



ASX AND MEDIA RELEASE

Peplin to present at Rodman & Renshaw 8th Annual Healthcare Conference

6 November 2006: Peplin Limited (ASX:PEP) announced today that Managing Director and CEO Michael Aldridge will present at the Rodman & Renshaw 8th Annual Healthcare Conference in New York on Wednesday 8 November at 3.30pm US Eastern Standard Time (6.30 am Thursday 9 November AEST). A live webcast of the presentation will be available at <http://www.wsw.com/webcast/rrshq10/pep.au/> or via Peplin's website at www.peplin.com and will be available for replay after the presentation for ninety days.

A copy of the presentation material is attached to this release.

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About Peplin

Peplin is focused on the development and commercialisation of prescription human therapeutic products for the treatment of cancer. Its lead compound is PEP005, the first in a new class of investigational agents. Peplin's lead product is PEP005 Topical, which is being studied in clinical trials for the treatment of actinic keratosis (AK) (a pre-cancerous lesion) and non-melanoma skin cancer (NMSC). PEP005 Topical works by a powerful mode of action, directly killing most cancer cells and then recruiting and activating the local immune system to clean-up these dead cancer cells and kill any remaining cancer cells. PEP005 Topical is potentially a rapidly acting and cosmetically attractive non-surgical topical treatment for AK and NMSC. Peplin's product development activities are supported by the Australian Federal Government under its Pharmaceuticals Partnerships Program.

Peplin's earlier stage pipeline is targeted at leukemia (a blood borne cancer) using its lead compound PEP005 in an intravenous formulation (PEP005 IV) and bladder cancer using an intracavitary or intravesical formulation (PEP005 IC). PEP005 has demonstrated selective and potent anti-leukemia activity in pre-clinical disease models. PEP005 induces apoptosis in leukemia cells via the activation of PKC delta. Peplin holds global proprietary rights for PEP005 Topical and other therapeutic applications of PEP005. Its research portfolio of EPUFA compounds opens additional potential opportunities in cancer and pain.



