



## ASX & MEDIA RELEASE

### Peplin's acquisition of Neosil complete

**EMERYVILLE, California and BRISBANE, Queensland, 20 October 2008: Peplin, Inc.** (ASX:PLI) announced today that it has completed its previously announced acquisition of Neosil, a privately-held, dermatology-focused company, in an all stock transaction for US\$6.7m after receiving shareholder approval at the AGM on 6 October.

Shareholders also approved the private placement of common stock and warrants to raise approximately US\$24 million as previously announced on 19 August 2008. Peplin anticipates that the total combined cash balance of US\$56 million (pro-forma at 30 June 2008) will be sufficient to fund completion of the ongoing Phase III testing of Peplin's lead product, PEP005 (ingenol mebutate) Gel for actinic keratosis (AK) on both head and non-head treatment sites.

The Neosil purchase price of US\$6.7 million in shares of Peplin stock represents the amount of net cash held by Neosil at signing. Peplin shares were valued based on the volume weighted 10-day trailing average closing price of Peplin's CDI's on the Australian Securities Exchange (ASX) immediately preceding the signing of the agreement in June (A\$0.4256). Peplin issued approximately 819,000 shares of its common stock (equivalent to approximately 16.4 million CHES Depository Interests or CDIs) in exchange for the all equity interests of Neosil. Neosil shareholders now own approximately 7.3% of Peplin following completion of the transaction.

In addition to its net cash, Peplin acquires Neosil's intellectual property portfolio which comprises two early clinical stage development programs: the first a hair growth stimulation technology with potential application in the treatment of hair loss and the second, a broad spectrum anti-microbial technology with potential application in the treatment of acne. Peplin does not expect to commence further development of these programs before 2009.

**Further information:**

Tom Wiggans  
Chief Executive Officer  
Tel: +1-510-653-9700  
[tom.wiggans@peplin.com](mailto:tom.wiggans@peplin.com)

**Media:**

Sue Cook  
Hill & Knowlton  
Tel: +61-2-9286-1224  
[scook@hillandknowlton.com.au](mailto:scook@hillandknowlton.com.au)

David Smith  
Chief Financial Officer  
Tel: +61-7-3250-1200  
[david.smith@peplin.com](mailto:david.smith@peplin.com)

Camilla Myers  
Hill & Knowlton  
Tel: +61-2-9286-1248  
[cmyers@hillandknowlton.com.au](mailto:cmyers@hillandknowlton.com.au)

**PEPLIN, INC.**

6475 Christie Avenue, Emeryville, CA 94608, USA  
Tel: +1-510-653 9700 Fax: +1-510-653 9704

Level 2, Brisbane Portal, 1 Breakfast Creek Road, Newstead, QLD, 4006, Australia  
Tel: +61-7-3250 1200 Fax: +61-7-3250 1299

## **ABOUT PEPLIN**

Peplin is a development-stage, specialty pharmaceutical company focused on advancing and commercialising innovative medical dermatology products. Peplin has offices in Brisbane, Queensland and Emeryville, California and a manufacturing facility in Southport, Queensland.

Peplin is currently developing PEP005 (ingenol mebutate), which is the first in a new class of compounds and which is derived from the sap of *Euphorbia peplus*, or *E. peplus*, a rapidly growing, readily available plant commonly referred to as petty spurge or radium weed. *E. peplus* has a long history of traditional use for a variety of conditions, including the topical self-treatment of various skin disorders, including skin cancer and pre-cancerous skin lesions. Peplin's lead product candidate is a patient-applied topical gel containing ingenol mebutate, a compound the use of which Peplin has patented for the treatment of actinic keratosis, or AK. This product candidate is now in Phase III clinical trials and is referred to as PEP005 (ingenol mebutate) Gel.

## **ABOUT ACTINIC KERATOSES**

Actinic (solar) keratoses (AK) is generally considered the most common pre-cancerous skin condition. AK usually appears as small, rough, scaly areas on the face, lips, ears, back of hands, forearms, scalp or neck. If left untreated, AK lesions may progress to a form of skin cancer called squamous cell carcinoma, or SCC. The Lewin Group, Inc., estimates that the total direct costs for AK in the United States was \$1.2 billion in 2004, and in 2002 there were approximately 8.2 million office visits for the treatment of AK. The Lewin Group also estimated that there were 58 million people in the United States living with AK in 2004. According to a May 2006 issue of *The Journal of Family Practice*, in northern hemisphere populations, 11% to 25% of adults have at least one AK lesion, compared with 40% to 60% of adults in Australia, which has the highest prevalence of AK worldwide.

## **FORWARD LOOKING STATEMENTS**

This press release contains "forward-looking statements" as defined under U.S. federal securities laws, including, but not limited to, Peplin's clinical development plan referred to herein. These forward-looking statements can be identified through the use of words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "may," "will," and variations of these words or similar expressions. Forward looking statements are based on management's current, preliminary expectations and actual results could differ materially as a result of various risks and uncertainties, including, but not limited to, delays in the completion of clinical trials resulting from, among other things, ambiguous or negative interim results, failure to close the acquisition of Neosil, Inc., unforeseen safety issues, failure to conduct the clinical trials in accordance with regulatory requirements or clinical protocols, suspension or termination of a clinical trial by the FDA or other regulatory authorities, failure to obtain the stockholder approval necessary to approve the pending private placement, lack of adequate funding to continue a clinical trial and other important factors disclosed from time to time in Peplin's disclosures to the ASX. Forward-looking statements speak only as of the date they were made. No undue reliance should be placed on any forward-looking statements. Such information is subject to change, and we undertake no obligation to update such statements.