AVEXA

A Focused Anti-infectives Company

September 2004

Avexa

Forward Looking Statements

Statements in this presentation other than historical information are forward-looking statements subject to risks and uncertainties.

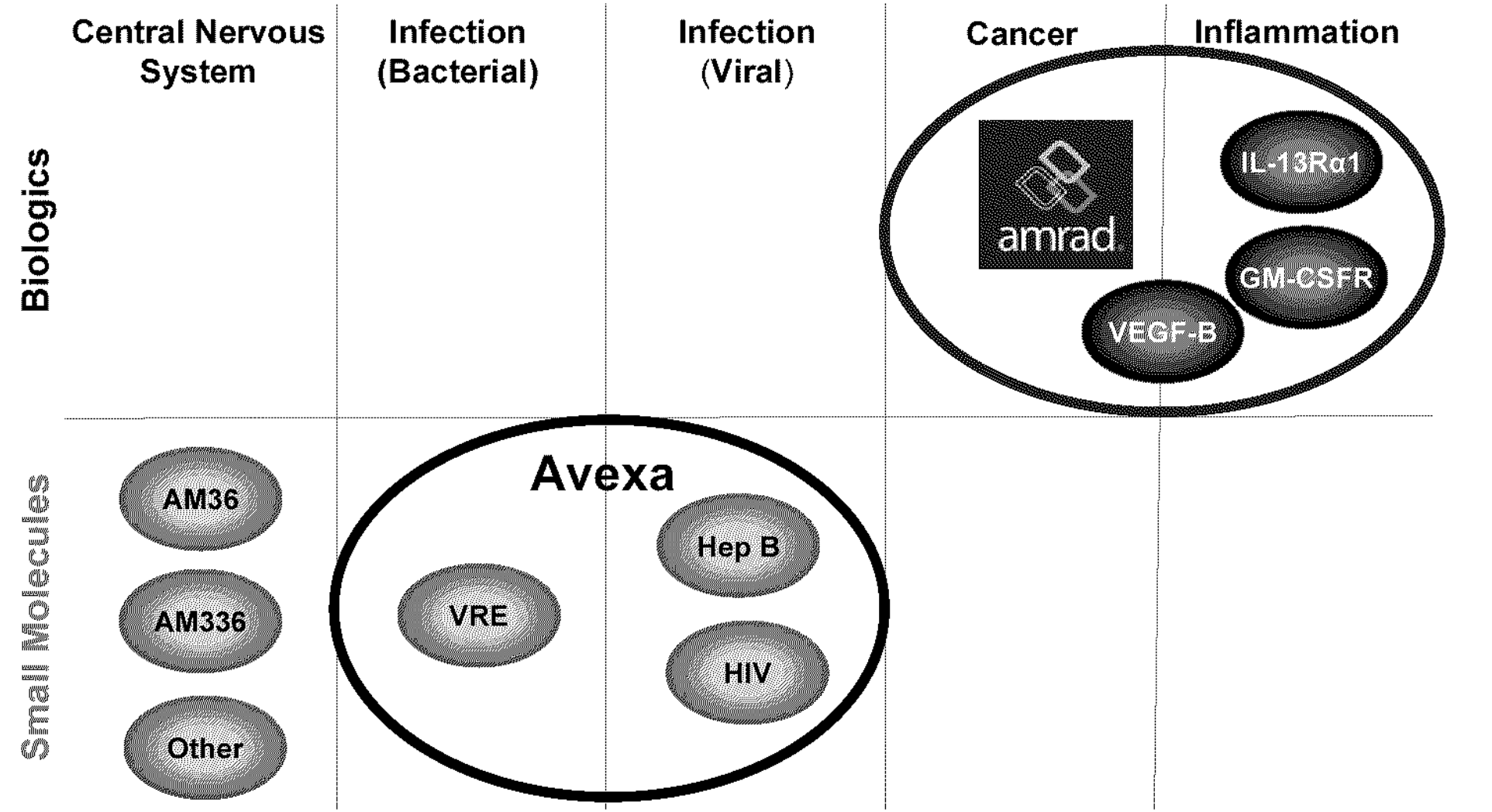
Actual results could differ materially depending on factors such as the availability of resources, the results of pre-clinical proof-of-concept studies, the timing and effects of regulatory actions, the strength of competition and the effectiveness of patent protection.

Additional information regarding risks and uncertainties is set out in the Information Memorandum dated 5 July 2004 available from Avexa on request.

Avexa

- History
- Anti-infectives drug market
- Avexa's research programs
- Avexa's management & financials
- Summary

De-merging Avexa



Avexa – why de-merge?

- Achieve logical split in anti-infectives & biologicals
- Realise value for the anti-infectives business which previously had very little value in the Amrad share price
- Avexa is a focused anti-infectives company with dedicated resources and funding for its 3 key projects

Avexa - today

- Avexa has
  - Focused management and business development
  - Experienced drug discovery and development team
  - Strong internal team established for > 5 yrs
  - Big-Pharma experience in anti-infectives drug development
    - Involved in the development of 4 launched drugs

Avexa - today

- Avexa's research will
  - Focus on areas of significant unmet medical need with high market potential:
    - HIV, Hepatitis B (HBV), and antibiotic-resistant infections (VRI)
  - Discover and develop innovative compounds/technologies which have a competitive edge
  - Develop key anti-infective compounds to the point of proof-of-concept in animals