A new treatment for skin cancer

November 2006

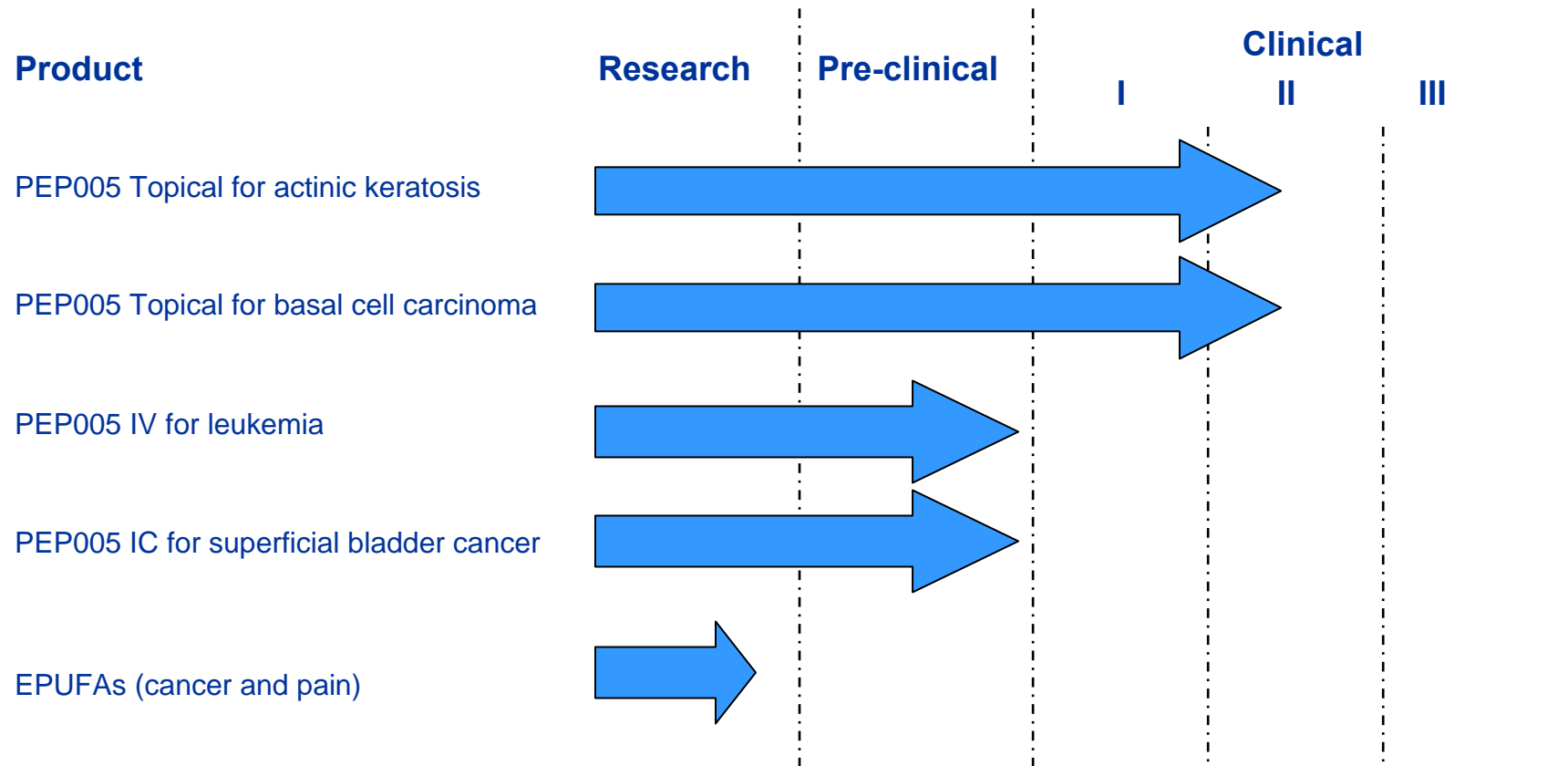
PEP.ASX

www.peplin.com

Peplin is.....

- Cancer therapeutic product development company
- New class of small molecules
- Unique mechanism of action
- Lead product:
 - Topical therapy for skin cancer and pre-cancers
 - Phase II clinical validation of product potential
- Broad, long life patent portfolio
- Worldwide product rights
- Public company listed on the Australian Stock Exchange

Product pipeline



Recent events: Clinical, Cash & Capabilities

- **Clinical:** Encouraging clinical results from more than 200 patients
 - *Actinic keratosis (AK), sBCC and nBCC*
- **Cash:** International capital raising led by MPM Capital
 - *A\$40 million (International placement and entitlement offer)*
- **Capabilities:** Important additions to board and management
 - *Non-executive directors: Jim Scopa and Gene Bauer MD*
 - *Gary Patou MD as interim CMO*
 - *Cheri Jones as VP Reg. Affairs*
 - *Phil Moody as CFO and VP Finance and Operations*



PEP005 Topical for AK

A new and highly attractive product for a large market

PEP005 Topical for actinic keratosis



- New topical product for AK
- Short course of therapy (2-3 days)
- Favorable side effect profile
- IND filed with FDA in June 2004
- US phase I trial reported Jan 2005
- Two phase IIa trials in 2005/2006
- Significant data base of drug safety
 - Over 200 patients
 - Over 400 individual lesions
- Positive evidence of drug efficacy

Actinic keratosis



- AKs are pre-cancerous lesions
- Affects 50% of Caucasians >40 yrs
- 58 million North Americans affected, 8.2 million treatments annually ⁽¹⁾
- Age of disease onset decreasing
- 78% of cases have multiple lesions
- If left untreated can develop into squamous cell carcinomas

Current surgical approaches

Approach	Major benefits	Major short-comings
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Actinic keratosis

