



Cyclopharm Limited

Annual General Meeting

20 May 2010

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All references to dollars are to Australian dollars.

Agenda



Chairman's Address

Managing Director's Review

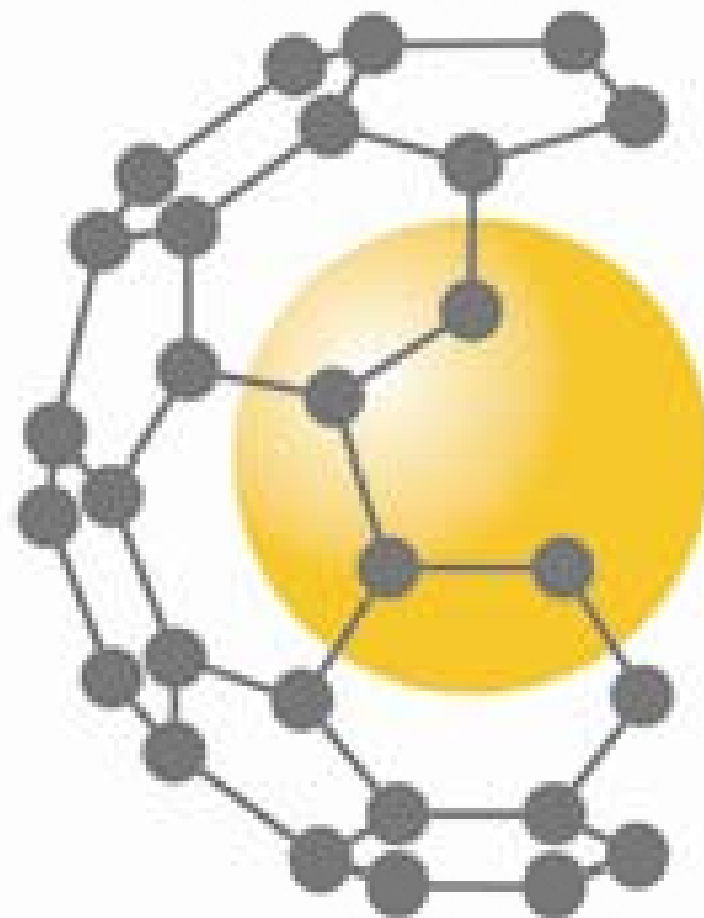
Question Time

Business

Close

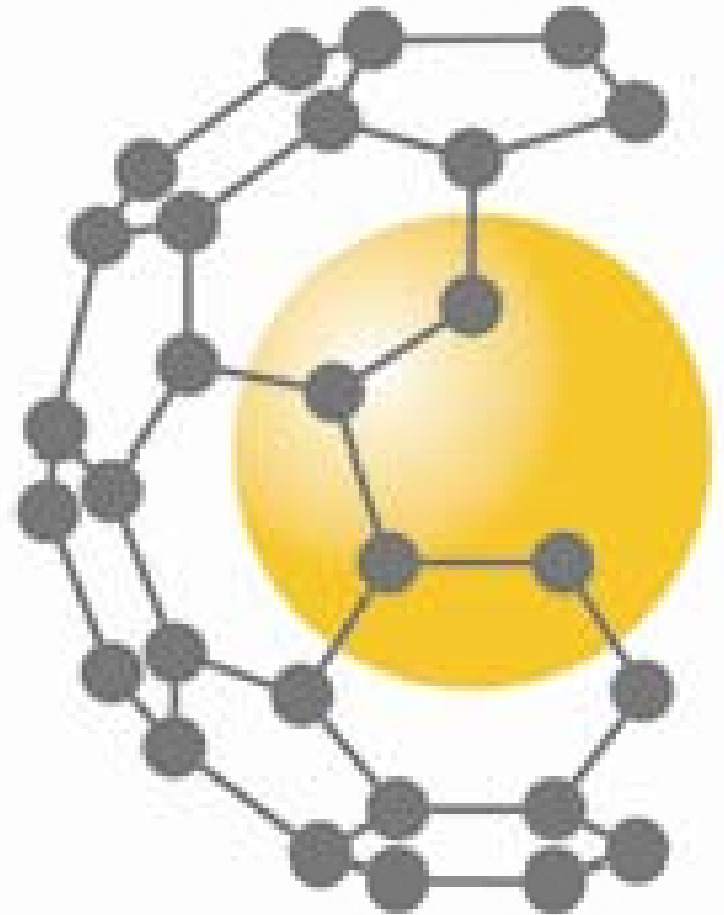
Chairman's Address

Vanda Gould



Managing Director's Review

James McBrayer



Cyclopharm business

Three business units



Cyclopharm - helping save lives everyday!



