ASX/Media Release

EQiTX Restructures Vaccine Project

27 June 2006, Melbourne: The Board of Directors of EQiTX Limited (ASX: EQX) announced today a restructure of its synthetic vaccine project into a fully owned vehicle ImmunoTX Pty Ltd.

EQiTX currently holds 42% equity in the vaccine company VacTX Pty Ltd which was formed in January 2004 by EQiTX and the Cooperative Research Centre for Vaccine Technology (CRC-VT). As previously announced, EQiTX is negotiating with the CRC-VT beneficiaries to acquire control of VacTX Pty Ltd. The CRC-VT will close on 30 June 2006 after 13 years of funding through the Australian Government's CRC Programme. These negotiations are ongoing but as yet have not produced an outcome justifying EQiTX providing further funding for the VacTX technology at this time. Accordingly, EQiTX has reduced its corporate engagement in VacTX to the retention of Dr Kevin Fahey as a non executive Director of that company.

To drive the EQiTX focus on immunotherapies, ImmunoTX will develop alternate technology which will allow expanded therapeutic vaccine target applications, accelerated development and full ownership. Additionally, EQiTX has secured employment of the former VacTX scientific team.

"The decision to form a new, fully owned immunotherapeutic company demonstrates the continuing commitment of EQiTX to immunotherapeutic vaccines. It is a positive development which will allow us to focus on diseases that are prioritised according to both commercial and scientific criteria." said Dr Kevin Fahey, non-executive director of EQiTX.

"We intend to employ additional expertise and collaborate with experts in the selected disease areas. This will enable us to use our skills, knowledge and experience to identify novel immunogenic peptides and to adapt our synthetic peptide technology. We plan to enter collaborations with like-minded biopharmaceutical companies in the short to medium term by out-licensing proprietary peptide targets or our own synthetic vaccine technology" he added.

Potential applications for the synthetic vaccines are to prevent or treat diseases such as obesity, type II diabetes, atherosclerosis, cancers, allergies, and inflammatory and autoimmune disorders. In addition to their highly specific disease targeting, synthetic peptide vaccines bring the benefits of greater purity, improved safety, and improved patient convenience and compliance all at a relatively low cost.

"While the move to establish ImmunoTX Pty Ltd to expand our vaccine focus is an initial step, there are ongoing plans for EQiTX to acquire other immunotherapy programmes. This was one of the main reasons Dr Wayne Millen was invited to join

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the EQiTX Board and good progress has been made with the evaluation of exciting opportunities." said Sue MacLeman, Chief Executive Officer of EQiTX.

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About EQiTX (www.EQiTX.com)

EQiTX Limited (ASX:EQX) is a publicly listed Australian biotechnology company with interests in the areas of chronic diseases and age-related conditions. EQiTX is developing a portfolio of technologies to a stage where they will be of commercial interest to multinational pharmaceutical and biotechnology companies. The company's two main programs are the ZingoTX project to develop pharmacologically active compounds for pain management, and the synthetic vaccines project to develop and commercialise novel synthetic immunotherapeutics against a range of human conditions, including infectious diseases, cancer, allergies and autoimmune diseases.