Cryotherapy

- | | |
|--|--|
| <ul style="list-style-type: none">• Quick and cheap• Attractive reimbursement• Well established modality | <ul style="list-style-type: none">• Only discrete lesions• Short term localized pain and irritation• Potential long term scarring• Not effective in 33% of cases ⁽¹⁾ |
|--|--|

1. Source: *International Journal of Dermatology* 2004, 43, 687-692

Current non-surgical approaches

Product	Disease	Course of therapy	Efficacy ⁽¹⁾ vs. vehicle	Side effects
Aldara (imiquimod 5%)	AK	2 times per week for 16 weeks	45% ⁽²⁾ vs. 3%	Erythema, edema, weeping/exudate, vesicles, erosion/ulceration, flaking/scaling/dryness, scabbing/crusting
Solaraze (diclofenac sodium 3%)	AK	Daily for 90 days	41% vs. 18%	Contact dermatitis, exfoliation, dry skin, rash
Carac (fluorouracil cream 0.5%)	AK	Daily for 4 weeks	48% ⁽³⁾ vs. 2%	Erythema, dryness, burning, erosion, pain, edema
Levulan Kerastick (aminolevulinic acid HCl)	AK	In office topical application, irradiation 14 to 18 hours later	66% ⁽⁴⁾ vs. 13%	Severe stinging, burning, itching, erythema, edema and photosensitivity

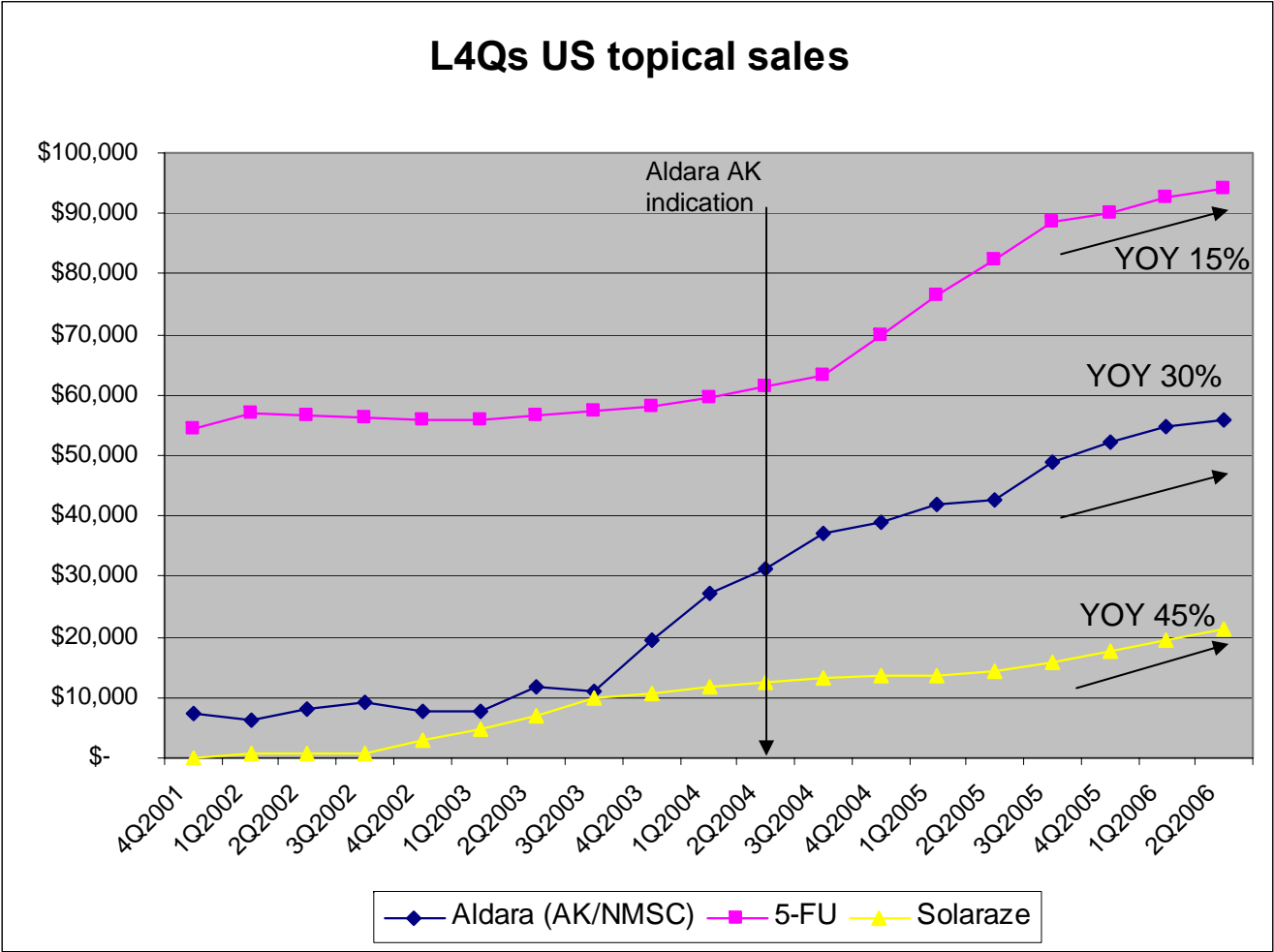
1. Proportion of patients who cleared all lesions in treatment area

