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PharmAust and Pure Vaccine Solutions L.L.C. enter into Exclusive Strategic Alliance and R&D Agreements

- Signs new strategic alliance agreement with US based vaccine company
- Exclusive worldwide agreement
- Access to US\$500M global vaccine development market
- Developing novel vaccine to avian influenza ("bird flu")

PharmAust Limited (ASX:PAA) is pleased to announce that its wholly owned subsidiary, Mimotopes Pty Ltd, and Pure Vaccine Solutions L.L.C, a privately-owned biotechnology company formed by Emergent Technologies, one of the largest biotechnology venture capital funds in Texas, U.S.A, have signed an exclusive and global Strategic Alliance Agreement to provide peptide products and immunological screening services to vaccine companies and have entered into a joint-venture research collaboration to develop a novel vaccine to avian influenza ('Bird Flu').

The agreement, which commenced in May 2006, will see Mimotopes join forces with Pure Vaccine Solutions ("PVS") to cross-promote and market a full suite of products and services for vaccine development. "The alliance will offer vaccine developers a unique platform to develop novel peptide based vaccines by bridging current screening gaps and considerably shortening the route to commercialisation", said Dr Nicholas Ede, Research Director of Mimotopes. "We are excited by the opportunity to apply our knowledge and experience in peptide mapping to PVS's expertise in immunology and vaccine development", Dr Ede added.

PharmAust Managing Director Dr Paul D'Sylva said: "This collaboration builds on and extends Mimotopes' fee-for-service peptide synthesis business into the development of high value and novel vaccine products for downstream revenue growth through commercialisation. We are delighted with the opportunity to apply our unique technologies and know-how in conjunction with a world-renowned collaborator in the development of a vaccine to avian influenza".

PVS Managing Director, Mr. Tony Taylor commented, "This collaboration addresses the strategic need for specificity and high fidelity in designing a vaccine for avian flu." Mr. John Hoopingarner, PVS Chief Operating Officer, added "We are delighted that through Mimotopes the world's vaccine researchers will have immediate access to our proprietary PolyScreenTM and PolyTestTM assays which can be custom built to accelerate vaccine design and validation.

We are confident that PVS Chief Scientist, Dr. William Hildebrand who is a world leader in vaccine research, and Dr. Rico Buchli, PVS Director of Research who perfected the PolyScreen™ and PolyTest™ assays, will achieve early, successful results for the collaboration and its clients.”

Further Comments:

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About Mimotopes

Mimotopes is a wholly-owned subsidiary of PharmAust Limited and is a recognised leader in the development of pre-clinical peptides for biological and pharmaceutical applications. Established in Melbourne, Australia in 1988, Mimotopes has sales offices and distribution channels in the US, UK, Europe, Japan, India and China. Mimotopes’ strong proprietary intellectual property position, coupled with the extensive experience and in-depth know-how of its highly trained staff, make it a partner of choice for leading research and discovery companies.

About Pure Vaccine Solutions

PVS is a wholly-owned subsidiary of Pure Protein L.L.C. and is commercialising innovative technologies for discovery and development of novel immunotherapeutics. The company has research and business collaborations with several major corporate and academic partners in North America and Europe. Visit the website at www.pureproteinllc.com. Pure Protein was founded in 1999 by Emergent Technologies which is an Austin, Texas-based venture capital firm that specialises in forming, funding, commercialising, and managing biotech companies for the purpose of converting institutional and university-based technology into high return ventures. Visit the website at www.emergentechnologies.com.