ASX / Media Release

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Circadian to be granted significant United States and European patents covering VEGF inhibitor technology for the treatment of cancer

- **Patents grant exclusive rights to the use of any anti-VEGF-C, anti-VEGF-D or anti-VEGFR-3 antibody to treat cancer**
- **Patent rights extend until September 2023 in the US**

Melbourne, Australia, November 10, 2010: Circadian Technologies Limited (ASX:CIR) announced today the grant of United States Patent No. 7,829,091 to its subsidiary company, Vegenics Limited.

The patent, which extends to September 2023, covers the use of inhibitors which block the binding of VEGF-C or VEGF-D to VEGFR-3 for the treatment of cancer. Inhibitors covered include any soluble forms of the VEGFR-3 receptor and any antibodies directed against VEGF-C, VEGF-D or VEGFR-3 which inhibit the binding of VEGF-C or VEGF-D to VEGFR-3.

The corresponding patent applications in Europe and Canada, which contain claims analogous to those granted in the US, have both been allowed as well. The European application will grant European Patent No. 1119371 on November, 24 2010. Canadian Patent No. 2345276 is expected to issue in the first half of 2011.

Circadian already controls worldwide rights to an extensive intellectual property portfolio covering the VEGF-C, VEGF-D and the VEGFR-3 receptor targets. Specifically, Circadian already has a two granted Australian patents in this family, AU 200013121 and AU 200408675, and continues to prosecute the case in Japan. The grant of this family of patents relating to anti-cancer uses provides a strong commercial underpinning to Circadian's development of its proprietary VGX-100, VGX-200 and VGX-300 candidates as well as a major boost to Circadian's already significant intellectual property position in this area of research and development. VGX-100 (a fully human VEGF-C antibody), VGX-200 (a humanised VEGF-D antibody) and VGX-300 (a recombinant VEGFR-3 molecule which works by trapping VEGF-C and VEGF-D in the circulation) are all being developed as cancer therapies. Additionally, Circadian's licensee, Eli Lilly through its subsidiary ImClone Systems, is developing an antibody to VEGFR-3 (IMC-035), also for cancer therapy, which is expected to commence clinical trials in early 2011.

"The development of antibody drugs targeting angiogenic molecules such as VEGF-C or VEGF-D or their receptor VEGFR-3 is widely considered one of the most promising strategies in the pharmaceutical industry," said Circadian CEO, Mr Robert Klupacs. "These newly issued patents extend the life of our considerable estate of intellectual property covering selected VEGF family members to September 2023 in the United States. They provide vital protection for our development programs and represent a major asset which can form the basis of potential commercial and drug development partnerships moving forward."

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About Circadian Technologies Limited

Circadian (ASX:CIR) is a biologics drug developer focusing on cancer therapies. It controls exclusive worldwide rights to a significant intellectual property portfolio around Vascular Endothelial Growth Factor (VEGF) C and D. The applications for the VEGF technology, which functions in regulating blood and lymphatic vessel growth, are substantial and broad. Circadian's internal product development programs are focussed on novel anti-cancer therapeutics for large unmet needs. Circadian has also licensed rights to some parts of its intellectual property portfolio for the development of other products to ImClone Systems (a wholly owned subsidiary of Eli Lilly & Company - NYSE: LLY). ImClone Systems is currently developing an antibody-based drug targeting VEGFR-3 for the treatment of solid tumours.

About Circadian's pipeline of treatments for cancer

The clinical and outstanding commercial success of Avastin, an antibody that blocks the activity of VEGF-A, clinically validated anti-angiogenic drugs as an effective means of inhibiting solid tumour growth. By blocking the interaction of VEGF-A with its receptors, primarily VEGFR-2, the multi-billion dollar cancer therapeutic slows tumour growth by inhibiting blood vessel recruitment into the tumour, effectively starving tumours of essential nutrients and oxygen required for growth. Avastin, which is sold by Genentech, now part of Roche, had U.S. sales in 2009 of US$5.7 billion and worldwide sales in excess of US$8.6 billion. Avastin is approved by the US FDA in the following indications: metastatic colorectal cancer, non-squamous-cell lung cancer, metastatic breast cancer, glioblastoma, metastatic renal cell carcinoma.

The VEGF-C inhibitor, VGX-100, a key therapeutic in Circadian's portfolio, block this alternative stimulator for VEGFR-2. As such, it has the potential to block blood vessel growth in tumours resistant to anti-VEGF-A therapy and, when used in combination with drugs like Avastin, may completely shut down angiogenesis (the growth of blood vessels) mediated by VEGFR-2, resulting in greater clinical efficacy.
VEGF-C along with the molecule VEGF-D. are also the only known proteins to bind and activate VEGFR-3 which drives lymphatic vessel and tumour-associated blood vessel growth. Inhibitors of VEGF-C thus have therapeutic potential to inhibit not only primary tumour growth through their anti-angiogenic activities, but to also inhibit tumour spread or metastasis via the lymphatic vessels - a mechanism of tumour dissemination that is often the deadliest aspect of many tumour types and a mechanism that is not effectively blocked by anti-VEGF-A or anti-VEGFR-2 therapeutics.

Inherent risks of Investment in Biotechnology Companies

There are a number of inherent risks associated with the development of pharmaceutical products to a marketable stage. The lengthy clinical trial process is designed to assess the safety and efficacy of a drug prior to commercialisation and a significant proportion of drugs fail one or both of these criteria. Other risks include uncertainty of patent protection and proprietary rights, whether patent applications and issued patents will offer adequate protection to enable product development, the obtaining of necessary drug regulatory authority approvals and difficulties caused by the rapid advancements in technology. Companies such as Circadian are dependent on the success of their research and development projects and on the ability to attract funding to support these activities. Investment in research and development projects cannot be assessed on the same fundamentals as trading and manufacturing enterprises. Thus investment in companies specialising in drug development must be regarded as highly speculative. Circadian strongly recommends that professional investment advice be sought prior to such investments.

Forward-looking statement

Certain statements in this ASX announcement may contain forward-looking statements regarding Company business and the therapeutic and commercial potential of its technologies and products in development. Any statement describing Company goals, expectations, intentions or beliefs is a forward-looking statement and should be considered an at-risk statement. Such statements are subject to certain risks and uncertainties, particularly those risks or uncertainties inherent in the process of developing technology and in the process of discovering, developing and commercialising drugs that can be proven to be safe and effective for use as human therapeutics, and in the endeavor of building a business around such products and services. Circadian undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise. Actual results could differ materially from those discussed in this ASX announcement.