July 20, 2016

Data Shows pSivida's Tethadur™ Provides Prolonged, Sustained Release of Avastin® With High Drug Efficacy

Data Presented at 2016 Annual Meeting & Exposition of the Controlled Release Society

WATERTOWN, Mass., July 20, 2016 (GLOBE NEWSWIRE) -- pSivida Corp. (NASDAQ:PSDV) (ASX:PVA), a leader in the development of sustained release drug delivery products primarily for eye diseases, announced that new data from preclinical studies of pSivida's Tethadur bioerodible technology platform were presented at the 2016 Annual Meeting & Exposition of the Controlled Release Society:

- The Tethadur biodegradable matrix was loaded with the monoclonal antibody Avastin at a high payload of approximately 24% w/w.
- The release of Avastin from the Tethadur matrix was linear over 50 time points following a low initial burst of only 12%.
- Avastin retained a high activity level at its release from Tethadur of over 80% at 30 time points.
- The dissolution of the Tethadur matrix into silicic acid was also linear over 50 time points.

Dr. Catherine Kelly, Senior Scientist, presented the data from *in vitro* studies by pSivida led by Dr. Dinesh Nadarassan in a poster and an oral presentation entitled "Controlled Release of Avastin from the Tethadur Biodegradable Matrix" on July 19, 2016.

Dr. Paul Ashton, president and CEO of pSivida, said, "We are pleased with these Tethadur study results, which demonstrated a number of important points necessary for the sustained biologic drug delivery we are seeking to provide: Avastin was loaded into Tethadur at a high level required for sustained delivery; Tethadur successfully delivered the Avastin on a level, controlled basis over an extended period; the potency of Avastin remained at high levels on release from Tethadur, which is key to providing a sustained therapeutic effect; and Tethadur itself dissolved into silicic acid on a controlled basis. We are continuing to develop and refine our understanding of Tethadur and plan to conduct additional preclinical studies investigating its use for ophthalmic and systemic delivery of biologics. To date, there is no approved sustained release delivery system for biologics, which represent some of the most common drugs in use today, and we are seeking to fill this void with Tethadur."

Tethadur is a tunable, biodegradable, biocompatible silica-based matrix. Tethadur is designed for biologics to be loaded into the matrix and to be released at a controlled rate over time as the Tethadur dissolves into silicic acid. The rate of release is governed by the size of the pores and the surface area of Tethadur.

In 2014, pSivida presented results of earlier research on Tethadur at the 14th Annual Meeting of ARVO (Association for Research in Vision and Ophthalmology). Those data demonstrated that sustained release of antibodies such as Avastin is achievable with Tethadur and that the release of the antibodies is controllable over a wide range by adjusting the pore size and surface area of Tethadur. The studies evaluated Tethadur's release of Avastin release over a period of three weeks.

About pSivida Corp. pSivida Corp. (www.psivida.com), headquartered in Watertown, MA, is a leader in the development of sustained release, drug delivery products for treating eye diseases. pSivida has developed three of only four FDA-approved sustained-release treatments for back-of-the-eye diseases. The most recent, ILUVIEN®, a micro-insert for diabetic macular edema, licensed to Alimera Sciences, is currently sold in the U.S. and three EU countries. Retisert®, an implant for posterior uveitis, is licensed to and sold by Bausch & Lomb. pSivida's lead product candidate, Medidur™, a micro-insert for posterior uveitis being independently developed, is currently in pivotal Phase 3 clinical trials, with an NDA anticipated around mid-2017. pSivida's pre-clinical development program is focused on using its core platform technologies Durasert™ and Tethadur™ to deliver drugs and biologics to treat wet and dry age-related macular degeneration, glaucoma, osteoarthritis and other diseases. *To learn more about pSivida please visit* www.psivida.com *and connect on* Twitter, LinkedIn, Facebook *and* Google+.

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. 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 include uncertainties with respect to: the safety and efficacy of the TKI insert for wet AMD, the initiation and completion of clinical trials and potential marketing approval of the insert; designation of Medidur as an orphan medicinal product; our ability to achieve profitable operations and access to capital; fluctuations in our operating results; further impairment of our intangible assets; declines in Retisert royalties; successful commercialization of, and receipt of revenues from, ILUVIEN for DME; the effect of pricing and reimbursement decisions on sales of ILUVIEN for DME; consequences of fluocinolone acetonide side effects; safety and efficacy results of the second Medidur Phase 3 trial, number of trials and data required for, and timing of filing and acceptance of, the Medidur NDA and EU marketing approval applications, if at all; ability to use data in a U.S. NDA from trials outside the U.S.; any exercise by Pfizer of its option with respect to the latanoprost product; our ability to develop Tethadur to successfully deliver large biologic molecules for ophthalmic or systemic delivery and develop products using it; our ability to successfully develop product candidates, initiate and complete clinical trials and receive regulatory approvals; our ability to market and sell products; the success of current and future license agreements; termination or breach of current license agreements; effects of competition and other developments affecting sales of products; market acceptance of products; effects of guidelines, recommendations and studies; protection of intellectual property and avoiding intellectual property infringement; retention of key personnel; product liability; industry consolidation; compliance with environmental laws; manufacturing risks; risks and costs of international business operations; legislative or regulatory changes; volatility of stock price; possible dilution; absence of dividends; and other factors described in our filings with the SEC. You should read and interpret any forward-looking statements in light of these risks. Should known or unknown risks materialize, or should underlying assumptions prove inaccurate, actual results could differ materially from past results and those anticipated, estimated or projected in the forward-looking statements. You should bear this in mind as you consider any 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.

Contact:

Beverly Jedynak

T: 312-943-1123

M: 773-350-5793

blj@bevlynconsulting.com

Primary Logo

Source: pSivida Corp