

BioPharmica takes majority stake in gene project

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PERTH-based BioPharmica will invest another \$A400,000 to increase its interest in the HLS5 project to a majority position.

The company is working with the University of Western Australia (UWA) and the Western Australian Institute for Medical Research (WAIMR) to commercialise a molecular marker – HLS5 – for early and accurate cancer detection and treatment. The marker is currently undergoing pre-clinical work at the Royal Perth Hospital campus of WAIMR.

As a result of its new contribution, BioPharmica will now hold a 55% in the project. Under an agreement with UWA and WAIMR, BioPharmica was able to earn a 55% interest in the project through total expenditure of up to \$A600,000 at any time.

The company has also appointed a former GE Healthcare senior scientist to join the HLS5 project team. Dr Sam Gallagher will be BioPharmica's vice-president of research and development with a focus on the HLS5 project.

Gallagher was previously a British-based member of BioPharmica's scientific advisory panel, and has been a senior scientist with Amersham Biosciences and GE Healthcare in Britain.

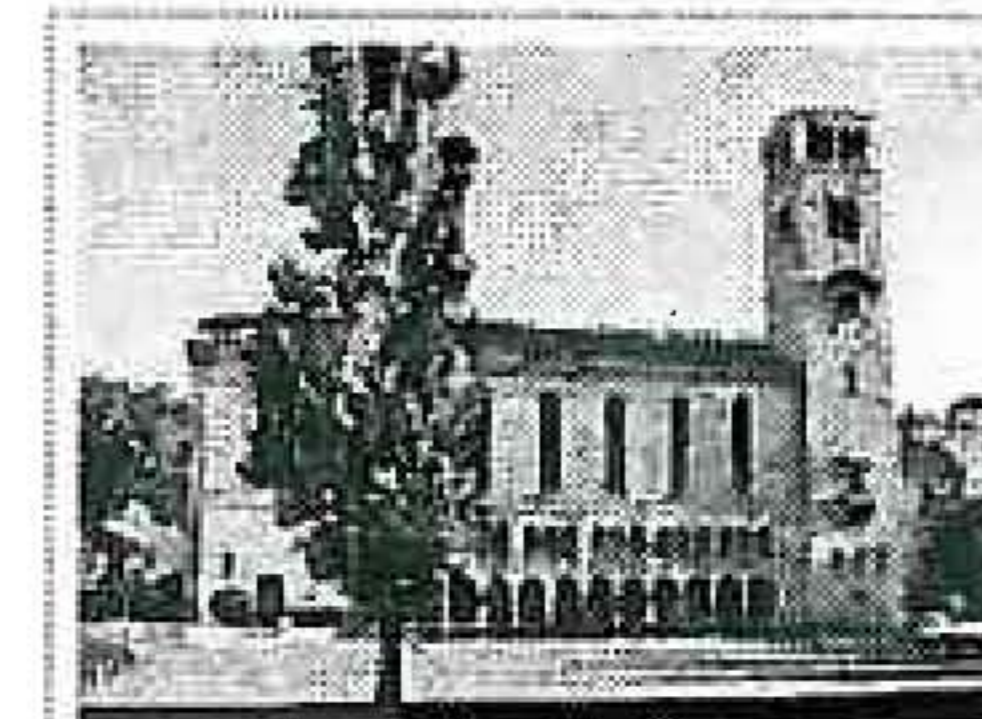
Managing director David Breeze said he was pleased someone of Gallagher's calibre shared the company's excitement about HLS5 and had elected to join BioPharmica in a full-time role. Gallagher's appointment came at a time when the collaborators were experiencing significant success with the project.

In May the company announced WAIMR had successfully conducted a 70-sample pre-clinical trial on the HLS5 cancer marker in normal and confirmed cancers (breast, prostate, lung and colon), as well as a panel of cancer cell lines.

WAIMR scientists directly correlated the presence of a fault in the HLS5 gene and the development of cancer in humans, and results showed more than 50% of patients with particular types of cancer had a fault in their HLS5 gene.

The scientists were also able to determine the specific types of cancer in which the HLS5 gene fault occurred, and developed a sensitive test for detecting the marker.

Breeze said although BioPharmica would like to share information with its shareholders about any breakthrough in the development program, the company had to protect confidential information, but its satisfaction with the project's progress was backed by its early decision to gain a majority position in the intellectual property.



BioPharmica is working with the University of Western Australia and the WAIMR.

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