AVEXA

Market opportunity

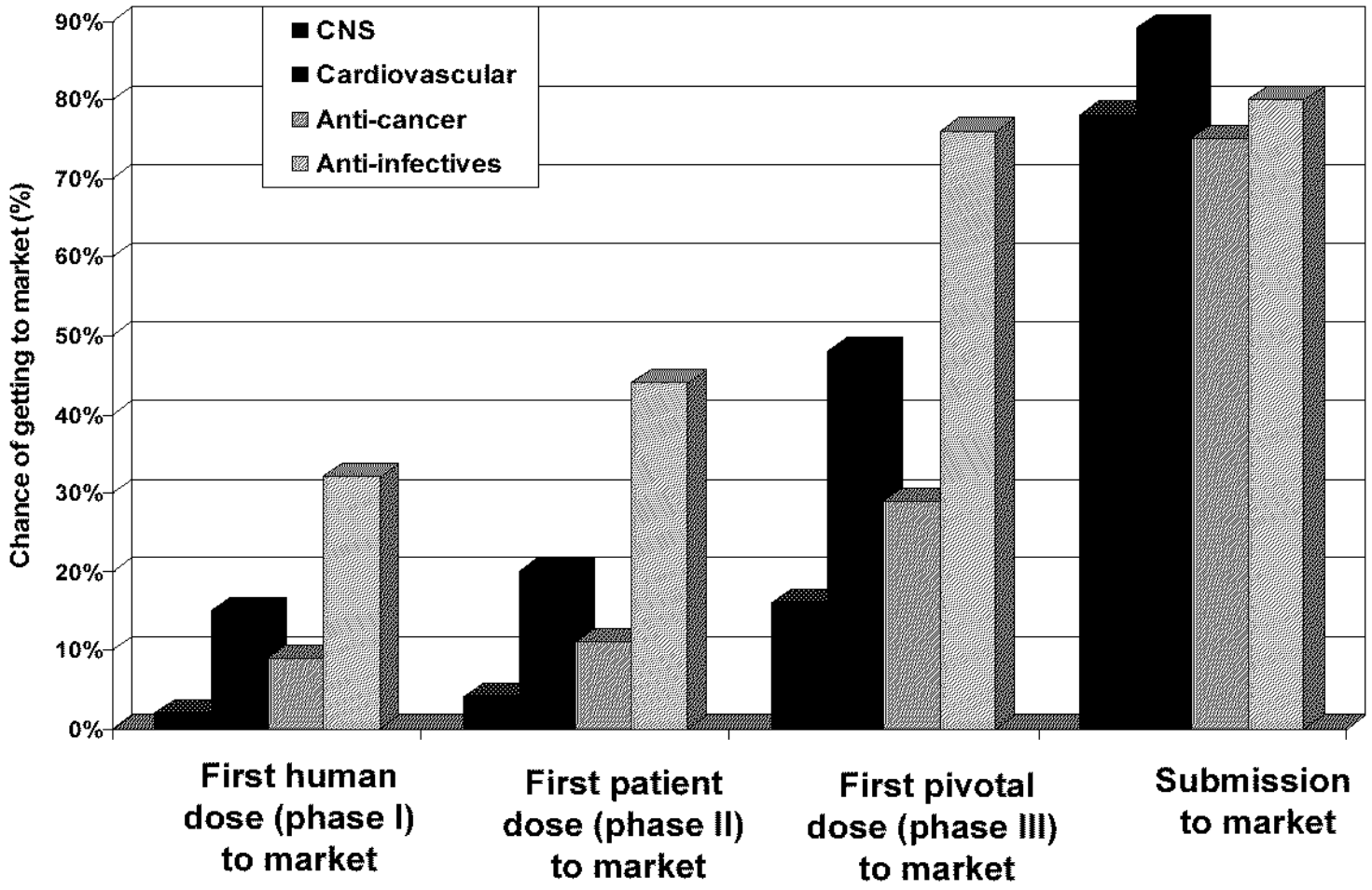
The anti-infectives market

- **Large, enduring unmet medical need:**
  - **Development of resistance continuing concern**
  - **HIV is the fourth largest cause of death globally**
- **Large, growing commercial markets**
  - **Global antivirals US$ 8.7bn (2001), projected US$14bn 2007**
  - **HIV >US$ 5.8 billion (2002)**
  - **HBV >US$ 400 million (2002)**
- **Potential for several market entrants**
  - **Viread, seventh HIV NRTI, US$ 566 million (2003)**

The anti-infectives market

- Clearly defined development regulatory pathways
- Significant assistance available from regulatory bodies
- Excellent preclinical models
  - Indicate drug-like compounds early in development life
    - Early data = early defined value
- Clearly defined preclinical & clinical endpoints
- Lower cost & faster to set decision points
  - Fail early = fail cheaply

Anti-infectives – High rate of success



Source: CMR International

AVEXA

Recent deals for anti-infectives

Date	Licensor	Licensee	Class	Status	Deal Structure
2001	Medivir	Chiron	HCV protease inhibitor	Discovery	Option to license, up to US$10m
2002	Medivir	Roche	HIV NNRTI	Preclin	US$5m upfront, up to US$42m milestones and royalties
2003	Medivir	Boehringer	HIV NRTI	Phase II	Up to US$198 plus double digit royalty
2003	Medivir	GSK	HIV NRTI	Phase I	US$7m upfront Milestones and royalties
2003	Idenix	Novartis	HBV polymerase inhibitor	Phase II	US$75m upfront Royalties
2003	Idenix	Novartis	HCV polymerase inhibitor	Phase I	Up to US$175m in milestones and royalties

Anti-viral biotechs can rapidly build value

Date	Target	Acquirer	Acquisition value	Approx. age of company	Project Portfolio
April 2002	Tibotec	J & J	100% for US$320m	9 years	2 HIV Phase II HCV discovery HIV screening test
Dec 2002	Triangle	Gilead	100% for US$464m	7 years	1 HIV NDA submitted 1 HBV Phase III 1 HIV Phase II 1 HBV Phase I
March 2003	Idenix	Novartis	51% for US$255m	5 years	1 HBV Phase III 1 HBV Phase II 1 HCV preclinical 1 HIV discovery