2. 59% better than 75% clearance

3. 71% better than 75% clearance

4. 77% better than 75% clearance

Emerging market opportunity



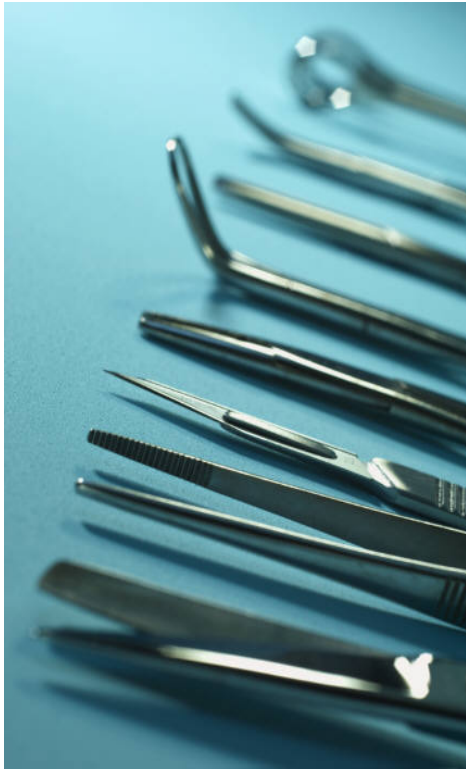
Source: IMS

PEP005 Topical for actinic keratosis

Emerging product profile

- Elegant topical gel medication
 - Take-home, patient applied prescription medication
 - Applied to an area of skin to treat obvious and emerging lesions
- Short course of treatment
 - 2-3 days topical treatment
 - Compliance and convenience benefits
- Favorable side effect profile
 - Well tolerated, transient local skin responses
- Effective in elegantly clearing AK lesions

Emerging market opportunity



- Topical therapies (Aldara, 5-FU, Solaraze):
 - ~US\$170 million in 2006 growing at ~25% ⁽¹⁾
 - Represents ~10% of (primarily) AK treatments
 - Short comings: treatment duration and side effects
- Actinic keratosis:
 - Direct costs of treating AK: US\$1.2 billion in 2004 (8.2 million office visits in 2002) ⁽²⁾
 - Primarily cryotherapy
- PEP005 Topical's potential:
 - Growth and penetration of topical, share of surgical markets
 - ~1.5 million AK treatments (20%) at \$200/Rx: US\$300 million

¹ IMS

² The Burden of Skin Diseases, The Lewin Group 2005

AK clinical trials summary - US

Phase I (actinic keratosis)