Technegas

Established in 1986 continues to generate revenue, profits and strong cash flows through the manufacture and distribution of drugs and equipment for lung imaging



Radiopharmaceuticals

Establishment of PET central pharmacies to produce PET radiopharmaceuticals



Diagnostic Imaging

Developing centres that provide services ranging from specialised nuclear medicine to a full complement of imaging modalities



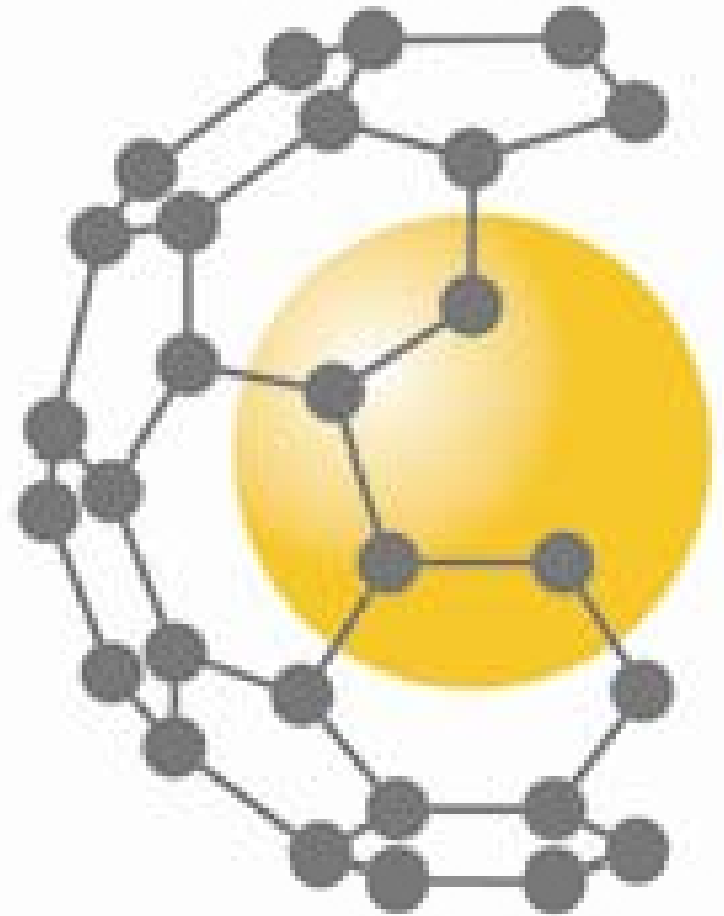
Highlights - Financial Year 2009



- ✓ Profits up 19% and EPS consistent
- ✓ Revenues of \$11m up 2%
- ✓ Settlement of arbitration with Clinquest Inc resulting in receipt of US\$1.8m
- ✓ PET Nuclear pharmacy plan on track
- ✓ Expansion into diagnostic imaging
- ✓ FDA progressing



Segmental Overview



Technegas



There are three components required for a Technegas procedure:

1. Technegas Generator
2. A single use Patient Administration Set (PAS)
3. A single use patient crucible

All components are manufactured at Cyclopharm's Australian facility located at Lucas Heights, NSW and in Europe

Components of Technegas

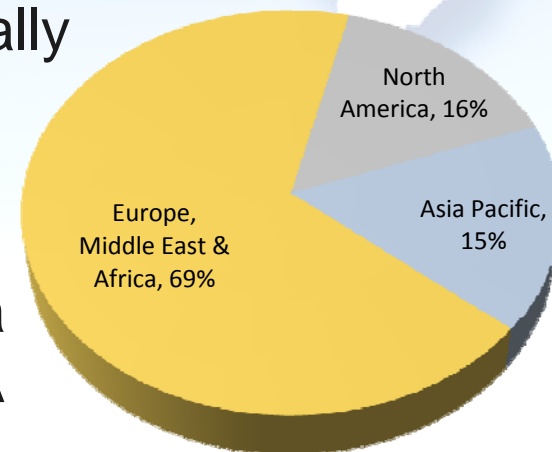


Technegas

Global footprint



- Technegas is sold in 55 countries across the world
- Over 2,400,000 patient studies since 1986
- 163,000 patient studies conducted in 2009
- 1,100 Technegas generators sold globally
- Patents in 36 countries
- Expanding operations in North America pending approval of United States FDA