AVEXA

Current drug development programs

Avexa - Pipeline

Disease Indication	Research	Lead Compound	Preclinical	Phase I	Phase II
Hepatitis B	Non nucleoside		Q1 2005	Q4 2005	Q4 2006
HIV	HIV integrase		Q1 2006	Q1 2007	
VRI	Antibiotic		Q1 2006	Q4 2006	

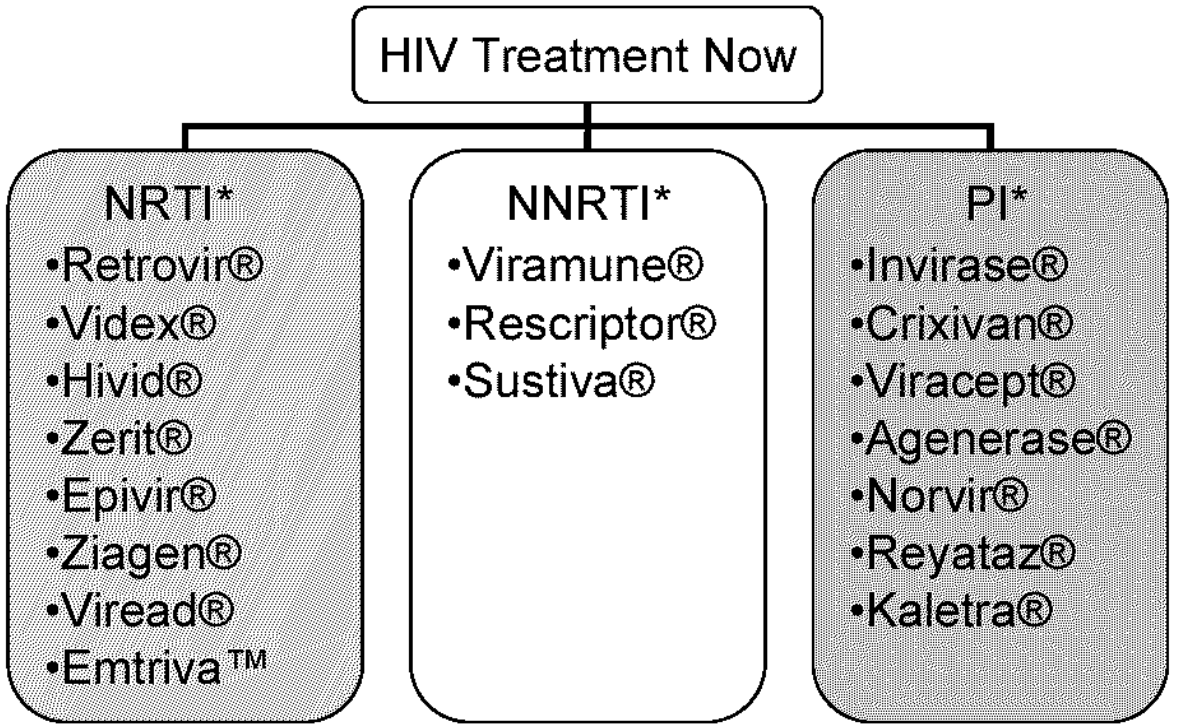
AVEXA

HIV Integrase

HIV - Background

- Ongoing need for new drugs
  - With better side-effect profiles
  - New classes to counter drug resistance
- Current >US$5bn market for HIV drugs suggest large market potential
- Established rapid development path for HIV drugs
- Avexa's HIV program is focused on discovering compounds which inhibit HIV integrase,
  - an enzyme which HIV needs to replicate.

