



ASX AND MEDIA RELEASE

Peplin celebrates the opening of its new GMP manufacturing facility

BRISBANE, Australia, July 20 2006: Peplin Limited (ASX:PEP). Peplin announced today the official opening of its state-of-the-art commercial scale manufacturing facility for the production of PEP005, its lead investigational agent for the treatment of skin cancer and leukemia.

Australian Minister for Industry, Tourism and Resources, Ian Macfarlane MP, formally opened the plant in the presence of Peplin Chairman, Cherrell Hirst and shareholders, research analysts, brokers and dermatologists.

"This is a great day for Peplin as it reinforces our continued commitment to meeting important company milestones," said Mr Aldridge. "The new facility is a critical component of Peplin's long term future and success as a drug development company."

Mr Macfarlane congratulated Peplin on the opening of the facility and the company's significant achievements. These include in particular the recent positive phase IIa results in three Australian clinical trials of PEP005 Topical in the treatment of basal cell carcinoma, the most common form of skin cancer and actinic (solar) keratosis (AK) or sunspots, a common skin lesion which can progress to skin cancer.

"Peplin is a stand-out example of a successful local drug development company putting Australian innovation to work," said Mr Macfarlane. "Today's opening brings together R&D successes and a manufacturing plant with a vision for Australia's biotechnology future."

Peplin has contract horticulturists in Queensland who grow and harvest the radium weed that is then put through a series of specialised procedures to produce the final PEP005 compound. The plant is dried out and extracted in ethanol. The plant extract is then converted into a crystalline powder. This powder is then sent to the United Kingdom, where it is later formulated into a topical gel.

"The new site integrates our well developed extraction and purification technology into a single GMP facility with commercial scale capacity," said Mr Aldridge.

"This new facility provides Peplin important manufacturing capacity for PEP005 and is a major step forward towards launching our product globally. The recent clinical trials of the PEP005 Topical have shown it to be effective and well tolerated. In recent basal cell carcinoma trials the topical gel cleared the skin cancer of patients following just two treatments, which is quite unique."

The facility is commencing production of PEP005 in preparation for upcoming clinical trials later this year.

This state-of the art facility further reinforces the leadership position of Queensland in the pharmaceutical and biotechnology sector, contributes to the state's economic growth and job creation.

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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 oncology applications of PEP005. Its research portfolio of EPUFA compounds opens additional potential opportunities in cancer and pain.