Revenue by Region

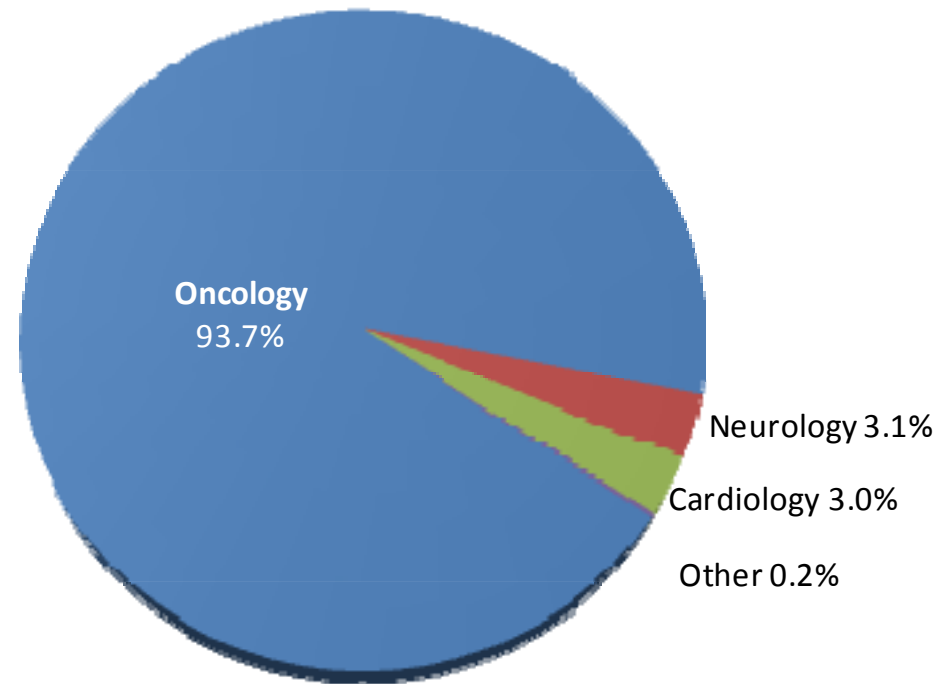
Molecular Imaging - Positron Emission Tomography (PET)



PET is the future of Nuclear Medicine.

Positron Emission Tomography allows physicians to differentiate between healthy and active diseased tissue.

PET is primarily used in the detection of cancer



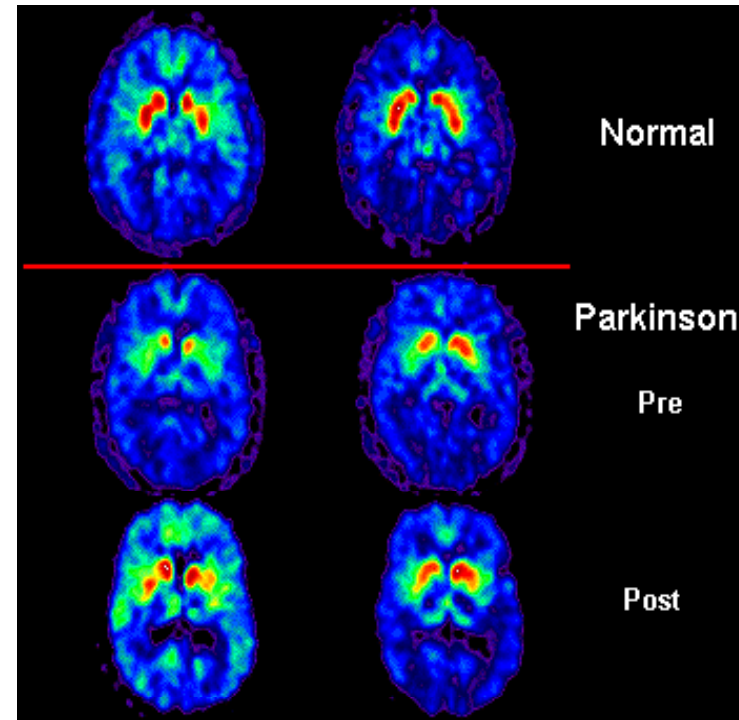
PET Radiopharmaceuticals

Uses beyond Oncology



Neurology

- Alzheimer's
- Schizophrenia
- Epilepsy
- Parkinson's
- Stroke
- Mood disorders,
- Substance abuse