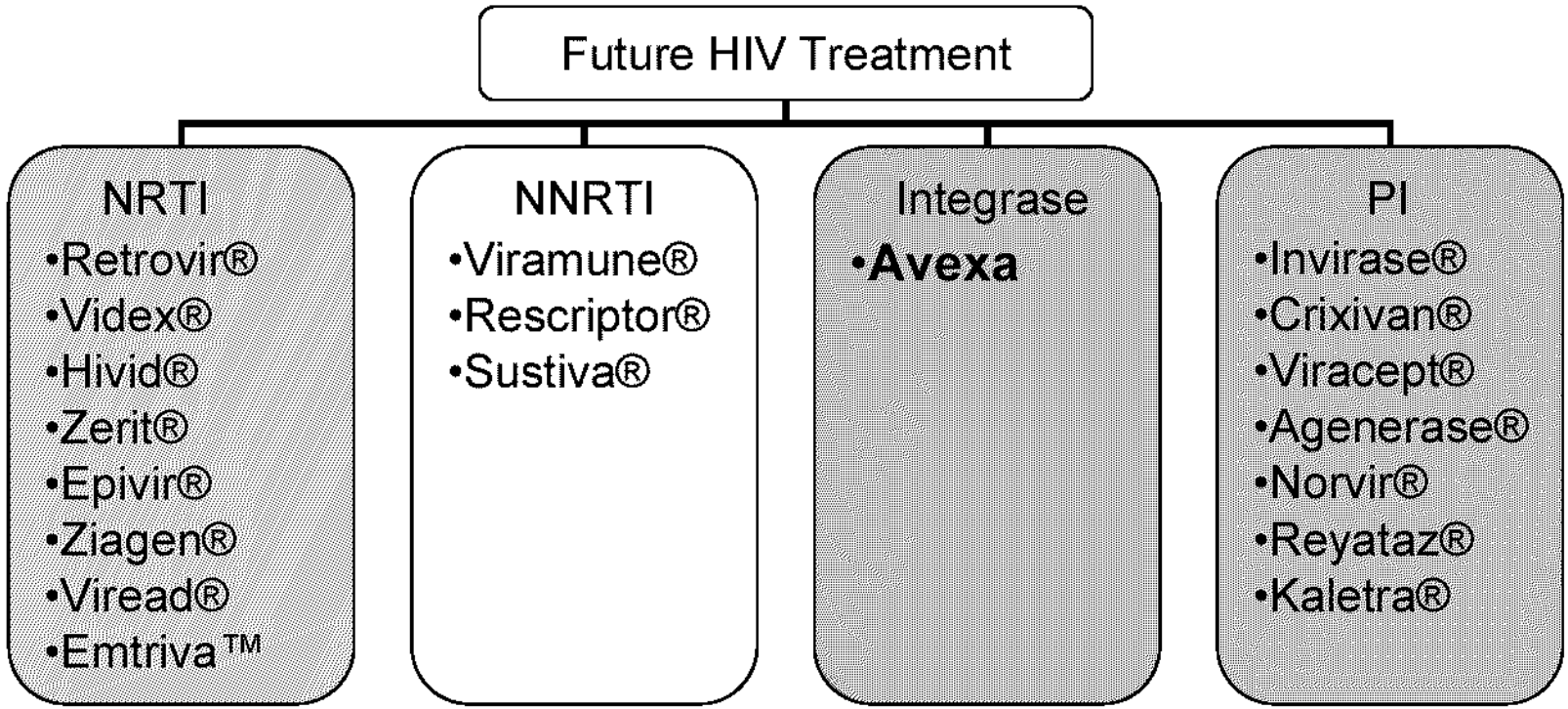
HIV – Current treatment



Early treatment	2 NRTIs	NNRTI	
Later treatment	1 or 2 NRTIs	NNRTI	PI
Salvage treatment	1 or 2 NRTIs	NNRTI	PI or Fusion inhibitor

* NRTI = Nucleoside reverse transcriptase inhibitor; NNRTI = Non-nucleoside RTI: PI = Protease inhibitor

HIV Integrase – a potential new class



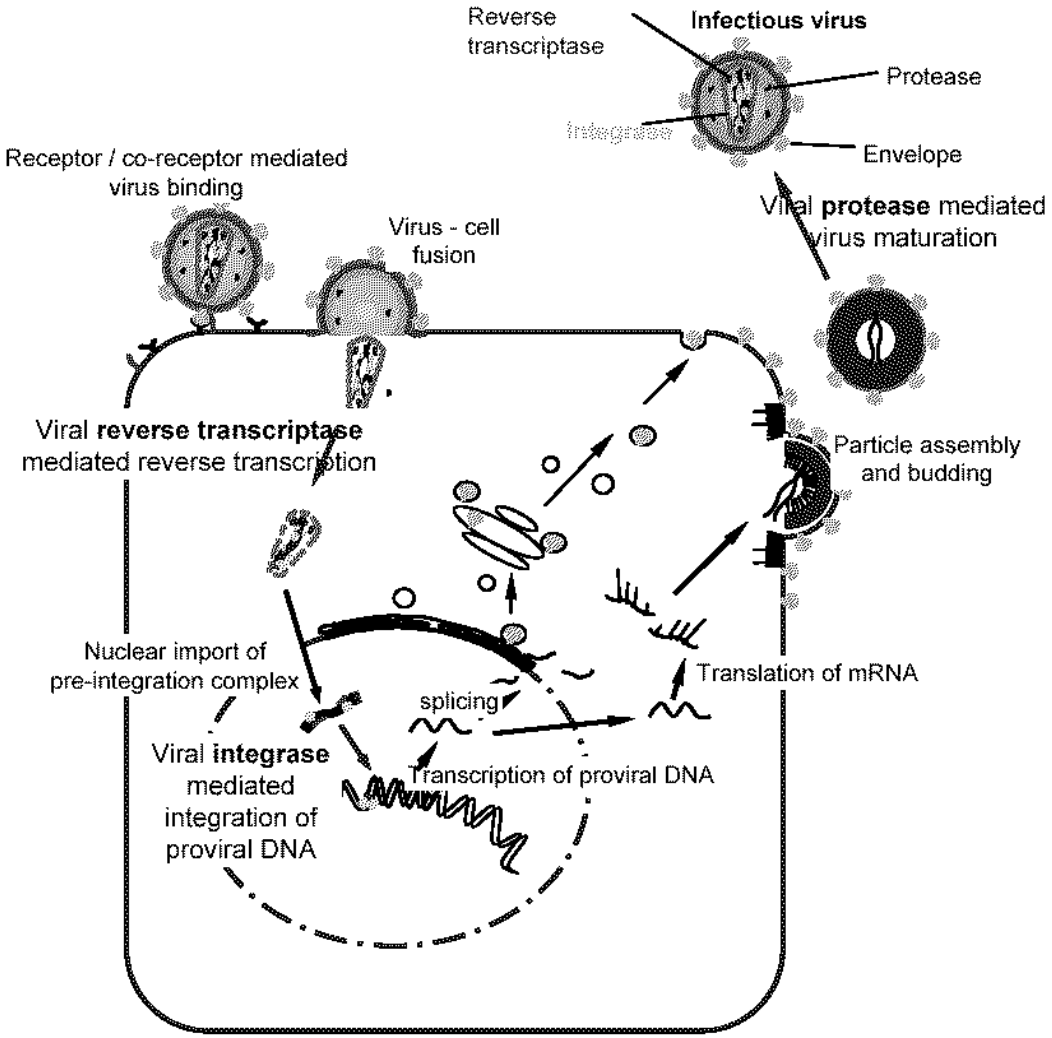
Early	1 NRTI	NNRTI	Integrase	
Later	1 NRTI	NNRTI	Integrase	
Salvage	1 or 2 NRTIs		Integrase	PI or Fusion inhibitor

* NRTI = Nucleoside reverse transcriptase inhibitor; NNRTI = Non-nucleoside RTI: PI = Protease inhibitor