- 4 centers, vehicle controlled, single application of 0.01%
- 16 patients each with five discrete lesions
- Safe and well tolerated, local skin responses resolved in <3 weeks
- 40% completely cleared or almost completely cleared (15% vehicle)

PEP005-004 (actinic keratosis)

- Single center, open-label, dose escalation study
- Two applications of drug on two consecutive days
- Drug applied to an area of skin with actinic keratosis

Results

- Maximum tolerated dose set at 0.05%
- 70% complete clearance of treated lesions (at 4-6 weeks)
- Pk data indicates no systemic absorption

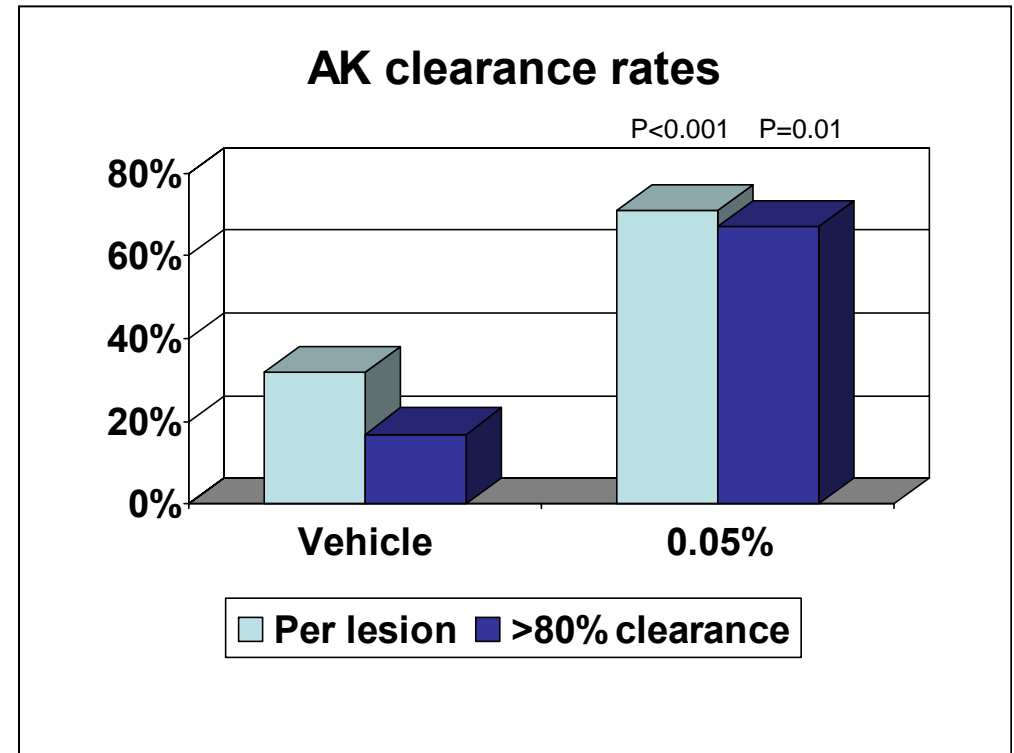
AK clinical trial summary - Australia

PEP005-001 (actinic keratosis)

- Multi-center, vehicle controlled, blinded, parallel group
- 60 patients, 5 discrete lesions per patient, 3 active arms
- Two applications of drug on two days

Results

- Safe and well tolerated
- Majority of local skin responses mild to moderate
- Statistically significant clearance of lesions



Next steps – PEP005 Topical for AK

- US phase IIb for AK (PEP005-006)
 - 20 center, 200 subjects, vehicle controlled, double blind
 - Take-home, patient applied on 2 or 3 days (double dummy)
 - To an area of skin with 4-8 AK lesions
 - Efficacy endpoint: AK lesion clearance rate
 - Complete mid 2007