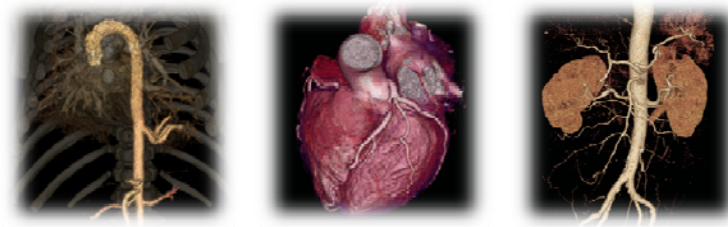


Cardiology

- Myocardium viability

Pharmacology

- Radio-labeling drugs for biodistribution studies



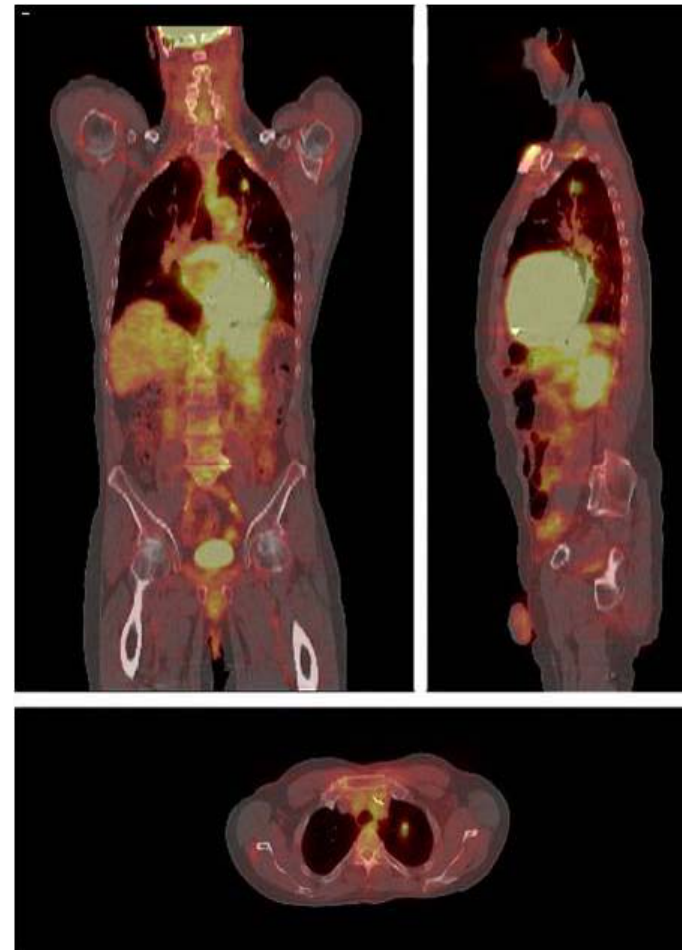
Radiopharmaceuticals

PET Developments



Government Funding

- Six approved indications for PET
- Another eight indications targeting Cancer are under review
- Department of Health and Aging expected to relax the restrictions on the provision of PET services



Macquarie University Hospital

cyclopharm
Nuclear Medicine



- 183 bed university hospital
- 12 operating theatres
- Specialising in Oncology and Neurology
- Home of the Australian School of Advanced Medicine
- Adjacent specialty clinic containing 18 specialist suites