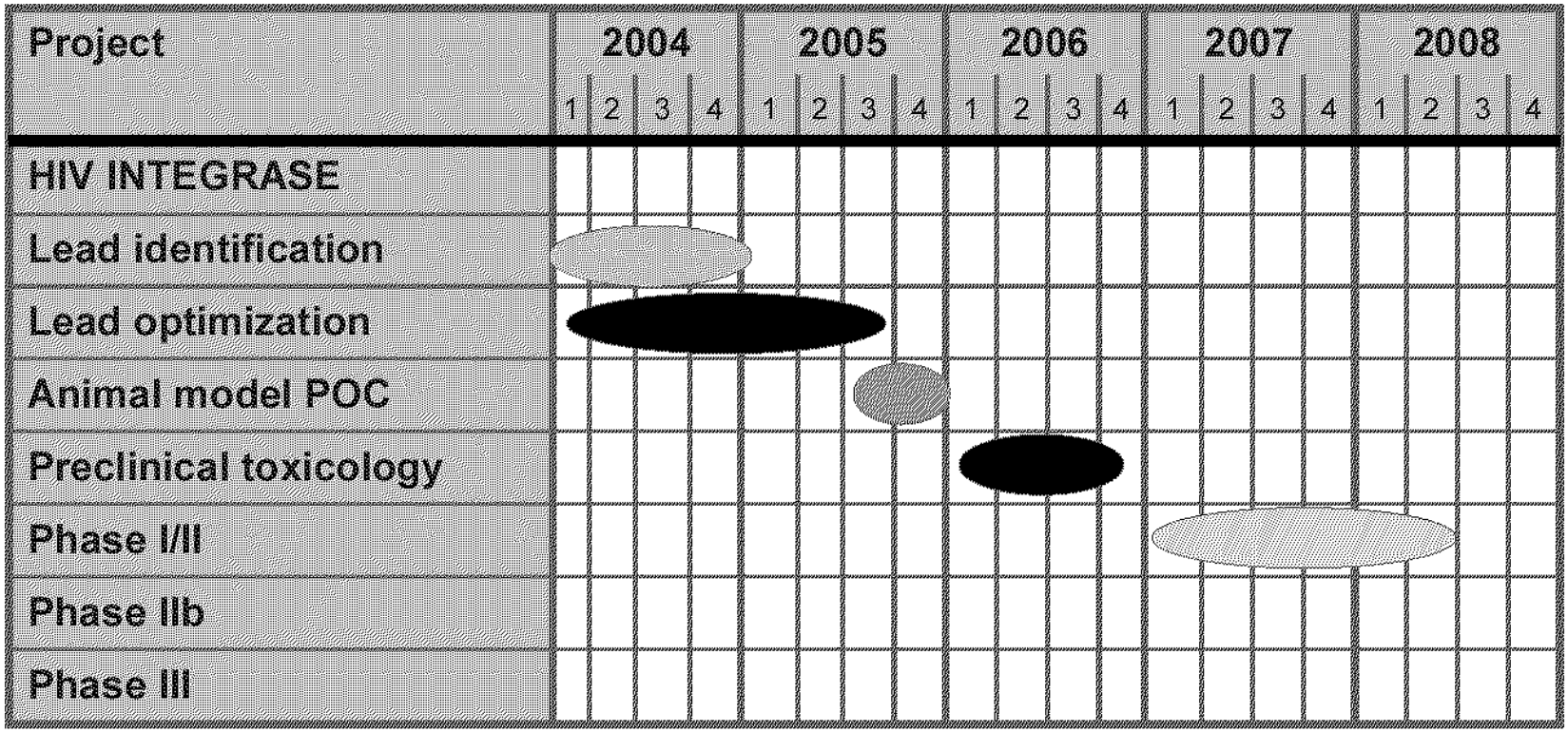
HIV Integrase

- Avexa has a window of opportunity to develop one of the first HIV integrase inhibitors to reach the market, as:
  - there is no drug currently marketed that is active against HIV integrase; and
  - there is only one HIV integrase inhibitor currently known to be in clinical trials.
- An HIV integrase inhibitor would represent an entirely new class of HIV compounds.
  - It could be used in combination with existing therapies
  - could revolutionise the treatment of HIV resulting in market expansion
    - Like the introduction of protease inhibitors

