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Major Boost to Epichem Drug Discovery Project

Echo Technologies (EHO) is pleased to announce that Epichem Pty Ltd (EHO 80%) has today received a major boost to its collaborative antiparasitic drug discovery project with Murdoch University, with its lead compound, EPL-AJ1008, passing the bacterial reverse mutation test. The Test, often referred to as the Ames Test, is a key indicator of a compound's genotoxicity and is a critical step in the development of any new drug candidate.

Epichem Managing Director, Dr Wayne Best, said: "This project has produced a range of compounds that have shown excellent activity against a number of important animal and human parasitic diseases including trypanosomiasis and leishmaniasis.

"These diseases, for which there are currently no effective treatments, have enormous social and economic impact in Africa, South and Central America, and Asia."

Epichem is collaborating with Professor Andrew Thompson, a recognised world leader in the field of parasitology, who Heads both Murdoch University's Department of Parasitology and the Centre for Biomolecular Control of Disease.

The project, which is funded by the Australian Research Council (ARC) and pharmaceutical giant GlaxoSmithKline (GSK), has attracted interest from the World Health Organisation (WHO) due to its potential to deliver affordable and effective drugs for diseases in developing nations.

Echo Technologies Managing Director, Mr Bryant McLarty said: "The partnership combines the synthetic and medicinal chemistry skills of Epichem with the parasitology expertise and bioassays of Murdoch University in a truly unique and productive way."

Dr Best said: "Work will now continue using EPL-AJ1008 as a template, optimising the structure of the molecule to improve its properties and make it more suitable for development as a commercial pharmaceutical."

It is envisaged that a patent will be filed in the near future to protect these novel compounds. Epichem and Murdoch University will share commercialisation returns from this Intellectual Property.

While a commercial pharmaceutical from the project is at least several years away, this latest result has generated considerable excitement and confidence that will drive the project forward.

Echo Technologies, which is to be re-named PharmAust Limited, has today lodged a prospectus to raise \$5.5 million by issuing 27,500,000 shares at 20 cents each.

The Prospectus is available at www.pharmaust.com

About Epichem Pty Ltd

Epichem provides synthetic and medicinal chemistry services, primarily on a contract basis, to the drug discovery and pharmaceutical industries both in Australia and overseas. Its new state of the art laboratory is one of the best-equipped facilities in the Southern Hemisphere for the synthesis of new drug analogues. Since opening for business in February, Epichem has rapidly expanded from its original five chemists and now has a total staff of nine. Epichem expects to employ an additional two chemists by the end of the year to cope with the demand.

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