

## 22 June, 2007 Biopharmica [ASX:BPH] ASX Release

## **BioPharmica Investee Wins Commercial Grant**

Commercialisation of the BioPharmica project Diagnostic Array Systems has been given a boost with the confirmation of a grant of \$237,232 announced by the Australian Government Minister for Industry Mr Ian Macfarlane.

The grant, awarded to finalise the innovative Lung Disease Diagnostics test will improve the accuracy and rapidity of diagnosis using the DNA-based Back Track System. The successful application for the Australian Government grant was supported by microbiologists, academic and commercial groups across Australia.

The test is being developed to assist doctors to pin point the specific bacteria causing lung infections. It is intended that the results could be available in hours not days, enabling doctors to assist patients with a precise and targeted diagnostic process.

Development of the test is being conducted with the Royal Melbourne Institute of Technology and BioPharmica investee Diagnositc Array Systems.

The proposed project brings together a strong collaboration between scientists, University groups, industry and hospitals. The knowledge and skills of each partner will contribute to optimizing and commercializing the Back Track System.

The grant will further enable the development of a market ready DNA chip by incorporating data from previous clinical sample studies and feedback from commercial consultation conducted using the current test. Developments include:-

- Incorporation of new bacterial species
- Increase the performance of the existing primers and experimental conditions
- Address niche and general market requirements
- Provide supporting data information concerning alternatives to enable incorporation into existing in-house standard operating procedures.

The objective is to produce a market-ready DNA chip with value-added features for the analysis of microbial lung disease. The grant funding will assist in development of the diagnostic functionality of the DNA based array by including additional DNA signatures of other infectious bacterial lung diseases.

The new project development includes the replacement of Principal Investigator Dr. Viraj Perera with the appointment of Dr Steven Shi. Dr Perera has remained a Director of the Company. Dr Shi received his initial training at the Peking University and his Doctorate at the Royal Melbourne Institute of Technology, followed by Post Doctoral work in the United States. He has specialised in work involving DNA analysis and pathogens. The restructuring of the project has resulted in delays against previous objectives for the project.

In announcing the successful grant, Industry minister Mr Ian Macfarlane said "the micro array systems will improve the accuracy & rapidity of diagnosing lung diseases using the DNA based back track system".

Industry Minister Macfarlane also said tests "are undertaken by pathology laboratories which will be the prime purchasers of the back track system either in large hospitals or the independent laboratories that serve medical centers and GP's"

In Australia, 9,139 individuals died from respiratory infections in 2004. This number is increasing with the expansion and ageing of the population. The majority of these tests are performed on the elderly patients, the immunocompromised and the very young children hospitalised or admitted to the emergency departments.

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Yours Faithfully,

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