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The Lilly TB Drug Discovery Initiative Begins Work on New Compounds to Fill Early-Stage TB Drug Pipeline

U.S. National Institutes of Health, The Infectious Disease Research Institute and Eli Lilly and Company Announce Launch and Board of Advisors

Seattle, WA (October 7, 2008) – The Lilly TB Drug Discovery Initiative today announced its first acquisition of compounds for further development into tuberculosis (TB) drug candidates. Agreements were reached with Summit plc (LSE: SUMM) of Oxfordshire, UK, and the Microbial Chemistry Research Foundation (MCRF) of Tokyo for two compounds that have shown potential in initial testing.

The announcement marked the commencement of the Initiative's work and the opening of new laboratories focused on early drug discovery for TB. It also coincided with the first meeting of the non-profit organization's Board of Advisors and Scientific Steering Committee.

The Lilly TB Drug Discovery Initiative is a public-private partnership with the goal of filling the early-stage pipeline for future drug development. Created in June 2007, the Initiative's primary members are Eli Lilly and Company, the Infectious Disease Research Institute (IDRI), and the National Institute of Allergy and Infectious Diseases (NIAID), part of the U.S. National Institutes of Health (NIH).

"I've seen first-hand the toll that TB takes on families in all corners of the world. People think of TB as a disease of the past, but with extensive spread of resistance to current drugs and without rapid development of new drugs, TB will be a disease of the future everywhere, including here in the U.S.," said Dr. Paul Farmer of Partners In Health and Harvard Medical School, who sits on the Initiative's Board of Advisors.

The access this public-private Initiative has to proprietary chemical libraries of compounds is unique. The Initiative will accelerate identification of new clinical candidates by bringing together specialists from around the world for the systematic exploration of vast, private molecular libraries. It will bring together microbiologists, molecular biologists, synthetic chemists, medicinal chemists, pharmacologists, toxicologists, and process chemists to expedite the testing and optimizing of early-stage compounds to fill the pipeline for drug development.

"This Initiative is founded on the belief that people from different corners of the pharmaceutical and healthcare world will put aside differences and come together when confronted with a global threat," said Dr. Gail Cassell, Lilly's vice president of scientific affairs and distinguished research scholar. "Our collaboration around these two compounds proves that this belief is true. We are encouraged by the response and inspired by the commitment of our colleagues."

Over the past year, The Lilly TB Drug Discovery Initiative has organized operations and labs and identified compounds for the first round of work. Within the next few months, it plans to begin high-throughput screening of new, validated targets against well-characterized chemical libraries.

In addition to screening activities, the Initiative will study the potential of the newly acquired compounds from MCRF and Summit plc:

- MCRF has discovered CPZEN-45, an early stage clinical candidate which may have a new mechanism of action against TB, and also shows efficacy against multidrug-resistant and extensively drug resistant TB infected mice without any detectable side effect so far examined.
- Summit plc's compounds also show significant potential as a new class of antibiotics for treatment of TB and will be further explored by the Initiative.

Organizations co-developing compounds with the Initiative or contributing research tools will have the opportunity to request access to NIH-sponsored resources and receive valuable data to assist the Initiative's research process.

More than 1.5 million people die each year from TB, most of them in low income countries. However, TB is spreading globally and evolving rapidly into something more deadly than ever before. XDR-TB has now been found in almost 50 countries, including the U.S., England, Japan, Italy and Norway.

To fight the new strains, new drugs with more muscle are needed and, while a number of drugs are in later stages of clinical trial, this Initiative is needed to fill the early-stages pipeline.

"The emergence of drug resistant TB is of global consequence. While many organizations are investigating novel drugs and vaccines to minimize the burden of tuberculosis, clearly more work is required. Our contribution to this effort will be to leverage IDRI's internal capabilities, while leaning heavily on our public private-partnership with the Lilly Initiative," said Dr. Steve Reed, Founder and Head of IDRI's Research and Development Program.

The Lilly TB Drug Discovery Initiative's Board of Advisors includes Dr. Gail Cassell from Lilly; Dr. Barry Bloom, Dean of Harvard University School of Public Health; Dr. Queta Bond, President of Burroughs Wellcome Fund (ret.); Dr. Bruce Carter, Liaison to the Board of Directors for the TB Alliance; Dr. Paul Farmer, Partners In Health and Harvard Medical School; Dr. Carole Heilman, Director of the Division of Microbiology and Infectious Diseases (DMID) at the NIAID; Dr. Regina Rabinovitch, Director of Infectious Diseases for the Bill and Melinda Gates Foundation and Dr. George Whitesides, Woodford L. and Ann A. Flowers University Professor at Harvard University. Dr. Steve Reed from IDRI will serve as the Chair and Dr. Barbara Laughon from NIAID will serve as the Executive Secretary.

About The Lilly TB Drug Discovery Initiative

The Lilly TB Drug Discovery Initiative is a not-for-profit public-private partnership with a mission to accelerate early-stage drug discovery by bringing together specialists from around the world for the systematic exploration of vast, private molecular libraries in search of new TB treatments. Headquartered in Seattle, The Lilly TB Drug Discovery Initiative includes representatives of government agencies, philanthropic organizations, pharmaceutical

companies, universities and other research institutions. Its most important goal is filling the pipeline for future TB drugs.

About Lilly

Lilly, a leading innovation-driven corporation, is developing a growing portfolio of first-in-class and best-in-class pharmaceutical products by applying the latest research from its own worldwide laboratories and from collaborations with eminent scientific organizations. Headquartered in Indianapolis, Ind., Lilly provides answers — through medicines and information — for some of the world's most urgent medical needs. Additional information about Lilly is available at www.lilly.com.

For this Initiative, Lilly has opened access to its greatest assets, a library of 500,000 compounds. The company also is lending its immense drug discovery expertise and organizational savvy, and is contributing the latest, most innovative technologies used in drug discovery to be applied to the search for new drugs to fight TB. The \$15 million Lilly has given to support this historic undertaking is part of Lilly's \$135 million commitment to control MDR-TB through The Lilly MDR-TB Partnership, which mobilizes 18 partners on five continents to stop the spread of the disease and save lives. Additional information can be found at www.lillymdr-tb.com.

About IDRI

IDRI is a Seattle-based not-for-profit organization committed to applying innovative science to the research and development of products to prevent, detect and treat infectious diseases of poverty. By integrating capabilities, IDRI strives to create an efficient pathway bringing scientific innovation from the lab to the people who need it most. For more information, go to www.idri.org.

For this Initiative, IDRI is providing substantial expertise in microbiology, molecular biology and chemistry, as well as managing the Initiative's laboratory. IDRI serves as the principal coordinator for all partnership efforts.

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