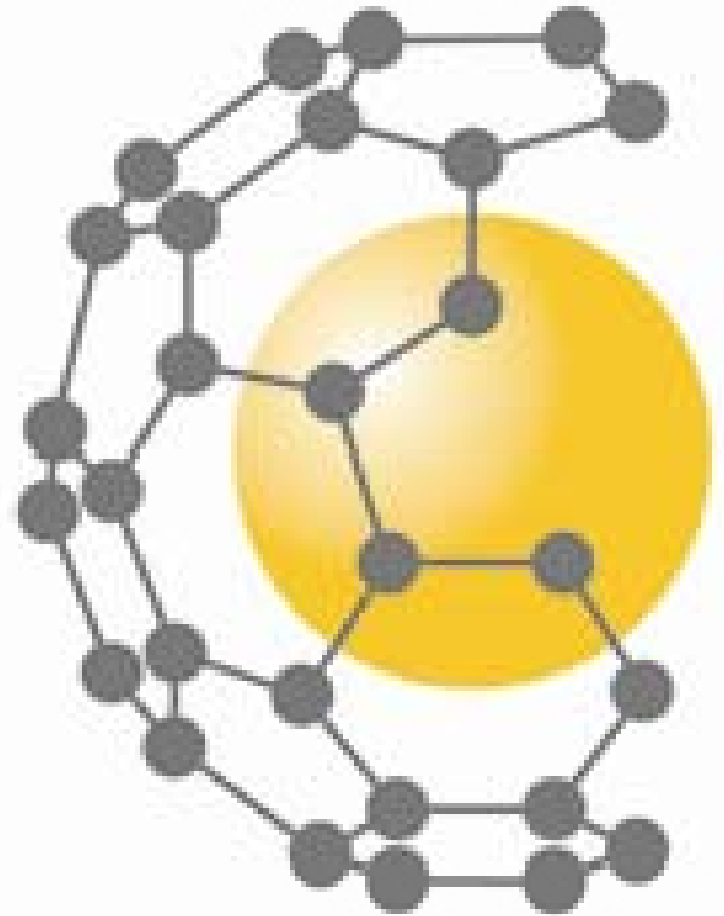
Diagnostic Imaging



- Joint venture with Alfred Health Solutions
- Comprehensive suite of imaging modalities
- State of the art research platform
- Inpatient and outpatient services
- Foundation for regional growth



2009 Financials



Profit & Loss



✓ Net profit after tax increases 19%

- Technegas related sales revenue increased 2% on prior period.
- One time contribution of Clinquest settlement offset by legal costs and writedowns
- No 2009 P&L impact from Molecular Imaging

	2009	2008
	\$	\$
CONTINUING OPERATIONS		
Sales revenue	11,098,579	10,888,269
Finance revenue	93,186	49,377
Other revenue	2,403,090	52,852
Total revenue	13,594,855	10,990,498
Expenses	(10,889,851)	(8,840,063)
Profit / (loss) before tax and finance costs	2,705,004	2,150,435
Finance costs	(137,503)	(253,961)
Profit / (loss) before income tax	2,567,501	1,896,474
Income tax expense	(523,011)	(191,214)
Net profit after tax	2,044,490	1,705,260

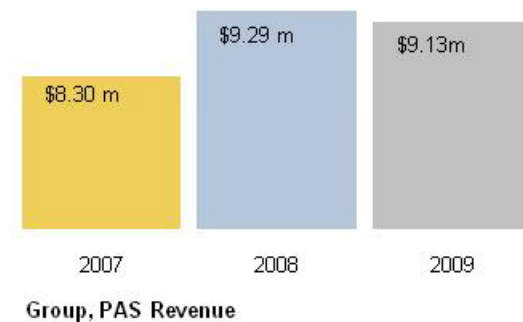
Sales revenue - Segmental Review



✓ Consolidated profit margins improve

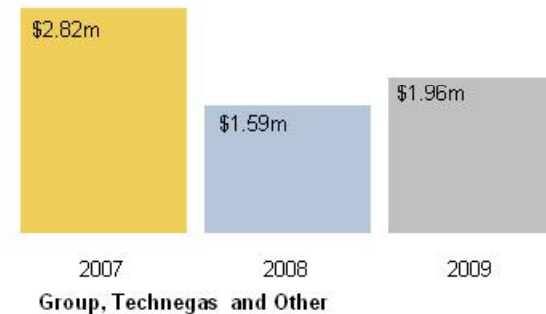
Patient Administration Sets (PAS)

- PAS revenue down 1.7% to \$9.13 m
- PAS volumes down 2.6%
- Sales margins consistent with 2008



