

CORPORATE NEWS

AGREEMENTS

Lilly agrees transdermal licensing pact with TransPharma

Eli Lilly has entered into a licensing and development agreement related to TransPharma Medical's ViaDerm-hPTH (1-34) product for the treatment of osteoporosis. The product, which is administered transdermally using TransPharma's technology, is currently in Phase II testing.

Under the terms of the agreement, Lilly will obtain exclusive worldwide rights to TransPharma's ViaDerm-hPTH (1-34) product and will also gain non-exclusive access to the ViaDerm drug-delivery system. TransPharma will receive a US\$35 million upfront payment, and may also receive development and sales milestones, as well as royalties on sales if a transdermal PTH product is successfully commercialised. The two companies will both fund and participate in Phase II development activities. Thereafter, Lilly will be responsible for further development activities and the potential marketing of any transdermal PTH products. The agreement is expected to become effective in either June or July of 2008, subject to antitrust clearance. At closing, Lilly would expect a US\$0.02 per share charge to earnings for acquired in-process R&D. Other terms of the deal were not disclosed.

The ViaDerm drug-delivery system incorporates a hand-held electronic control unit, which creates microscopic passageways through the outer layer of the skin allowing for transdermal delivery of a wide variety of drugs from a patch. The system provides a self-administered system that enables the safe, reproducible and accurate delivery of a broad range of product candidates, including hydrophilic small molecules peptides and proteins.

siRNAsense uses Polyplus-transfection's delivery system for siRNA drug candidate

Norway-based siRNAsense has decided to collaborate with a French company, Polyplus-transfection, for the delivery mechanism required for siRNAsense's first drug candidate. Specifically, Polyplus-transfection's in vivo-jetPEI delivery system will be used for the systemic delivery of a drug candidate, described as an "siRNA targeting Tissue Factor", for the treatment of melanoma metastasis. siRNAsense selected Polyplus' delivery system after experimental validation of several potential delivery systems.

Based at the Biotechnology Centre of Oslo, siRNAsense is one of a number of companies that aim to become a significant player of biomedical innovation and early phase drug discovery and development within the field of RNA interference (RNAi). The company plans to achieve this through R&D work on drug candidates initially within the oncology area. siRNA, or small interfering RNA, also represents a major breakthrough in biology. siRNAsense's drug candidate is a synthetic siRNA that interferes with metastasis of melanoma, primarily by inhibiting circulating cancer cells' ability to attach to other cell membranes. For the drug to be efficient, it must be formulated in a vehicle which ensures delivery to the cancer cells, a process that is expected to be carried out using Polyplus-transfection's technology.

siRNAsense's drug candidate interferes with metastasis in cancer cells by blocking the cancer cells' ability to attach to other cell membranes. Over 90 per cent of cancer deaths are caused by metastasis. Backed by a major grant from the Research Council of Norway, siRNAsense will now begin clinical phase enabling studies with the drug candidate. The company has also previously received support from the Council and the Norwegian Cancer Society. Ultimately, the company plans to license the technology to other parties at the Phase I/II study stage.

MonoSolRx licenses thin film technology to Strativa

MonoSolRx has entered into an exclusive licensing agreement under which Strativa Pharmaceuticals, a division of Par Pharmaceutical Companies, has acquired the US marketing rights to MonoSolRx' thin film formulation of ondansetron. The oral formulation is currently under development for the prevention of chemotherapy-induced nausea and vomiting, prevention of nausea and vomiting associated with radiotherapy, and postoperative nausea and vomiting.

Under terms of the agreement, MonoSol Rx will receive milestone payments prior to commercial launch and sales-based milestones that could total US\$23.5 million, as well as payments for purchase of product supply and royalties on net sales. Based on the results of a recently completed pilot bio-equivalency study, MonoSol Rx is initiating pivotal trials immediately to enable application for drug approval in the US. Subject to favourable results, it is anticipated that Strativa could file an NDA with the appropriate regulatory authorities within the next 12 months.