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pSivida Announces Second Tech Evaluation Agreement with its BioErodible Durasert Technology

WATERTOWN, Mass.--(BUSINESS WIRE)--Mar. 13, 2012-- 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 it has entered into a technology evaluation agreement for its bioerodible Durasert™ drug delivery technology in ophthalmology with Neuron Systems, Inc., an ocular drug development company based in Burlington, MA. Under this agreement, the companies will evaluate the use of pSivida's technology as a delivery system for a treatment for dry age related macular degeneration (Dry AMD), a serious retinal disease that afflicts millions of patients worldwide and can lead to blindness.

"While Wet AMD, which affects less than 20% of the population with AMD, is well treated with products such as Genentech's billion dollar Lucentis and/or Regeneron's Eylea, there currently is no approved treatment for Dry AMD, a disease which affects far more people," said Dr. Paul Ashton, President and CEO of pSivida. Dr. Ashton added "this is the second tech evaluation agreement pSivida has signed for its bioerodible Durasert technology since pSivida regained the rights to its intellectual property from Pfizer last year."

"We are very pleased to enter into this technology evaluation agreement with pSivida as we believe the combination of Durasert™ and our proprietary compounds may provide an exciting new approach to treating this devastating disease," commented Dr. Todd C. Brady, CEO of Neuron Systems.

pSivida is also independently developing a product to treat uveitis affecting the posterior segment of the eye (posterior uveitis) and a product to treat glaucoma and ocular hypertension in collaboration with Pfizer.

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™. ILUVIEN® for the treatment of Diabetic Macular Edema (DME), which is licensed to Alimera Sciences, Inc., is pSivida's most advanced product candidate, and based on a consensus arrived upon by the RMS and the CMS, the MHRA issued its Final Assessment Report that ILUVIEN for chronic DME is approvable. An investigator-sponsored Investigational New Drug application opened for an injectable insert to treat posterior uveitis of the same design as ILUVIEN for DME, and an investigator-sponsored trial is ongoing for an injectable, bioerodible 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.

About Neuron Systems, Inc.

Neuron Systems, Inc. (Neuron) is developing treatments for the dry form of age-related macular degeneration, a serious eye disease that may lead to blindness and affects millions of individuals worldwide. Neuron's approach involves the development of novel small molecule drugs specifically designed to inhibit the formation of toxic metabolites that accumulate in the back of the eye. Unlike other drugs in development, Neuron's drugs do not appear to cause night blindness, or difficulty seeing in low-light conditions. Neuron Systems is an investment of Johnson & Johnson Development Corporation and Domain Associates, a leading healthcare venture capital firm. For more information, please go to www.neuronsystemsinc.com.

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: Alimera's ability to obtain regulatory approval of and successfully commercialize ILUVIEN for DME in the EU; actions with respect to regulatory approval of ILUVIEN for DME in the U.S.; ability to obtain additional capital; ability to attain profitability; adverse side effects; exercise by Pfizer of the Latanoprost Product option; ability to complete clinical trials and obtain regulatory approval of product candidates; further impairment of intangible assets; fluctuations in operating results; decline in royalty revenues; ability

to find partners to develop and market products; termination of license agreements; competition; market acceptance of products and product candidates; reduction in use of products as a result of future guidelines, recommendations or studies; ability to protect intellectual property and avoid infringement of others' intellectual property; 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; ability to pay any registration penalties; absence of dividends; 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.

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