Technegas

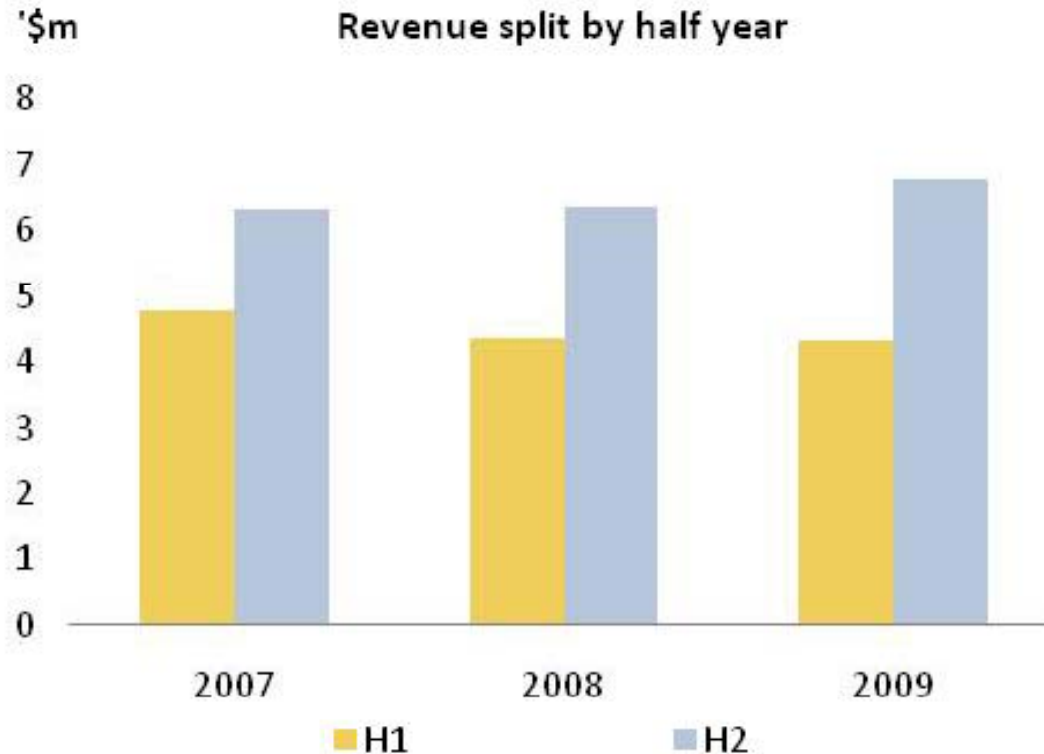
- Generator volumes up 30%
- Generator revenue up 23%
- Margins improved with shift to Technegas Plus over Technegas Classic machines



Sales revenue

Half year comparison

✓ Historical Trend – strong second half results continue



Balance Sheet



✓ Strong Net Asset Position

- US\$1.8m received from settlement with Clinquest Inc
- Debt facility with senior debt providers for PET Facility at Macquarie University renewed in February 2010

Balance Sheet Summary	2009	2008
	\$	\$
Total Current Assets	12,169,793	12,443,583
Total Non-current Assets	7,474,618	5,519,687
Total Assets	19,644,411	17,963,270
Total Current Liabilities	4,329,825	1,937,628
Total Non-current Liabilities	1,385,945	2,814,841
Total Liabilities	5,715,770	4,752,469
Net Assets	13,928,641	13,210,801

Operating Cash flow



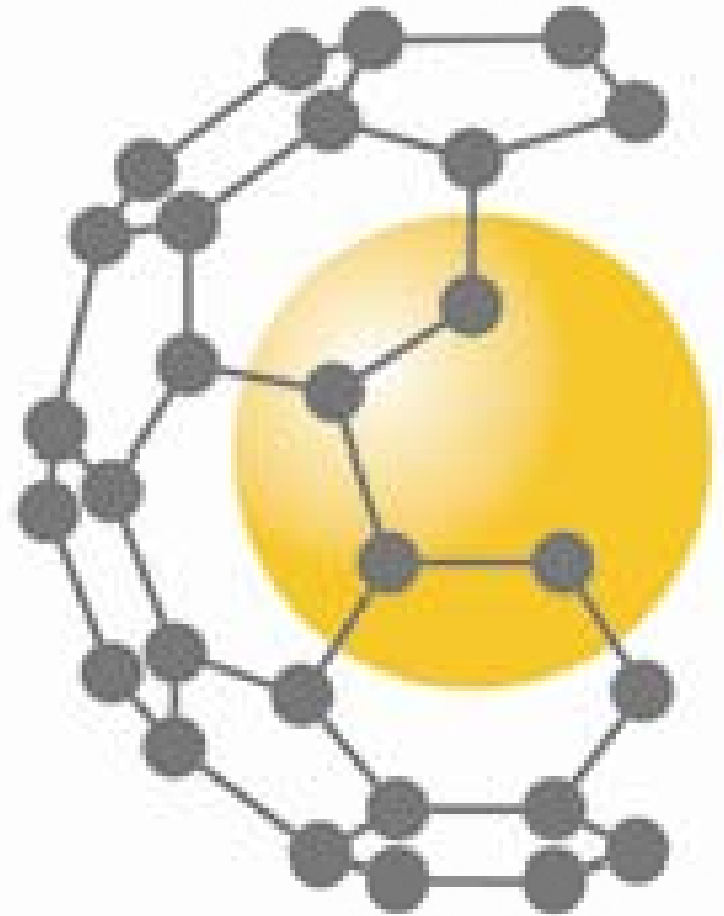
✓ Cash flows from operating activities of \$3.7m

