

ASX Announcement

BioDiem partners with leading U.S. Organization: Foundation Fighting Blindness

Melbourne, 30 May 2012: Australian vaccine development company BioDiem Ltd (ASX: BDM) announces a research agreement with the Foundation Fighting Blindness and the University of Miami, in the United States, to test BioDiem's proprietary therapeutic BDM-E in a pre-clinical model of the inherited degenerative eye disorder retinitis pigmentosa (RP). The study will help to evaluate the potential of BDM-E to treat retinitis pigmentosa and the spectrum of RP-like diseases in humans.

Highlights

- In prior studies undertaken by BioDiem, the BDM-E compound has shown exciting promise in the area of retinal disease
- Retinitis pigmentosa affects between an estimated 100,000 and 120,000 people in the U.S. alone
- The Foundation Fighting Blindness study will provide insight into the potential for BDM-E to treat retinitis pigmentosa and the spectrum of RP-like retinal degenerations
- BioDiem has submitted a new provisional patent for BDM-E analogues and will present research results in Berlin in July 2012

Retinitis pigmentosa is a serious eye disease that causes progressive degeneration of the delicate light receptor cells in the retina, which over time diminishes night and peripheral vision and eventually leads to blindness. This condition affects between an estimated one in 3,000 to one in 5,000 people, equivalent to approximately 100,000 to 120,000 people in the U.S. alone, and two to two and one-half million people worldwide. Currently there is only one therapy, vitamin A supplementation, which can benefit a subgroup of people with retinitis pigmentosa by slowing progression of disease. There are no therapies, however, that can prevent retinal degeneration or restore vision lost. The study will examine the protective ability of BDM-E in a non-clinical model of an inherited eye degeneration disorder that mimics retinitis pigmentosa.

The research will take place at the Foundation Fighting Blindness – National Neurovision Research Institutes' Pre-Clinical Assessment Center at the internationally recognized Bascom Palmer Eye Institute, University of Miami, under the directorship of Dr. Rong Wen, Professor of Ophthalmology. Industry-leading peptide supplier Mimotopes will produce BDM-E for the study.

The National Neurovision Research Institute (NNRI) is a non-profit support organization of the Foundation Fighting Blindness, which was founded in 1971 to fund the research that will lead to preventions, treatments and cures for the entire spectrum of retinal degenerative diseases. The NNRI is charged with assisting the translation of fundamental research into clinical trials, and ultimately accelerating the availability of patient therapies.

Additional characterization work on BDM-E conducted both in Australia and overseas by BioDiem has been completed, and the company has submitted a new provisional patent covering BDM-E analogues. This will further strengthen the patent position of BDM-E and enhance its attractiveness for out licensing or a sale in line with BioDiem's strategy for this asset.

The research that forms the basis for this new patent will be presented at the Biennial Meeting of the International Society for Eye Research (ISER) in Berlin in July 2012, one of the most eminent gatherings of ophthalmology researchers in the world.

"The BDM-E compound has shown exciting promise in the area of retinal disease, and we are pleased to be furthering BDM-E's characterization and our research partnerships through this new association with the Foundation for Fighting Blindness and the University of Miami," said BioDiem Chief Executive Officer Julie Phillips.

"The world-class research conducted by our partners will give investors confidence in the authority of the results, and contribute to the rounding out of BDM-E's data package in anticipation of a high value divestment, as part of BioDiem's strategy to increasingly focus on infectious disease."

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About BioDiem Ltd

BioDiem is an ASX-listed company based in Melbourne with an international focus on discovering, developing and commercialising world-class research and technology for vaccines. BioDiem's core technologies derive from its expertise with the Live Attenuated Influenza Virus (LAIV), which has been developed as an intranasal vaccine to prevent infection from seasonal and pandemic influenza. BioDiem is also developing non-LAIV assets including BDM-E and BDM-I.

BDM-E is a tetrapeptide being developed as a treatment for ophthalmic disorders. In September 2010 the United States Food & Drug Administration (USFDA) granted Orphan Drug designation to BDM-E for the treatment of retinitis pigmentosa, a degenerative disease of the retina. Both compounds are being further characterised through research partnerships with internationally recognised laboratories.

BDM-I is a synthetic compound active against a range of pathogenic micro-organisms including gram-positive and gram-negative bacteria, fungi and protozoa. Key patents have been filed around BDM-I's antimicrobial action. BDM-I is being developed for the treatment of serious human infections with outlicensing as the intended outcome.

BioDiem's LAIV influenza vaccine can be produced using egg-based and cell-based manufacturing methods. The cell-based LAIV vaccine has completed a Proof of Concept (Phase II) clinical trial. The egg-based LAIV vaccine technology is licensed to the World Health Organization as part of the Global Pandemic Influenza Action Plan to Increase Vaccine Supply. This allows governmental and non-governmental organizations or private companies in developing countries to produce seasonal and pandemic vaccines in eggs. The LAIV influenza vaccine is marketed as Nasovac™ in India by the Serum Institute of India. The LAIV is also being explored as a viral vector for use in the development of novel non-influenza vaccines.

In December 2011 BioDiem acquired Savine Therapeutics Pty Ltd. SAVINE is a platform technology for the design of antigens for incorporation into vaccines targeting a range of different diseases.

For additional information, please visit www.biodiem.com

About Foundation Fighting Blindness

The Foundation Fighting Blindness is a Columbia, MD, US-based national non-profit organization driving research that will lead to preventions, treatments and cures for retinitis pigmentosa, macular degeneration, Usher syndrome and the entire spectrum of retinal degenerative diseases that affect more than 10 million Americans. Since 1971, the Foundation has raised over \$450 million as the leading non-governmental funder of retinal research.

Breakthrough Foundation-funded studies using gene therapy have restored significant vision in children and young adults who were previously blind, paving the way for using this method to treat a variety of retinal degenerative diseases, and proving a cure is in sight. With a network of 50 chapters, the Foundation also provides support, education and resources to affected individuals and their families in communities across the country.

For additional information, please visit www.fightblindness.org

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