HIV replication cycle



HIV: Status and future milestones



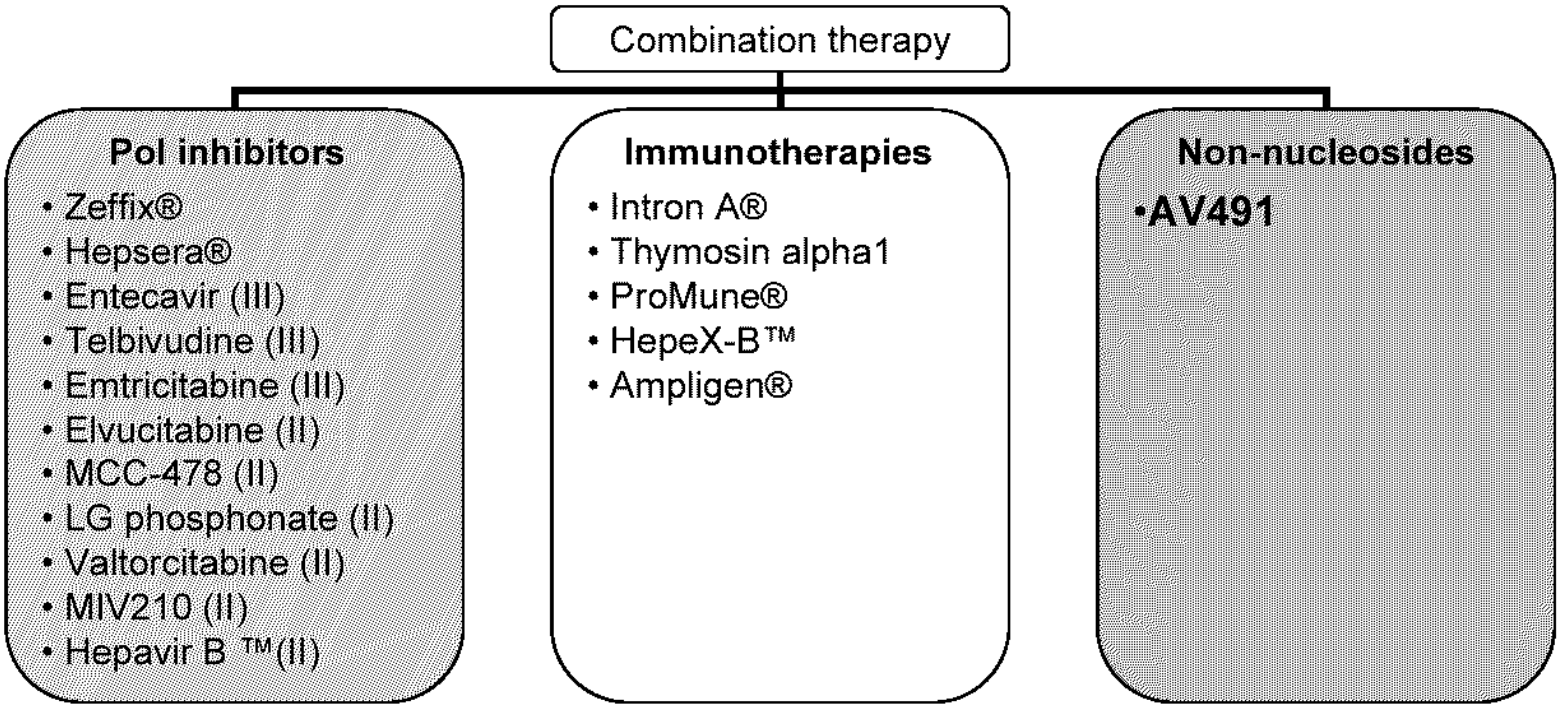
AVEXA

Hepatitis Non-Nucleoside

HBV non-nucleoside inhibitors

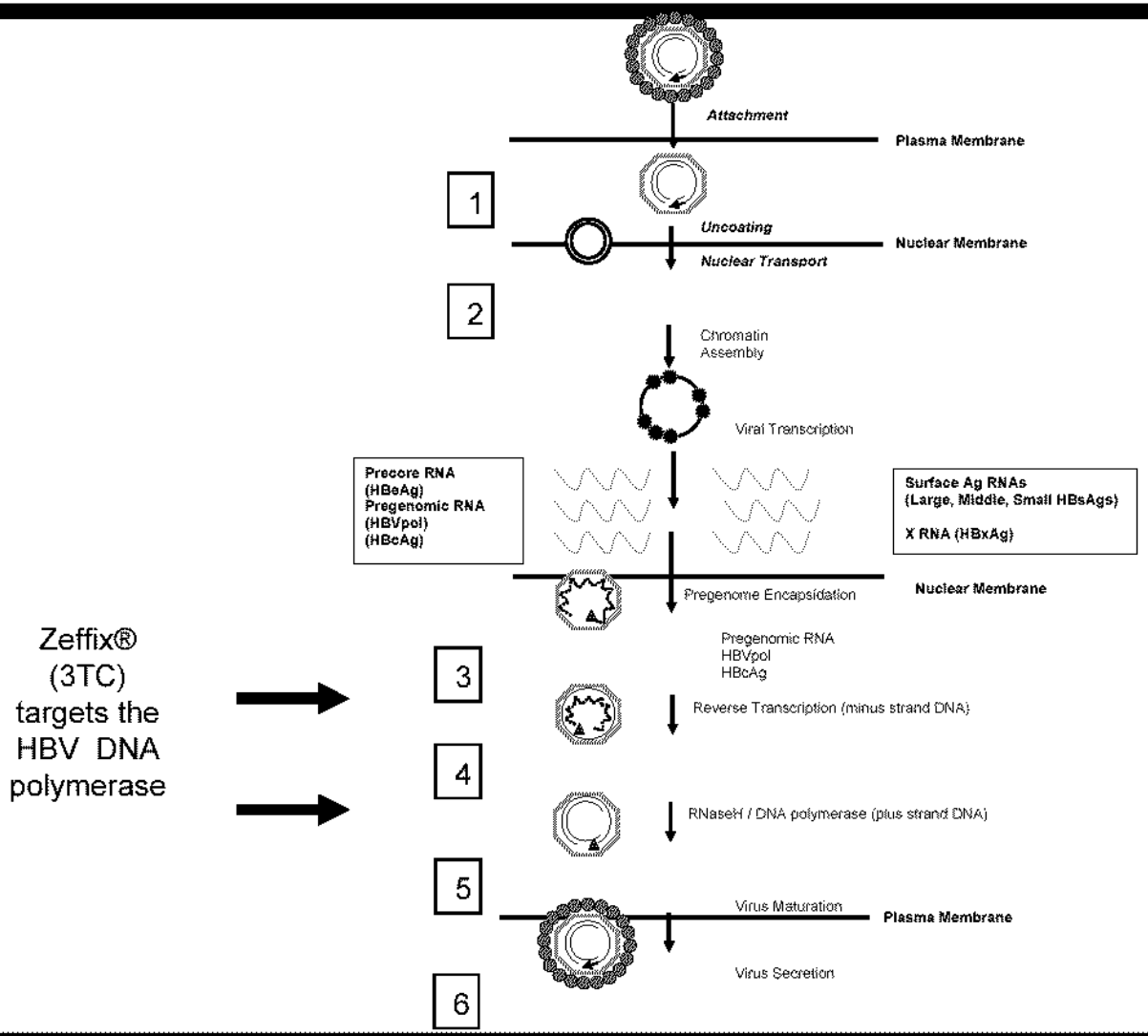
- Large market potential
  - 350-400 million carriers of hepatitis B worldwide
  - Major causes of liver failure and cancer requiring transplant
  - Market expected to grow to >US$1B by 2008 (Datamonitor)
- Avexa's project is focused on non-nucleoside compounds
  - target a different step in the replication of HBV to other drugs
- Could be first in a new class of drugs
  - used alone, especially in cases of resistance
  - or used in combination with other existing HBV treatments

