



## INIMEX PRODUCT CANDIDATES

A number of compound series will result from Inimex' lead optimization program, which will permit development of a pipeline of distinct products for a range of indications and create opportunities for development partnerships.

Inimex' first generation products are short synthetic peptides suitable for parenteral, aerosol, or topical administration. An intravenous product formulation will be developed in the first instance, suitable for hospitalised patients who will usually have an intravenous line.

The Company also expects to identify second generation products suitable for oral administration utilizing proprietary assays and knowledge of structure-activity relationships resulting from the first generation drug selection programs.

The scientific background on IDR-1, a prototype IDR compound, was recently published (Nat. Biotechnol. Vol. 25 No. 4).

The lead first generation product candidates have the following drug profile:

- Efficacy in Animal Models
  - Broad Spectrum, Prophylactic and Therapeutic Activity
  - Local and Systemic effects
  - Flexibility for route of administration
  - Complementary to antibiotics
- Favorable Safety Profile
- Commercially Realistic CMC

## MARKET OPPORTUNITIES

### INFECTIOUS DISEASE

The global antibiotic market was valued at \$28B in 2002, the third largest sector in the global pharmaceutical market. The overall antibacterial sector is expected to demonstrate limited dollar growth to 2011, largely because of patent expiries and emerging generic competition. Market dynamics in the antibiotic sector reflect its mature nature – there are large numbers of competing products and varied treatment guidelines.

There exists a significant need in the community and hospital settings to develop novel non-antibiotic preventative and therapeutic agents for infectious disease. Key drivers of demand in these markets include:

1. An ever increasing elderly population;
2. Increased number of immune-compromised patients, such as cancer patients, patients with acquired immune deficiency syndrome (AIDS) and patients receiving immunosuppressive treatment;
3. Emergence of resistant pathogens such as MRSA, VRE, and FQRP; and
4. The need for rapid preventative measures in emergency situations following major disasters (earthquakes, flooding, etc.) or bioterrorist attack.

Inimex medicines have a number of key advantages that address these market drivers for infectious disease:

- Avoidance of drug resistance
- Fast-acting
- Broad-spectrum activity
- Suppression of inflammation
- Independence from T&B cells

### *Inimex Product Advantages*

Inimex compounds rapidly trigger host innate immunity, even in animals that are genetically or chemically immune stressed. Triggering the innate system results in naturally broad spectrum defence against pathogens; in mouse models Inimex compounds have been shown to have activity against Gram positive, Gram negative and antibiotic resistant bacterial infections. Given that Inimex compounds act on the host species, it is not expected that bacteria will become resistant to their mode of action.

## MARKET OPPORTUNITIES CONTINUED

### INFLAMMATORY DISEASE

In addition to fighting infection, Inimex medicines have potential application in inflammatory disease. Inimex compounds suppress inflammation in a variety of animal models and have been shown to reduce the production of the proinflammatory cytokine TNF- $\alpha$ . This suggests that Inimex compounds would represent a competing approach to anti-TNF- $\alpha$  therapies currently on the market, with combined worldwide annual sales >\$4.8B in 2004.

Inimex compounds would have a lower cost of goods than currently marketed anti-TNF- $\alpha$  therapies and, given their inherent anti-infective properties, Inimex compounds would not suffer from the enhanced susceptibility to infection associated with current therapies.

### ADDITIONAL OPPORTUNITIES

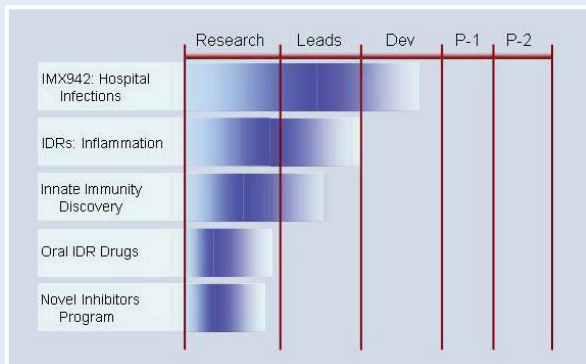
The market opportunities will be sizeable for an orally available second generation product. For example, the annual market for community pneumonia products in the US is estimated at \$4B annually and the global antiviral market at \$20B.

First and second generation Inimex products also have application and significant potential for a number of other infectious disease franchises, including emergency response / biodefence, animal healthcare and third world diseases.

## PRODUCT PIPELINE

### PARTNERING OPPORTUNITIES

The Inimex product portfolio is summarised below:



### IMX942: HOSPITAL INFECTIONS

IMX942 will be developed for hospital bacterial infections, which represent high medical needs due to the seriousness of disease in the hospital setting, the high cost of treatment and the high incidence of antibiotic resistance. Major indications that Inimex will evaluate in this arena include hospital-treated pneumonia, surgical site infections, and chemotherapy-induced neutropenia.

### IDRS: INFLAMMATION

The second Inimex IDR product development program will target inflammation, a distinct disease pathophysiology from the lead program. Inimex is currently evaluating compounds in relevant chronic inflammation models to define a clinical development program for inflammatory disease. Candidate indications include moderate to severe rheumatoid arthritis and psoriasis.