

13 April 2007

Licenses novated (transferred) to Vegenics

As advised on 2 April 2007 ownership of the Ludwig Institute for Cancer Research (LICR) and Licentia patents in respect of VEGF-C and VEGF-D will now be assigned to Vegenics thus providing Vegenics with over 35 different patent families (including over 160 granted patents and more than 500 pending patents worldwide).

In addition six existing licenses granted by LICR to its licensees have now been novated to Vegenics with the rights and obligations transferred to Vegenics.

A summary of these license agreements novated (transferred) to Vegenics is provided below.

Ark Therapeutics Group plc (LSE: AKT)

A license in respect of VEGF-D gene to Ark Therapeutics which forms part of Ark's Trinam® product entitles Vegenics to receive royalties on the sales of Trinam® as well as milestone payments upon achievement of product development events.

Trinam® is a novel gene therapy product which seeks to prevent blood vessels blocking in kidney dialysis patients who have undergone vascular access graft surgery. On 11 January 2007, Ark announced that following meetings with the FDA and review of the results of Phase II studies "that the FDA has agreed that the data from the Phase II trial are sufficient to allow progression to Phase III trial and that a single Phase III trial would be acceptable for the basis of a marketing approval". "The Phase III study is expected to commence around mid-2007 and to last for approximately 18 months".

Imclone Systems Inc (NASDAQ: IMCL)

Imclone Systems Inc has a license in respect to rights to develop antibodies to VEGFR3 (vascular endothelial growth factor receptor 3) as human therapeutic agents. Imclone currently has a lead antibody in research studies. As part of this arrangement Vegenics will receive annual licence fees, product milestone payments as well as royalties on sales.

Lymphatix Ltd

Lymphatix Ltd, a private Finnish company, has a license in respect to gene therapy rights for VEGF-C and VEGF-D excluding the Ark rights and certain other therapeutic indications and has a lead product in research studies. As part of this transaction Vegenics will receive annual licence fees, milestone payments as well as royalties on sales.

Research Reagent Licensees

There are a number of licenses to international research reagent companies namely R&D Systems Inc based in Minneapolis USA, Chemicon International Inc based in California USA and Reliatech GmbH based in Germany to sell VEGF-C, VEGF-D, VEGFR3 proteins, and antibodies thereto as research reagents for non-commercial use. Vegenics will receive royalties from these companies from product sales.

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About Circadian Technologies

Circadian Technologies Limited (ASX: CIR) was listed on the Australian Stock Exchange in 1985 and provides management and funding for the development and commercialisation of Australian biomedical research. It aims to identify high potential scientific research projects from within Australian universities and research institutes, focussing on opportunities that have the potential to address large markets or significant unmet medical needs. Circadian provides funds for further project development, in addition to providing the management expertise that is essential if the project is to meet its goal of commercialisation.

Circadian has shareholdings in Optiscan Imaging Limited, Metabolic Pharmaceuticals Limited and Antisense Therapeutics Limited, companies in which Circadian has been involved in providing management, funding and assistance in their listing. Circadian is also the largest shareholder in Avexa Limited, an Australian pharmaceutical research and development company.

In addition to retaining shareholdings in these companies, Circadian maintains an active research and development program. Its core neurosciences research projects aim to develop a new treatment specifically for Alzheimer's disease, to develop novel compounds based on paracetamol, to develop a family of new analgesics and to develop compounds with potential for enhancing memory. In addition to its holding in Vegenics, its core cancer project portfolio includes a genomics based technology for identification of the primary source of cancers, a novel technology for identification of cancer markers, and the development of peptide based cancer vaccines. In addition, Circadian has an extensive patent portfolio in an emerging technology in gene testing (known as in situ hybridisation); and a collaboration with Monash University in respect of the development of a method of replacing internal molecular linkages known as disulphide bonds with more stable carbon bonds, in a highly specific fashion.

About Vegenics

Vegenics was formed to develop and commercialise the intellectual property and technology of the global Ludwig Institute for Cancer Research (LICR) and Licentia Limited, the commercial arm of the University of Helsinki, in respect of molecules known as vascular endothelial growth factors (VEGF). Vascular Endothelial Growth Factors are a family of proteins that play an important role in promoting the growth of new blood vessels and maintenance of existing blood vessels. The approach of inhibiting VEGF and thus restricting blood and nutrient supply to tumours has potential in the treatment of cancer. The shareholders in Vegenics are Circadian (67%), LICR (15%) and Licentia (18%).

About LICR

The Ludwig Institute for Cancer Research is a global non-profit organization committed to improving the understanding and control of cancer through integrated laboratory and clinical discovery employing over 800 scientists in branches throughout North and South America, Europe and Australia. Leveraging its worldwide network of investigators and the ability to sponsor and conduct its own clinical trials, LICR is actively engaged in translating its discoveries into applications for human benefit.

About Licentia

Licentia Limited commercialises technologies with IP protection originating from Finnish research institutes and universities, either through licensing or start-up companies. Since its establishment in 2001, Licentia has concluded over 70 licence and related contracts, which have generated income in millions of euros to universities and inventors. The investment of \$690,000 in cash into Vegenics for equity is the first cash investment by Licentia worldwide, however, in the past Licentia has transferred IP to several start-up companies for equity.