

ASX RELEASE

Update - reporting of clinical trial results

BRISBANE, Australia, 28 October 2005: Peplin Limited (ASX:PEP) expects to announce results of the first of its phase IIa clinical trials in the week of 28 November 2005.

This clinical trial is one of four phase IIa clinical trials of Peplin's proprietary product PEP005 Topical conducted during 2005 at sites in Australia and the US for actinic keratosis (AK) and two forms of basal cell carcinoma (BCC).

Data from this first trial is currently being collated and analysed ahead of a meeting by Peplin with the investigating dermatologists who participated in the study. This meeting will review the data and evaluate the results and Peplin expects to make an announcement to the market immediately following that review.

Also, Peplin expects to be in a position to report preliminary results of its open label US-based phase IIa clinical trial in AK before the end of December 2005. This trial is a dose escalation study applying progressively higher concentrations of PEP005 Topical onto an area of skin containing an AK to establish the maximum tolerated dose of the drug.

Peplin continues to enroll patients into its two phase IIa BCC clinical trials. Based on current recruitment rates Peplin expects to complete enrolment in coming weeks and report results in April 2006.

Each of Peplin's three Australian-based phase IIa skin cancer clinical trials is a multi-centre, randomised, double-blind, parallel-group, vehicle-controlled study to determine the safety of PEP005 Topical containing 0.0025%, 0.01% or 0.05% of the active ingredient in two alternative treatment regimens comprising either day 1 and day 2 or day 1 and day 8 applications to approximately 60 patients.

The primary objective in each of these clinical trials is to determine the safety of PEP005 Topical when administered on two days. The secondary objectives of each study are to evaluate the efficacy of the drug, to determine a recommended treatment regimen for further evaluation in Phase IIb studies and to evaluate patients for cosmetic outcome.

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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 phase IIa 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 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.

Market opportunity

AKs are the most common pre-cancerous skin lesions worldwide and the treatment of AKs is the most common dermatologic procedure performed in the out-patient setting.

In the US each year there are 3.7 million office visits and about 5.2 million procedures for AK. According to the American Academy of Dermatology AK affects more than 10 million Americans. The worldwide prevalence of AK is highest in Australia. AKs typically occur on sun damaged skin of Caucasians older than 40 years.

NMSC is the most common form of cancer worldwide. According to the National Cancer Institute it affects more than one million people per year in the US. According to the Cancer Council Australia of all cancers NMSC is the biggest burden on the healthcare system accounting for \$232 million per year in treatment costs. Peplin is developing PEP005 Topical to address the highly attractive and significant global market opportunity for non-surgical approaches to the treatment of AK and NMSC.

Leukemia is a cancer of the blood and blood forming organs. According to the Leukemia & Lymphoma Foundation there will be an estimated 34,810 new cases of leukemia in the US in 2005. According to the Leukaemia Foundation in Australia there are 2,370 people diagnosed with leukemia each year.

The most common type of leukemia is acute myeloid leukemia or AML which is estimated to strike 11,960 people this year in the US. AML is both the most common and the most devastating form of leukemia with a 5 year survival rate of less than 20%.