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PharmAust Signs Terms Sheet for Sale of Mimotopes

PharmAust Limited (ASX: PAA) has signed a Terms Sheet with U.S. based Commonwealth Biotechnologies Inc. (NASDAQ: CBTE), that will see Commonwealth Biotechnologies acquire PharmAust's wholly owned subsidiary company Mimotopes Pty Ltd for a scrip consideration valued between AU\$8.6mill and AU\$10.6mill.

The Agreement is subject to the completion of a number of conditions precedent including but not limited to the necessary regulatory approvals, due diligence and the execution of a definitive agreement.

On completion of the transaction, PharmAust will hold between 40% and 45% of NASDAQ listed Commonwealth Biotechnologies Inc.

PharmAust's Managing Director, Dr Paul D'Sylva said "that the Board of PharmAust believes that this deal will unlock shareholder value by virtue of the better corporate proximity of Mimotopes to its key markets, clients and partners and the excellent synergies with CBTE's business."

About Commonwealth Biotechnologies Inc

Founded in 1992, Virginia-based Commonwealth Biotechnologies Incorporated (CBI) provides a complete array of leading analytical and synthetic chemistry analysis technologies, many of which are not available from other commercial sources. CBI serves 2,000 customers worldwide, including biotechnology and pharmaceutical companies, government agencies and academic institutions. CBI's services include DNA analyses, Genomics, Proteomics, Biochemical Analysis, Mass Spec Analysis, Microbiological Services, Pathogen Testing, Food Microbiology, Peptide Services and Protein Sequencing and Drug Discovery. The company also has a DNA reference laboratory that specializes in forensic genetic identity, molecular diagnostics and paternity testing.

About PharmAust Limited

PharmAust Limited is a vertically integrated pharmaceutical group of companies involved in a range of activities from contract drug discovery and development to manufacturing, sales and marketing of healthcare & pharmaceutical products. PharmAust wholly owns three operating subsidiary companies:

- **PharmAust Manufacturing Pty Ltd** manufactures and markets therapeutic and non-therapeutic pharmaceutical products for Australian and overseas markets.
- **Epichem Pty Ltd** provides contract chemistry services alongside its own intellectual property generating research activities.
- **Mimotopes Pty Ltd** provides products and services in discovery chemistry to the global pharmaceutical and biotechnology industries.

Further Comments:

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