- Initiate phase III H2 2007



PEP005 Topical for BCC

A highly differentiated approach

Non-melanoma skin cancer



- Basal cell carcinoma (BCC) and squamous cell carcinoma (SCC)
- BCC accounts for 80% of skin cancers
- 1.2 million cases in US in 2004 ⁽¹⁾
- Incidence 6-7% increase annually
- Age of disease onset decreasing
- Most prevalent cancer worldwide

Non-melanoma skin cancer treatment

Approach	Major benefits	Major short-comings
Surgical excision	<ul style="list-style-type: none">• Effective technique• Gold standard and widely adopted approach	<ul style="list-style-type: none">• Painful with scarring and morbidity• Removal of tumor tissue and margin• Expensive, significant downtime
<ul style="list-style-type: none">• Non-melanoma skin cancer:<ul style="list-style-type: none">– Direct costs of treating NMSC: US\$1.4 billion in 2004 (1.6 million office visits in 2002) ⁽¹⁾– Primarily surgery• PEP005 Topical's potential:<ul style="list-style-type: none">– Share of surgical markets– ~200,000 BCC treatments (20%) at \$300/Rx: US\$60 million		

1. Source: Lewin Group 2005

PEP005 Topical for BCC

Emerging product profile

- Elegant topical gel medication
 - Physician applied prescription medication
 - Applicator directly on to the tumor
- Short course of treatment
 - ~2 office visits
 - Input of a trained healthcare professional
- Favorable side effect profile
 - Well tolerated, transient local skin responses
 - Absence of pain, scarring, infections, sutures
- Effective in elegantly clearing BCC tumors

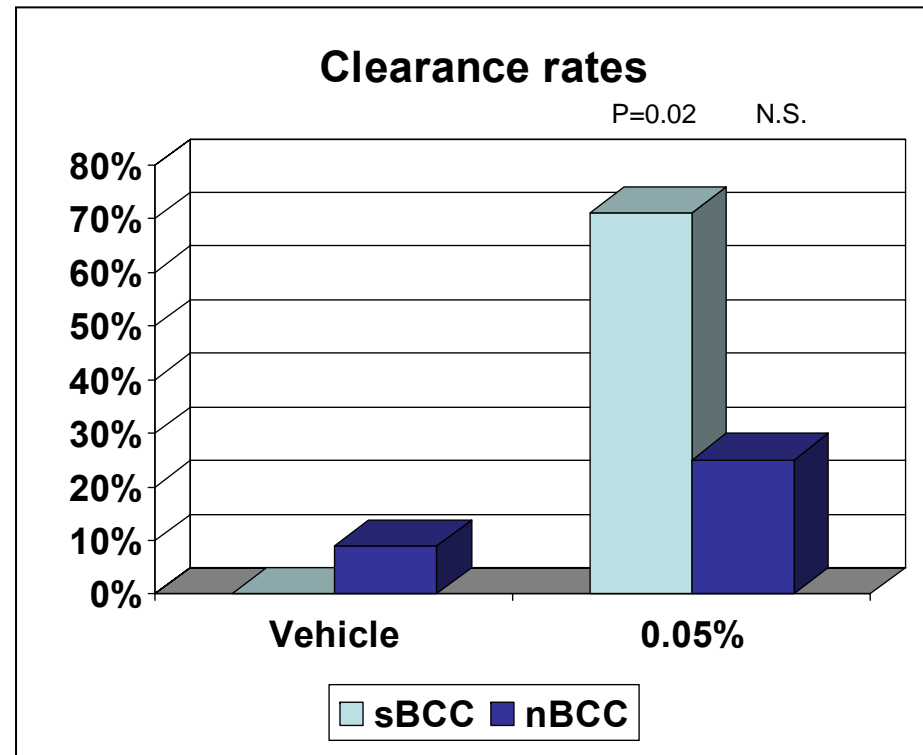
BCC clinical trials summary - Australia

PEP005-003/002 (sBCC/nBCC)

- Two separate multi-center, vehicle controlled, blinded, parallel group
- 60 patients, 3 active arms, two applications on two days
 - PEP005-003 (superficial BCC)
 - PEP005-002 (nodular BCC)

