockbuster drug Glivec™, another known inhibitor of FMS, as well as another FMS inhibitor from GlaxoSmithKline.

CYT645 and other FMS drugs are being developed by Cytopia for a variety of diseases, with inhibition of cancer growth and tumour spread (metastasis) as the initial clinical targets. The bone protecting activity of Cytopia's compounds is an important addition to the anticancer properties of the compounds and augers well for beneficial patient outcomes in a clinical setting.

About Cytopia

Cytopia Ltd is an Australian biotechnology company focused on the discovery and development of new drugs to treat cancer. Cytopia conducts its research and development via subsidiaries based in Melbourne and New York and specialises in discovering new molecules that can inhibit enzymes known as kinases, an exciting new class of drugs.

For more information please contact:

Mr Andrew Macdonald
Chief Executive Officer

T: +61 3 9522 6920

E: andrew.macdonald@cytopia.com.au

Dr Chris Burns

Director, Research

T : +61 3 9522 6937

E : chris.burns@cytopia.com.au

or, visit our website at: www.cytopia.com.au