



## **Lilly and Deciphera Pharmaceuticals Announce Licensing and Collaboration Agreement**

October 3, 2008

Eli Lilly and Company (NYSE:LLY) and privately-held Deciphera Pharmaceuticals, LLC today announced that the two companies have entered into a collaboration and worldwide licensing agreement related to Deciphera's preclinical B-Raf kinase inhibitor program for the study of potential oncology therapeutics.

The collaboration will apply Deciphera's phylomechanics discovery platform, a unique, proprietary approach to kinase inhibitor design, together with Lilly's expertise in discovery, development and commercialization to pursue first-in-class and best-in-class drug candidates for a variety of cancers.

Under the terms of the agreement, Lilly and Deciphera will collaborate in four different project areas involving selective or multi-kinase targeted B-Raf inhibitors. Lilly will obtain exclusive worldwide rights to any products developed as part of this collaboration. In return, Deciphera will receive an upfront payment and research funding over the next two years from Lilly, and may also receive up to \$130 million in potential development, regulatory and sales milestones for each of the four project areas. If a product is successfully commercialized from this collaboration, Deciphera will be entitled to royalties on sales.

"This collaboration is further evidence of Lilly's ongoing commitment to oncology research," said Dr. William W. Chin, M.D., vice president of discovery research and clinical investigation for Lilly. "We look forward to working with Deciphera to leverage their B-Raf kinase inhibitor program, with the ultimate goal of developing promising

drug candidates for cancer patients.”

“The collaboration and license agreement with Lilly marks an important milestone in the growth and development of our company”, said Daniel Flynn, President & CEO of Deciphera. “Lilly’s strength in drug discovery and development, and in particular their commitment to cancer drug research, provides Deciphera with the opportunity to advance our B-Raf kinase ‘switch pocket’ inhibitors into the clinic and ultimately to patients in need of these therapies. We are very pleased to have Lilly as our partner in this endeavor.”