

## ASX Announcement

### Avantogen Ltd Receives Commitment of \$1M in a Private Placement

**20 August 2008, Brisbane and Sydney, Australia:** The Directors of Avantogen Ltd (ASX: ACU) are pleased to announce a commitment of A\$1million in a private placement by the issue of 20,000,000 new ordinary shares at 5 cents per share. The placement, arranged by the mandated financial advisor to the Company, BBY Ltd, was supported by institutional funds and sophisticated investors. Initial shares are being allotted immediately to new investors.

Dr William Ardrey, Chief Executive Officer, commented, "We are pleased by the support received from the financial community. The funds will be used to increase Avantogen's holdings in Hawaii Biotech Inc, as the vaccine market is growing in attractiveness. The global vaccine market has seen numerous recent transactions in excess of US\$300 million, and the major players in the space have announced significant commitments to partnerships and investment in the market."

Shares will be allotted to investors in tranches and will be announced prior to 15 September 2008. Quotation will be applied for shares issued through this placement at the earliest opportunity. This placement is being made within the current capacity to issue such shares at the discretion of the Board.

Dr Ardrey added, "Avantogen continues to run very lean corporate operations. This permits us to maximise cash conversion of placements into assets that yield a future return for investors, in this case Hawaii Biotech Inc shares."

Hawaii Biotech Inc had success with commencing Phase I trials in June 2008 with the West Nile Virus, treating the first patients in the USA, with appropriate US FDA clearances. This Phase I trial has a total initial cohort of 24 patients. All patients in this trial will be treated by the end of 2008. Both preliminary, and 6-month data, will be announced. "Having just returned from visiting Hawaii Biotech Inc concurrent to treating the initial West Nile Virus patients, I can say we are very pleased with the excellent progress the Company has made in the vaccine space, advancing clinical trials with all of the required US FDA clearances.

The major product of interest within the Avantogen group is the Dengue vaccine with Phase I human clinical trials planned to start later this year. This Dengue vaccine targets a large and attractive market approaching US\$5 billion annually with cases of Dengue fever on the increase recently in Australia and neighbouring markets.

This Dengue vaccine program is supported by the Bill & Melinda Gates Foundation, via the Paediatric Dengue Vaccine Initiative (PDVI), which has already provided significant cash and non-dilutive grant funding to Hawaii Biotech Inc. "Investors in Avantogen were especially pleased to see support from the Gates foundation team, and also by the addition of Prof Ian Frazer as a medical and scientific advisor to this initiative," added Dr Ardrey.



The oncology portfolio continues to progress well, and initial seven-figure licensing payments for the pancreatic cancer drug have already been received from Avantogen's partner. "The regulatory and clinical success with vaccines follows excellent progress with our pancreatic drug RP010, which is now in Phase IIb in the USA, in a revenue licensing partnership with Sciclone Pharmaceuticals," noted Dr Ardrey.

Avantogen has recently announced commercial progress with its drug candidates, especially revenue generating transactions around its pancreatic cancer drugs, its nutraceuticals, and vaccines. As of the financial year ending June 2008, the Company has been favourably featured in the business press, and other publications, and also was ranked by Bioshares as a top performing ASX biotech stock. The Company's website, [www.avantogen.com.au](http://www.avantogen.com.au) has details of this coverage, and also a section where interested investors can subscribe to ongoing updates about the Company.

### **About Avantogen Limited:**

Avantogen Ltd (ASX: ACU) is developing and commercializing drugs and nutraceuticals in the fast growing oncology and vaccine markets. Recently, the Company has announced a number of high-value commercial licensing revenue partnerships with leading US biotechnology players, and seen strong success with its pipeline of promising proprietary products.

The Company is successfully poised for a prosperous and promising future, for the benefit of current and future shareholders. The parent company, and its affiliates, has recently completed a number of positive, revenue transactions, which included collection of multi-million dollar upfront payments and execution of licensing documentation including future milestone payments and substantial future royalty streams.

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