HBV therapy



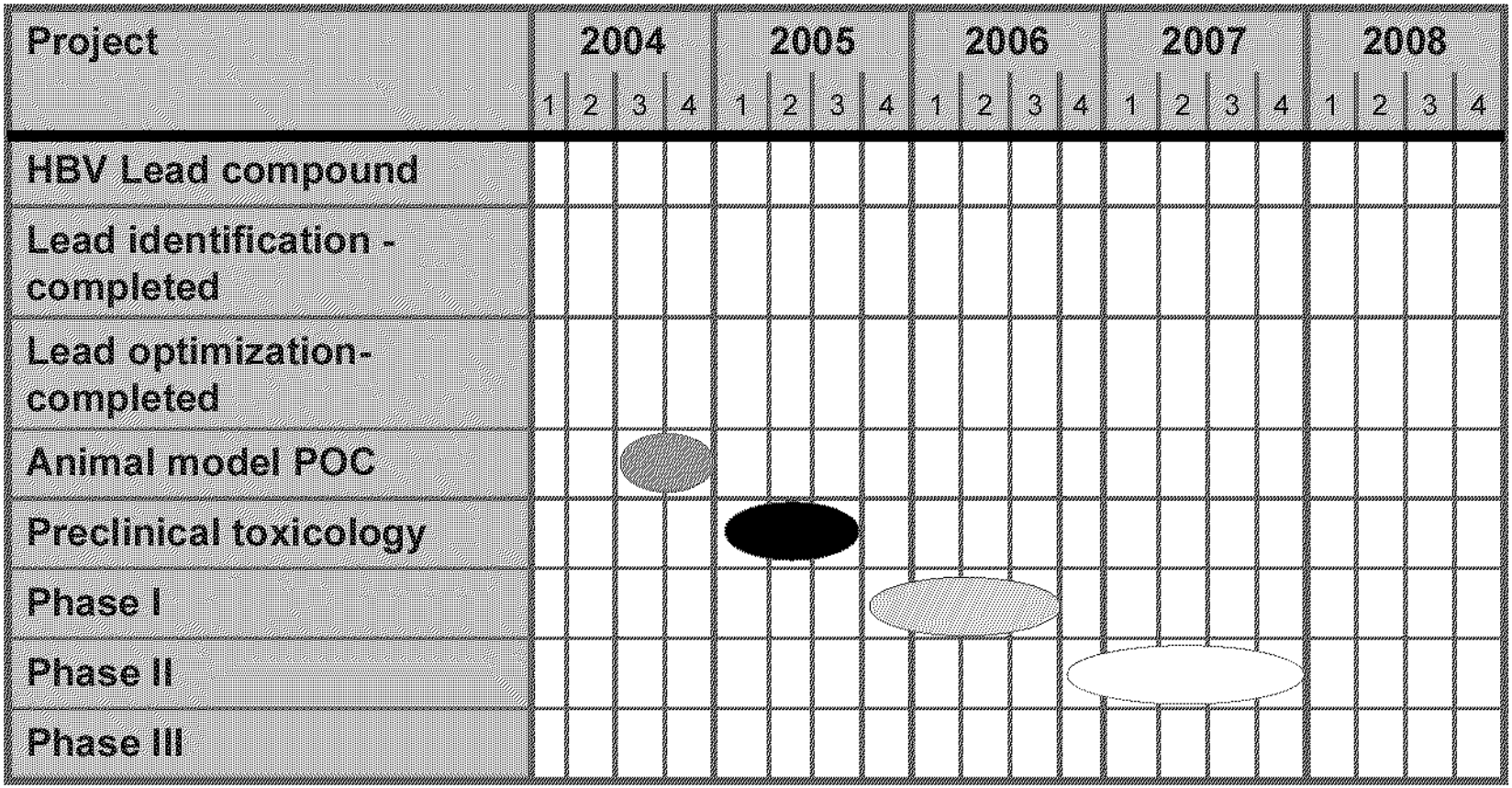
Treatment now	Zeffix or Hepsera	+	Intron A		
Future treatment?	Pol inhibitor	+	immunomodulator	+	AV491

