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ASX Ltd
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PHYLOGICA LICENSES TECHNOLOGY TO JANSSEN BIOTECH, INC.

PERTH, AUSTRALIA: January 03, 2012 – Phylogica Ltd (ASX: PYC, XETRA: PH7), a leading Australian peptide drug discovery company, announced today a Collaboration and Option agreement with Janssen Biotech, Inc., to discover new classes of drugs derived from Phylogica's Phylomer® peptide platform.

In the initial stage of the collaboration, Phylogica will identify cell-penetrating Phylomer® peptides. Under the terms of the agreement, Janssen could develop Phylomer®-based drug candidates and has the option to expand the scope of the collaboration to include additional cell-specific Phylomers® for the development of a further ten drug candidates.

Under the terms of this multi-product agreement, Phylogica will receive an initial technology access fee as well as research funding over the first 18 months of the collaboration. Pending ongoing discussions with Janssen regarding commercial terms, Phylogica could receive further research funding, license fees, milestone payments and royalties on worldwide sales.

Dr Paul Watt, Phylogica's Chief Executive Officer, said: "We are delighted to be working with Janssen, which adds to our growing list of partners. This deal reflects our commitment to exploit the potential of Phylomers to address challenging disease targets with the aim of delivering new standards of care for patients. We look forward to working in partnership with Janssen to advance multiple Phylomer-based drug candidates. This agreement provides further validation of our world-leading Phylomer technology for peptide drug discovery."

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For further information, please contact:

Nick Woolf
CFO & VP, Corporate Development
Tel: +61 417 986 005
nwoolf@phylogica.com

Rudi Michelson
Monsoon Communications
Tel + 61 3 9620 3333



About Phylogica

Phylogica Limited (ASX: PYC) is a biotechnology company based in Perth, Australia, and Oxford, UK, with a world-class drug discovery platform harnessing the rich biodiversity of nature to discover novel peptide therapeutics. The Company was incorporated in 2001 as a spin out from the Telethon Institute for Child Health Research (Perth, Australia) and the Fox Chase Cancer Centre (Philadelphia, USA). The Company's drug discovery platform is based on its proprietary Phylomer[®] libraries of natural peptides, which have been optimised by evolutionary selection to have stable drug-like structures. Phylogica offers fully integrated drug discovery services to the pharmaceutical industry utilising its Phylomer[®] libraries and proprietary screening technologies. Its current partners include Roche, MedImmune (the worldwide biologics arm of AstraZeneca) and Pfizer.

About Phylomer[®] Peptides

Phylomer peptides are derived from biodiverse natural sequences, which have been selected by evolution to form stable structures, which can bind tightly, and specifically to disease associated target proteins, both inside and outside cells. Suitable targets for blockade by Phylomers include protein interactions that promote multiple diseases, such as infectious diseases, cancer, autoimmunity and heart disease. Phylomer peptides can have drug-like properties, including specificity, potency and thermal stability, and are capable of being produced by synthetic or recombinant manufacturing processes. Phylomer peptides are also readily formulated for administration by a number of means, including parenteral or intranasal delivery approaches.