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OBJ SIGNS SECOND AGREEMENT WITH GLOBAL FMCG COMPANY

OBJ Limited (ASX: OBJ) is pleased to announce that it has executed a second research collaboration agreement with a global Fast Moving Consumer Goods (FMCG) company to evaluate and optimise its proprietary DP and ETP drug delivery platforms for the transdermal delivery of an undisclosed compound. The feasibility project will compare the in vitro skin penetration amount and rate of the target drug delivered by DP, ETP and a commercial formulation.

In December 2007, OBJ executed a research collaboration agreement with the same FMCG company to conduct an initial feasibility to evaluate the use of both the DP and ETP platforms for up to 2 compounds for over-the-counter (OTC) healthcare applications. The initial feasibility was successfully completed in March 2008. The FMCG company recently advised OBJ that it wished to conduct additional studies to further evaluate the magnetic delivery platforms for 1 of the previously tested OTC compounds.

The terms of the agreement and details of the feasibility project are subject to confidentiality; however OBJ will receive fees of up to US$335,000 for completion of the project. The agreement also deals with future collaboration and potential licensing rights that may arise following a successful feasibility.

The feasibility project has been outsourced to Azopharma Contract Services Inc, a GLP/GMP accredited contract research organisation in the USA with the in vitro, preclinical and clinical capabilities to conduct the transdermal feasibility and any future product development activities that may be required.

OBJ Director Glyn Denison said that this second feasibility agreement was an important milestone for OBJ, as successful completion of the project may lead to significant commercial outcomes for the Company.

"Transdermal applications for over-the-counter products represent a highly attractive commercial opportunity for the Company and we are delighted that the FMCG company has committed to further evaluation of the OBJ delivery platforms" he said.

OBJ continues to advance its internal technology proof-of-concept program to develop, optimise and validate its delivery platforms for potential small molecule and peptide applications.

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About OBJ:

OBJ Limited (ASX: OBJ) is an early-stage Australian drug delivery company focused on the development and commercialization of transdermal drug delivery technology for use in the pharmaceutical and cosmetic industries. OBJ's proprietary *Dermaportation* and *ETP* technologies use magnetic fields to deliver drugs safely and painlessly through the skin.

Dermaportation (DP) is a *powered electromagnetic transdermal drug delivery platform* that uses time-varying electromagnetic fields to enable transdermal delivery of susceptible molecules. The Dermaportation platform is designed to be integrated into a battery-operated transdermal patch or a separate hand-held applicator that is combined with a commercial drug patch to provide fast onset, controlled delivery and patient monitoring benefits for prescription drug applications.

Enhanced Transdermal Polymer (ETP) is an *unpowered magnetic transdermal drug delivery platform* that uses stationary magnetic fields to deliver susceptible molecules into or through-the-skin. The ETP platform may be integrated into existing drug-in-adhesive and matrix patch technologies to provide a painless, cost-effective and continuous active patch delivery solution for cosmetic and pharmaceutical "over the counter" applications.

The magnetic delivery platforms have some unique features that have the potential to increase the transdermal delivery rate of susceptible drugs and provide *cost and therapeutic effectiveness* advantages over existing transdermal technologies.

About the Transdermal Drug Delivery (TDD) market:

Transdermal delivery is a safe, convenient and painless method of drug delivery through-the-skin that avoids the complications associated with long-term oral or injectable delivery. The transdermal drug delivery market was valued at US$13.7B globally in 2006 and is forecast to reach US$21.5B by 2010 with an annual growth rate of 12%.[1] The key factors driving demand for transdermal delivery technology and products in the pharmaceutical market are improving the therapeutic index of drugs, improving patient compliance, extending patent life and product life-cycle management.

[1] Jain PharmaBiotech. Transdermal Drug Delivery - Technologies, Companies & Markets. Basel 2007; Jun.

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