Results

- Safe and well tolerated
- Majority of local skin responses mild to moderate
- Dose dependent response to drug
- Statistically significant, histology confirmed clearance of sBCC



Next steps – PEP005 Topical for BCC

- US and Australia phase IIb trials (PEP005-009/010)
- PEP005-009 & 010
 - Open label, dose escalation to establish MTD
- PEP005-012
 - Multi-center, vehicle controlled, double blind
 - Primary efficacy endpoint: histologically confirmed tumor clearance
- Initiate Q4 2006

PEP005 (3-ingenyl angelate)

Anti-tumor activity through plasma membrane and mitochondrial disruption and necrotic cell death

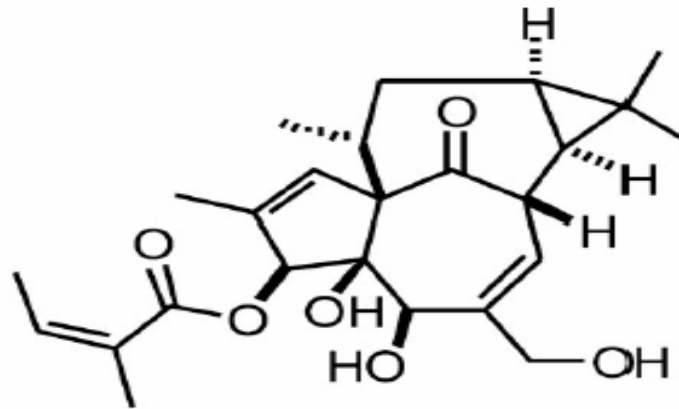


Fig. 1. Structure of the diterpene ester 3-ingenyl angelate (PEP005).

Mode of action (1)

Cytotoxic: Primary necrosis

Local immune response

Healthy cell proliferation

Mode of action (2)

Apoptotic anti-cancer

Selective PKC δ modulation

1. *Cancer Research* 64 2833-2899 April 15, 2004

2. *Blood* 15 August 2005 Vol 106 No. 4

Anti-leukemia activity of PEP005 IV



PEP005, a selective small molecule activator of protein kinase C, has potent anti-leukemic activity mediated via the delta isoform of PKC



Blood 15 August Volume 106 Number 4

Anti-leukemia potential published in *Blood*

- *Activity:*
 - Highly potent killer of established leukemia cell lines
 - Nano molar induction of apoptosis *ex vivo*: blast cells from AML patients
- *Selectivity:* Healthy cells are not affected
- *Safety:* Preliminary *in vivo* toxicology data: viable therapeutic window
- *Synergy:* Increases the anti-leukemic activity of ATRA
- *Mode of action:* Restoration of the apoptotic pathway by way of activation of protein kinase C delta
- *Valuable biomarker:* Over expression of protein kinase C delta

SCID mice model of leukemia

- Positive impact on tumor burden
- Positive impact on survival

Manufacturing

- PEP005 (API) is sourced from *Euphorbia peplus*
 - Grown and harvested in <16 weeks (year round)
 - Dried, milled and crude extraction
 - GMP purification to pure crystalline substance
 - Highly attractive COGS
- GMP licensed manufacturing facility
 - Peplin owned
 - Located in Southport, Queensland
 - New facility supported by government grants
- Opened by Federal Minister of Industry July 2006

Commercial opportunity

- Dermatologists treat AK and BCC
- Approximately 10,000 board certified US dermatologists
- 20% of prescribers account for 80% of prescriptions
 - 50-60 person sales force
 - Modest marketing budget
 - Key opinion leaders
- Potential to license non-core non-US rights
- Co-marketing opportunities in primary care

International placement and entitlement offer

International placement

- A\$26 million
- A\$0.71 per share, 30% warrants, 4 years at A\$0.84
- MPM Capital, Deerfield, Orbis, AMP
- Two equal A\$13 million tranches
 - First closed on June 26 2006
 - Second to close November 1 2006

