



COMPANY ANNOUNCEMENT

Select Vaccines Moves Forward With Its Development Of Hepatitis Kits

21 July 2005: Listed Melbourne biotechnology company, Select Vaccines Ltd (ASX Code: SLT) is seeing the development of its new Hepatitis C diagnostic kit being advanced with the initiation of clinical evaluation trials by the world renowned Burnet Institute.

The move to trials is another important step by Select Vaccines in breaking into global medical diagnostic markets with a range of patented diagnostic kits for the fast detection of various forms of Hepatitis.

The Burnet Institute has been awarded a substantial government grant that will enable it to evaluate the kit's diagnostic and prognostic value in the management of Hepatitis C infections.

It is estimated there are between 270 and 300 million people worldwide who are infected with the Hepatitis C virus (HCV), with up to 4 million of those in US and close to 9 million in Europe. There are believed to be more than 200,000 infected people in Australia. Globally there are estimated to be around 4 million new infections each year.

Managing Director of Select Vaccines, Dr Martin Soust said "For every one person that is infected with the AIDS virus, there are more than four infected with HCV. There is a major demand for a kit to diagnose and predict patients' response to therapy given in the management of HCV infection. Further, there is a need for an assay that can reliably discriminate between recent HCV infections and long-term chronic infections".

He added, "There is a huge market for a HCV kit, with up to 4 million new infections diagnosed each year, while better clinical management of recent infections can reduce the morbidity and mortality associated with HCV infection".

The trial to be conducted at the Burnet Institute will be used to confirm that the new assay is able to detect recent infection with HCV and that it can also be used to monitor the effectiveness of drugs used in the treatment of the disease. In addition, it is expected that the test will be useful in evaluating new antiviral compounds being developed to combat HCV infections.

Select Vaccines is quickly making inroads into overseas markets with its other products. Its Hepatitis E kits are now available for sale and revenue flows to Select Vaccines are expected to commence in the current half year. Discussions are underway for the kits to be sold across many other parts of the world through MP Biomedicals Asia Pacific Pte Ltd (formerly Genelabs Diagnostics Pte Ltd), which holds the rights for the product worldwide (apart from the USA).

Select Vaccines expects to derive substantial revenues through a suite of licensing deals, with its first deal signed in July 2004 with MP Biomedicals.

MP Biomedicals, a company servicing the life sciences industry with a comprehensive line of over 55,000 products, is currently investigating the possibility of manufacturing Select Vaccines' kits in China and India, where the current market for tests is growing at more than 20 per cent each year.

Apart from its Hepatitis E kit and the Hepatitis C kit, Select Vaccines currently has a Hepatitis A kit under evaluation. Hepatitis A is a global disease, with more than 30 per cent of the developed world's population having been infected, with 1.5 million new cases in the US found each year. The company is also developing vaccines targeting infectious diseases.

About Select Vaccines Limited

Select Vaccines is developing new products to combat infectious diseases. Select has two project companies, Hepgenics Pty Ltd and Picoral Pty Ltd, which undertake different areas of research and development. Hepgenics is developing world first diagnostics and vaccines. Picoral's research interests cover the development of therapeutic products targeting a range of illnesses that includes the common cold, meningitis and encephalitis. Select Vaccines is in partnership with Melbourne's Burnet Institute to develop and commercialise research outcomes in the areas of diagnosis, vaccination and therapy for infectious diseases caused by viruses. The Burnet Institute, established in 1986, is Australia's leading research organisation in the field of infectious diseases caused by viruses and other agents.

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