HBV replication



Zeffix® (3TC) targets the HBV DNA polymerase

HBV: Status and future milestones



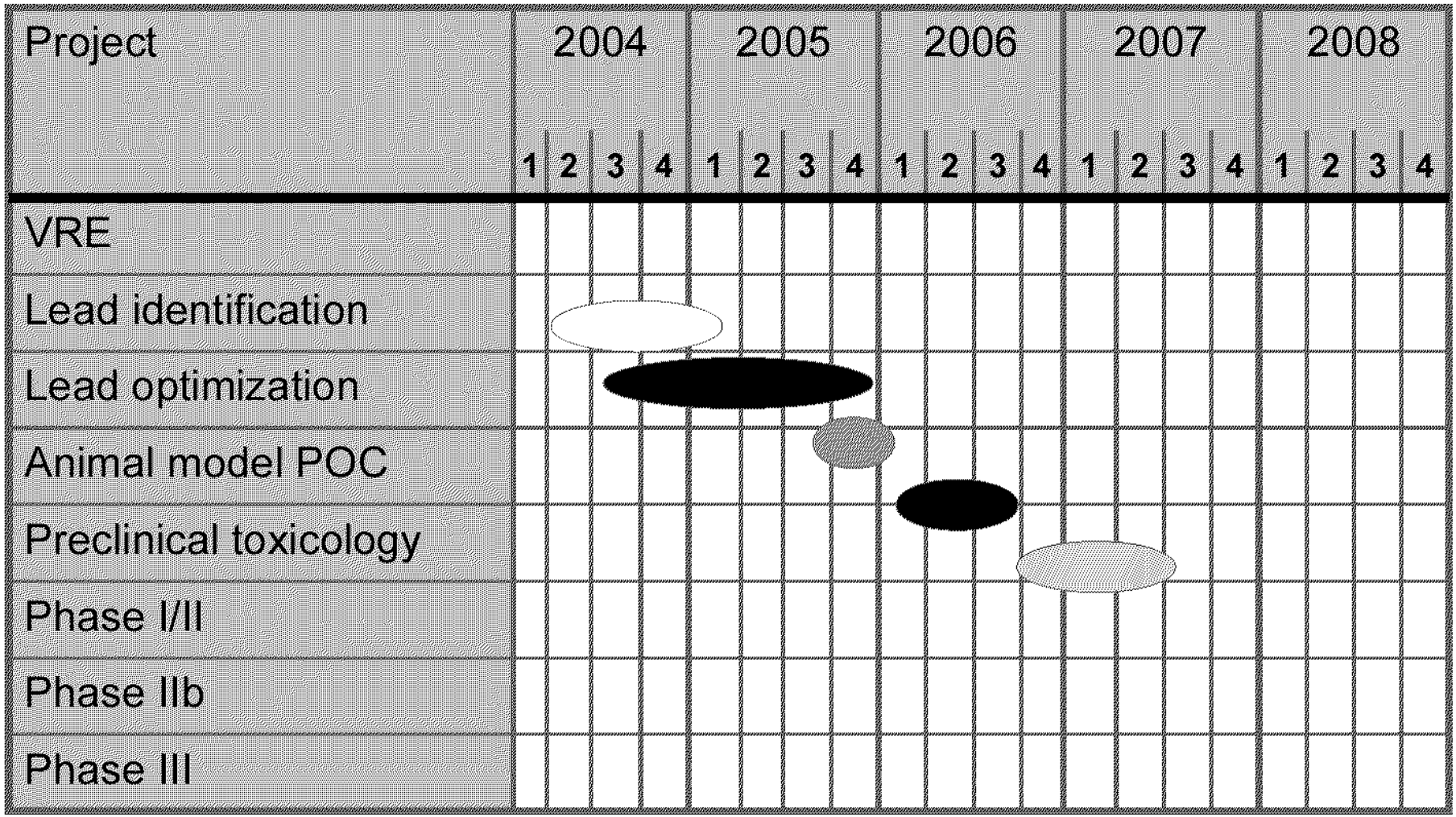
AVEXA

Vancomycin Resistant Infections

Vancomycin resistant infections

- Resistance to vancomycin becoming more frequent
  - continued market opportunities for new drugs
- Commercial opportunities for antibacterial biotechs
  - Basilea, est. 2000, $161M IPO, one Phase II & 3 research programs

Vancomycin resistant infections



Avexa - Projected major milestones

- **CY 2005**
  - **HIV integrase inhibitor animal model complete**
  - **HBV non-nucleoside completes POC in animals**
  - **HBV non-nucleoside start Phase I***
  - **VRI anti-bacterial lead animal model complete**
- **CY 2006**
  - **HIV Integrase inhibitor –start Phase I/II***
  - **HBV non-nucleoside Phase I complete***
  - **HBV non-nucleoside start Phase II***
  - **VRI lead preclinical tox complete***
  - **VRI lead start Phase I***

**Dependant on raising additional funds*

AVEXA

Management

Avexa - Board

- **Dr. Hugh Niall (non-Ex Chairman)**
- **Ms. Helen Cameron (non Ex-Dir)**
- **Dr. Julian Chick (CEO & Ex-Dir)**

Will add new board members

Avexa - Management

- **Dr Jonathan Coates (CSO)**
  - **Ex Glaxo & GlaxoWellcome**
  - **Discoverer of lamivudine (3TC), Zeffix®/Epivir®, US$Bn drug**
  - **Worked on Relenza, Head several virology projects at Glaxo**
  - **>25 years in drug development**

- **Dr Susan Cox (Head of Virology)**
  - **Ex Glaxo, Astra & Medivir**
  - **Assoc. Prof. at Karolinska Institutet (Home of Nobel prize)**
  - **Development of foscarnet for CMV in HIV**
  - **> 16 years in drug development**

- **Dr John Deadman (Head of Chemistry)**
  - **Ex-Trigen**
  - **3 projects into clinical trials**
  - **>15 years in drug discovery**

AVEXA

Financials

Financials

- De-merged with AUD$12M
  - 2 years funding
- Budgeted to take each project to end of animal model POC
  - Provides a good indication of drug efficacy
- Aim to raise additional funds for clinical program

Use of funds

Activities	Amount A$M
HBV program	2.5
HIV program	5.0
VRI program	2.6
Overheads	1.7
Total	11.8

Major shareholders

80 Million shares on issue

Top 20 holds 77.8%

Shareholder	Holding
Amrad	19.9%
Circadian	17.6%
Victorian Government	12.3%
Thorney	8.6%
QIC	8.3%
Total	66.7%

AVEXA

Key Points

Key points

- Established ‘pure play’ anti-infectives company
  - Large, growing markets (HIV and HBV)
  - Looking for partnering opportunities
- Established rapid development paths for anti-infectives with clear decision points
  - Expedited approval e.g HIV
- Established team in all antiviral drug discovery disciplines
  - Assays, optimization, discovery and development
- Big Pharma R&D experience and international networks
- 2 years funding sufficient to obtain proof of concept in 3 programs
  - Adds significant value to the project

AVEXA

Listing 23rd September 2004

Ticker: AVX