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pSivida Receives $15 million payment from Alimera Sciences

WATERTOWN, Mass., Apr 28, 2010 (BUSINESS WIRE) --pSivida Corp. (NASDAQ:PSDV)(ASX:PVA), a leader in the development of ophthalmic sustained release drug delivery products, today said it had received full payment of a $15 million note, including an additional $225,000 in accrued interest, from Alimera Sciences, Inc., pSivida's licensee developing Iluvien® for the treatment of diabetic macular edema (DME).

Dr. Paul Ashton, CEO of pSivida Corp. said, "We congratulate Alimera on its successful IPO and look forward to Alimera's filing of the NDA for Iluvien for the treatment of DME." Alimera has stated that it intends to file the NDA for Iluvien this quarter and to seek priority review, which, if granted, is expected to result in a response from the FDA in the 2010 fourth quarter. If the FDA approves Iluvien for the treatment of DME, pSivida is due to receive a $25 million milestone payment from Alimera. pSivida would also be entitled to receive 20% of the net profits of sales of Iluvien.

"pSivida's focus is the use of our unique technologies to develop therapies for serious unmet medical needs. We target diseases that affect large numbers of people and that represent big commercial opportunities. We believe Iluvien for DME is an example of this," Dr. Ashton said. He added that pSivida is developing other ophthalmic products, some in partnership with Pfizer, pSivida's largest shareholder, and some internally. pSivida is also working to adapt its drug delivery platforms to deliver therapeutics outside ophthalmology.

About pSivida Corp.

pSivida Corp is a world leader in the development of tiny, sustained release, drug delivery products that are administered by implantation, insertion or injection. We are using these systems to develop treatments for serious, unmet, medical needs. The Company's lead development product, Iluvien, delivers fluocinolone acetonide (FA) for the treatment of DME. DME affects approximately 1m people in the US and is one of the leading causes of vision loss. Currently, there are no FDA approved drugs for this disease. Iluvien, formerly known as Medidur™ FA for DME, is licensed to Alimera, which is conducting fully-recruited Phase III clinical trials and has announced that it intends to file an NDA with the FDA in the second quarter of 2010. pSivida also has two products approved by the FDA: Retisert® for the treatment of posterior uveitis and Vitrasert® for the treatment of AIDS-related cytomegalovirus (CMV) retinitis. pSivida has licensed both of these products and the technologies underlying them to Bausch & Lomb Incorporated. pSivida has a worldwide collaborative research and license agreement with Pfizer under which Pfizer may develop additional ophthalmic products. In addition pSivida has a multiple of other products in development.

pSivida's intellectual property portfolio consists of 62 patent families, over 100 granted patents, including patents accepted for issuance, and over 200 patent applications. pSivida conducts its operations from Boston in the United States and Malvern in the United Kingdom.

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 forward-looking statements: inability to commercialize Iluvien or significant delays in the commercialization of Iluvien; inability to obtain regulatory approvals of Iluvien; failure to achieve an appropriate relationship between the benefits of Iluvien's efficacy and the risks of its side effect profile; regulatory agency imposition of limitations on the uses for which Iluvien may be marketed, subsequent withdrawal of approval or other actions adverse to our business; failure of Iluvien to be granted priority review or receive approval within the six month priority review/approval cycle; continued losses and lack of profitability; inability to derive revenue from Retisert; impairment of intangibles; fluctuations in the fair values of certain outstanding warrants; fluctuations in operating results; inability to raise capital; termination of license agreements; inability to obtain regulatory approvals for products; inability to obtain partners to develop and market products; competition; insufficient third-party reimbursement for products; inability to protect intellectual property or infringement of others' intellectual property; failure to retain key personnel; consolidation in the pharmaceutical and biotechnology industries; failure to comply with laws and regulations; manufacturing problems; risks and costs of international business operations; volatility of stock price; possible dilution through exercise of outstanding warrants and stock options; possible influence by Pfizer; payment of registration penalties; nonpayment of dividends; and other factors that may be described in our filings with the Securities and Exchange Commission. 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.

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