- The improvement in operating cash flows resulted from the US\$1.8m settlement with Clinquest Inc (offset by \$0.8m in legal costs)
- Significant cash flows were expended on PET Nuclear Pharmacy at Macquarie University and increasing our presence in North America

	2009	2008
	\$	\$
Operating activities	3,691,032	1,486,028
Investing activities	(3,096,865)	(2,826,186)
Financing activities	-	4,247,930
Net increase in cash	594,167	2,907,772
Opening cash	4,206,271	1,204,543
Foreign exchange translation	(188,234)	93,956
Closing cash	4,612,204	4,206,271

Business Objectives

2010



Business Deliverables

Technegas

New Drug Application (NDA)

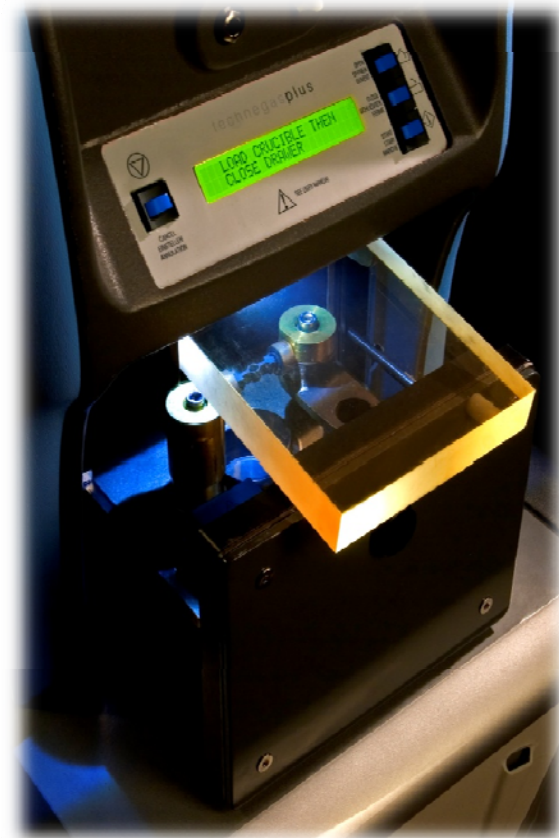
- Successful meeting held with FDA April 2010
- Protocol submission scheduled for June 2010
- Clinical trial commencement targeted Q4 2010

New Indications for Technegas

- Currently in discussions with researchers and clinicians
- COPD and Lung Cancer targeted for potential new indications

Leverage Clinical Developments

- Promote new European Guidelines
- Underscore high radiation doses received from CT Pulmonary Angiography



Business Deliverables

PET Radiopharmaceuticals

Macquarie University Hospital (MUH)

- Facility completed
- Cyclotron performance testing completed
- Radiation safety licenses received
- TGA audit pending
- Sales forecasted for Q3 2010

Expansion Opportunities

- Expansion strategy under review
- Drug development and research opportunities discussions underway



