



The Company Announcements Platform
ASX Ltd
Sydney NSW 2000

December 20, 2010

Press Release Phylogica Ltd (ASX PYC)

Phylogica Signs Collaboration and Licensing Deal with Pfizer

PERTH, AUSTRALIA - Phylogica Ltd (ASX: PYC), a public Australian drug discovery company, announced today that it has entered into a collaboration and licensing agreement with Pfizer to discover novel peptide-based vaccines. Phylogica will employ its proprietary Phylomer[®] drug discovery platform to identify Phylomer peptides suitable for further evaluation.

Under the agreement, Phylogica grants Pfizer certain rights, including an option to license any resulting Phylomers for further research, development and commercialisation of novel peptide-based vaccines derived from such Phylomers. Under the terms of the agreement, Phylogica will receive an upfront payment of US\$500,000. In addition, Phylogica is eligible to receive a commercial license payment and is also eligible to receive preclinical, clinical and other milestone payments of up to US\$134 million, as well as royalties on worldwide sales.

Dr Paul Watt, the founder and CEO of Phylogica said: "We are delighted to be working with Pfizer. This alliance supports the potential utility of Phylogica's Phylomer drug discovery platform for peptide-based drug discovery. With the present announcement, Phylogica has now entered into three alliances with global pharmaceutical companies within the last 12 months."

- Ends -

CONTACT

Nick Woolf

Chief Financial Officer & VP Corporate Development

Tel: +61 (0) 417 986 005

Email: nwoolf@phylogica.com



NOTES FOR EDITORS

About Phylogica

Phylogica Limited (ASX: PYC) is biotechnology company based in Perth, Australia and Oxford UK, with a world-class drug discovery platform harnessing the rich biodiversity of nature to discover novel peptide therapeutics. The Company was incorporated in 2001 as a spin out from the Telethon Institute for Child Health Research (Perth, Australia) and the Fox Chase Cancer Center (Philadelphia, USA). Phylogica's strategy is to accelerate cash sustainability by focusing on collaborative drug discovery partnerships. The Company's Phylomer[®] libraries have been optimised by natural evolutionary selection for peptides with stable drug-like structures. The unique qualities of Phylogica's Phylomer libraries are validated by its partnerships with Roche, MedImmune (the worldwide biologics unit of AstraZeneca) and Pfizer.

About Phylomer[®] Peptides

Phylomer peptides are derived from biodiverse natural sequences, which have been selected by evolution to form stable structures, which can bind tightly, and specifically to disease-associated target proteins, both inside and outside cells. Suitable targets for blockade by Phylomers include protein interactions that promote multiple diseases, such as infectious diseases, cancer, autoimmunity, and heart disease. Phylomer peptides can have drug-like properties, including specificity, potency and thermal stability, and are capable of being produced by synthetic or recombinant manufacturing processes. Phylomer peptides are also readily formulated for administration by a number of means, including parenteral or intranasal delivery approaches.