November 29, 2012

pSivida Corp. Reports Patient Access Scheme Being Developed by Alimera to Address Cost Concerns Following Negative Final Draft Guidance by U.K.'s NICE for ILUVIEN® for DME

WATERTOWN, Mass.--(BUSINESS WIRE)-- pSivida Corp. (NASDAQ: PSDV) (ASX: PVA), a leader in developing sustained release, drug delivery products for treatment of back-of-the-eye diseases, today announced that the United Kingdom's National Institute for Health and Clinical Excellence (NICE) issued final draft guidance indicating that ILUVIEN is not recommended for the treatment of chronic diabetic macular edema (DME) considered insufficiently responsive to available therapies. While ILUVIEN has received marketing authorization in the U.K., the independent Appraisal Committee concluded that the evidence provided did not show that the benefits ILUVIEN provides to patients justify the proposed price.

pSivida's licensee, Alimera Sciences, reported that in response to the final draft guidance, it has immediately begun to develop a Patient Access Scheme (PAS) to address NICE's cost concerns. According to Alimera, the PAS being developed, if accepted, will make ILUVIEN available to all chronic DME patients in the United Kingdom considered insufficiently responsive to available therapies.

The International Diabetes Federation estimates that more than 3 million people are currently living with diabetes in the U.K., nearly 200,000 of whom, according to Alimera's estimates, suffer with vision loss from DME.

About pSivida Corp.

pSivida Corp., headquartered in Watertown, MA, develops tiny, sustained release, drug delivery products designed to deliver drugs at a controlled and steady rate for months or years. pSivida is currently focused on treatment of chronic diseases of the back of the eye utilizing its core technology systems, Durasert™ and BioSilicon™. The injectable, sustained release micro insert ILUVIEN® for the treatment of chronic DME, licensed to Alimera Sciences, Inc., has received marketing authorization in Austria, France, Germany, Portugal and the U.K. and is awaiting authorization in Italy and Spain. ILUVIEN for DME has not been approved in the US. pSivida plans to institute pivotal Phase III clinical trials for the treatment of posterior uveitis with the same micro-insert as ILUVIEN for DME. An investigator-sponsored clinical trial is ongoing for an injectable, bioerodible micro-insert to treat glaucoma and ocular hypertension. pSivida's two FDA-approved products, Retisert® and Vitrasert®, are implants that provide long-term, sustained drug delivery to treat two other chronic diseases of the retina.

SAFE HARBOR STATEMENTS UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: Various statements made in this release are forward-looking, and are inherently subject to risks, uncertainties and potentially inaccurate assumptions. All statements that address activities, events or developments that we intend, expect or believe may occur in the future are forward-looking statements. The following are some of the factors that could cause actual results to differ materially from the anticipated results or other expectations expressed, anticipated or implied in our forward-looking statements: outcome of reimbursement for ILUVIEN in the U.K., uncertainties with respect to: Alimera's ability to finance, achieve additional marketing approvals, successfully commercialize and achieve market acceptance of, and generate revenues to pSivida from, ILUVIEN for DME in the EU; Alimera's resubmission of its NDA for ILUVIEN for DME and its ability to obtain regulatory approval for, and if approved, to finance, successfully commercialize and achieve market acceptance of, and generate revenues to pSivida from, ILUVIEN for DME in the U.S.; financing and success of Phase III posterior uveitis trials including efficacy, side effects and risk/benefit profile of the posterior uveitis micro-insert; initiation, financing and success of Latanoprost Product Phase II trials and exercise by Pfizer of its option; development of products using Tethadur and BioSilicon; initiation and completion of clinical trials and obtaining regulatory approval of product candidates; adverse side effects; ability to attain profitability; ability to obtain additional capital; further impairment of intangible assets; fluctuations in operating results; decline in royalty revenues; ability to, and to find partners to, develop and market products; termination of license agreements; competition and other developments affecting sales of products; market acceptance; protection of intellectual property and avoiding intellectual property infringement; retention of key personnel; product liability; consolidation in the pharmaceutical and biotechnology industries; compliance with environmental laws; manufacturing risks; risks and costs of international business operations; credit and financial market conditions; legislative or regulatory changes; volatility of stock price; possible dilution; possible influence by Pfizer; absence of dividends; and other factors described in our filings with the SEC. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Our forward-looking statements speak only as of the dates on which they are made. We do not undertake any obligation to publicly update or revise our forward-looking

statements even if experience or future changes makes it clear that any projected results expressed or implied in such statements will not be realized.

US Public Relations
Beverly Jedynak
President
Martin E. Janis & Company, Inc
Tel: +1 (312) 943 1123
bjedynak@janispr.com
or
pSivida Corp.
Brian Leedman
Vice President, Investor Relations
pSivida Corp.
Tel: +61 (0) 41 228 1780
brianl@psivida.com

Source: pSivida Corp.