Business Deliverables

Diagnostic Imaging

Macquarie Medical Imaging

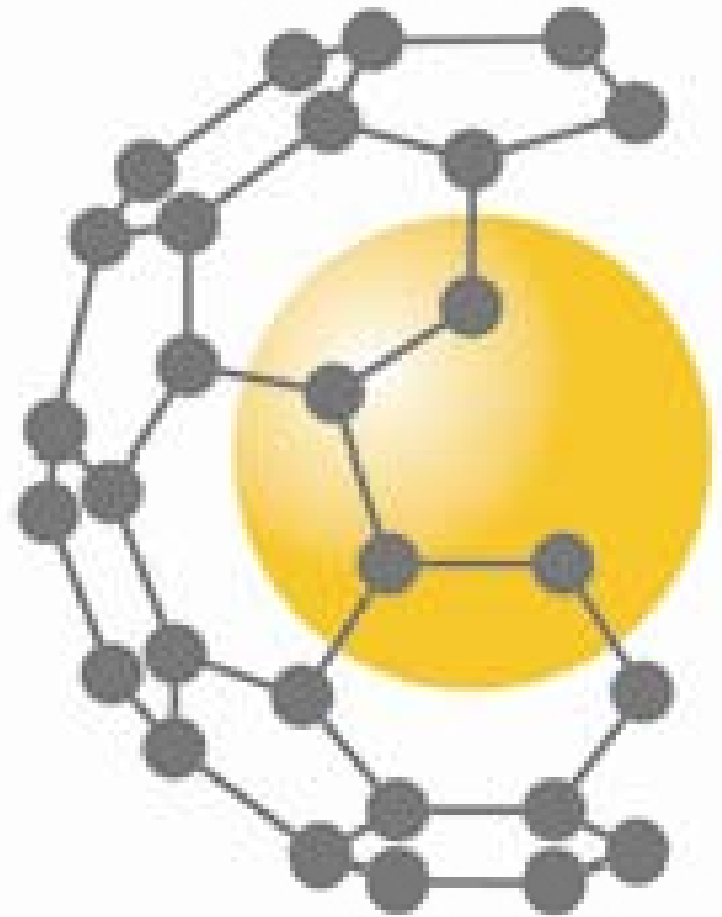
- \$18m banking facility secured
- Equipment delivered
- Fit-out completed May 2010
- First patients early June 2010

Expansion

- Expansion opportunities currently under review



Conclusion



Cyclopharm business

Cyclopharm - helping save lives everyday!

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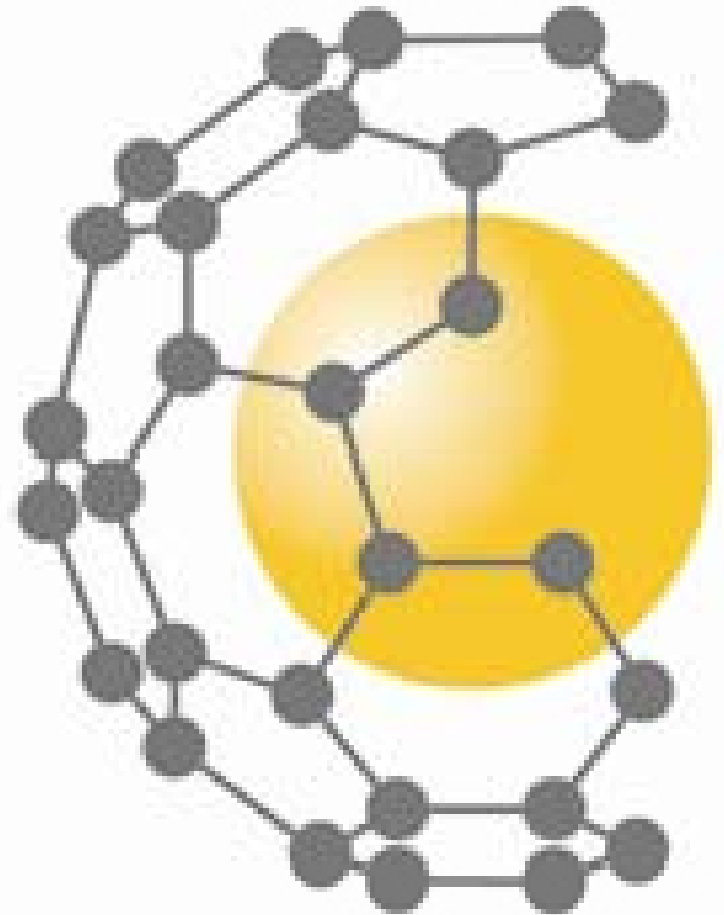


Diagnostic Imaging

Developing centres that provide services ranging from specialised nuclear medicine to a full complement of imaging modalities



Question Time & Business



Proxy Summary



Resolution	Business	For*	Against	Abstain	Proxy's discretion
1	Remuneration Report	103,535,671	56,090	252,744	544,372
2	Re-election of Mr Vanda Russell Gould	101,657,068	-	2,187,437	544,372
3	Share Buy-back	103,465,346	145,701	233,458	544,372
4	Long Term Incentive Plan: Grant of a limited recourse loan	101,608,466	422,439	1,813,600	544,372

*Includes Open Useable Proxies that have instructed the Chairman to vote on their behalf and have been voted in favour of the resolution.