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pSivida Announces Iluvien(R) Receives FDA Priority Review for Treatment of Diabetic Macular Edema

WATERTOWN, Mass., Aug 31, 2010 (BUSINESS WIRE) --

pSivida Corp. (NASDAQ:PSDV) (ASX:PVA), a leader in the development of sustained release back of the eye drug delivery systems for difficult-to-treat conditions, today announced that its licensee, Alimera Sciences (NASDAQ:ALIM) has been notified that the U.S. Food and Drug Administration (FDA) has granted Priority Review status for the New Drug Application (NDA) filed for Iluvien for the treatment diabetic macular edema (DME).

FDA Priority Review status is given to therapies that offer major advances in treatment, or provide a treatment where no adequate therapy exists. This status reduces the review time goal from 10 months to six months.

Dr. Paul Ashton, President and CEO of pSivida said, "With priority review a response from the FDA regarding Iluvien could be received in the fourth quarter of this year. Approval of Iluvien would trigger a $25 million milestone payment to pSivida from Alimera. Under the license agreement pSivida is also to receive 20 percent of net profits on sales by Alimera."

The news regarding priority review follows the submission last month of the Marketing Authorization Application to the Medicines and Healthcare products Regulatory Agency in the United Kingdom. Applications have also been submitted to regulatory agencies in Austria, France, Germany, Italy, Portugal and Spain. Filing in Canada is expected to take place in September. pSivida has joint ownership and reference rights to these regulatory filings.

pSivida continues to work to develop new products for the sustained release of drugs and proteins based on its existing and new technologies. Additionally, Pfizer and pSivida are collaborating to develop ophthalmic products based on pSivida technology. While the Company remains primarily focused in ophthalmology, pSivida is exploring other therapeutic areas.

About pSivida Corp.

pSivida Corp. is a world leader in the development of tiny, sustained release, drug delivery products and technologies that are administered by implantation, insertion or injection. The Company uses these systems to develop treatments for serious, unmet, medical needs. pSivida's intellectual property portfolio consists of over 50 patent families, more than 100 granted patents, including patents accepted for issuance, and more than 150 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 anticipated results or other expectations expressed, anticipated or implied in our forward-looking statements: maintaining collaboration agreements with Alimera and Pfizer; modifications of existing terms of collaboration agreements with Alimera and Pfizer; achievement of milestones and other contingent contractual events; ability to prove safety and efficacy of, and achieve regulatory approvals for, and successfully commercialize Iluvien, BrachySil and other products;; ability to raise capital; ability to achieve profitability; ability to derive revenues from Retisert; ability to develop new products; impairment of intangibles; fluctuations in the fair values of certain outstanding warrants; fluctuations in operating results; termination of license agreements; ability to obtain partners to develop and market products; competition; extent of third-party reimbursement for products; product liability; ability to protect intellectual property or infringement of others' intellectual property; retention of key personnel; consolidation in the pharmaceutical and biotechnology industries; compliance with laws; maintaining effective internal control over financial reporting; manufacturing risks; risks and costs of international business operations; volatility of stock price; possible dilution through exercise of outstanding warrants and stock options or future stock issuances; possible influence by Pfizer; ability to pay any registration penalties; and other factors 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.

SOURCE: pSivida Corp.

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