Entitlement offer

- Pro-rata offer to Peplin shareholders
- A\$13 million
- A\$0.71 per share, 30% warrants, 4 years at A\$0.84
- Closed 3 July 2006

Financial summary

Ticker (ASX)	PEP
Options (June 2010)	PEPO
Shares out. (basic)*	184.5 million
Traded options*	17.1 million
Employee options	<u>4.3 million</u>
Shares out. (fully diluted)*	205.9 million
Share price (52wk Hi/Lo)	A\$0.71 (1.02/0.34)
Market cap.*	US\$98 million
Cash (June 30)*	US\$ <u>36 million</u>
Technology value*	US\$62 million
Cash burn rate	US\$8.8 million

* Pro-forma MPM Capital led June capital raising, market cap at offer price 27

Financial summary

Years ended June 30	2005 US\$'000	2006 US\$'000
Cash and cash equivalents ⁽¹⁾	\$6,934	\$23,393
Other current assets	191	645
Property plant & equipment	555	1,559
Total assets	7,680	25,597
Current liabilities ⁽²⁾	1,338	8,909
Net assets	6,342	16,688
Operating cash outflow	\$5,627	\$8,835

Notes:

1 Pro-forma cash following closing of capital raising \$36 million

2 2006 current liabilities reflect part funds received under capital raising prior to allotment of stock

Forecast years ended June 30	2007 US\$ MM	2008 US\$ MM
Prospective EBITDA		
Wilson HTM (an affiliate of Deutsche Bank)	\$19.4	\$23.7
ABN Amro Morgans	18.2	19.3

Note: Peplin has not issued a forecast nor guidance and does not endorse these independent forecasts

Corporate strategy

- Develop pharmaceutical products for cancer
- Advance lead product for the treatment of skin cancer
- Focus on North American market
 - Enhance capability in later stage product development
 - Key hires in regulatory, finance & medical functions
 - Finance growth
- Goal to participate in the complete product development and commercialization pathway

Management

Michael Aldridge, Managing Director & CEO

- Healthcare investment banking
- Bears Stearns & Co (New York), Volpe Brown Whelan & Co (San Francisco)

Philip Moody, Chief Financial Officer

- Vice President, Finance and Operations, Chiron Corporation (California)
- 11 years with Chiron in senior finance and operational roles

Peter Welburn, CSO

- Strategic marketing, SmithKline Beecham
- Research & development, Janssen-Cilag

Gary Patou, CMO

- Senior Vice President & Director, Project and Portfolio Management, SmithKline Beecham
- FDA-approved products Avandia, Paxil and Augmentin
- Dr Patou will serve as interim CMO until a permanent appointment

Cheri Jones, VP Regulatory Affairs

- Vice President Regulatory Affairs QLT USA, Inc.
- Three NDA approvals, including Aczone™ for acne vulgaris
- Obagi Medical Products, Valeant Pharmaceuticals, ALpharma, Goldline, Rugby & Darby and Bristol-Myers

90 years combined biotechnology/pharmaceutical experience

Board

Non-executive directors

- Dr Cherrell Hirst, Chairman
- Gene Bauer MD, CEO, Neosil, Inc.
 - US dermatology network
- Gary Pace, CEO & Chairman, QRx Pharma Pty Ltd
 - International healthcare entrepreneur
- Jim Scopa, Partner MPM Capital
 - International healthcare capital markets expertise
- Michael Spooner, Executive Chairman, Mesoblast Ltd.
 - International healthcare entrepreneur

Achievements and milestones: 2006/07

Achievements

- Positive results of sBCC trial May 2006
- Major international capital raising June 2006
- Established North American presence June 2006
- Opened manufacturing facility July 2006

Milestones

- Results AK phase IIb trial (US) Mid 2007
- Results BCC phase IIb trial (US/Aus) H2 2007
- Initiate AK phase III H2 2007



A new treatment for skin cancer

November 2006

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