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CYCLOPHARM SIGNS TERM SHEET WITH JUBILANT DRAXIMAGE FOR EXCLUSIVE LICENSE TO MARKET TECHNEGAS IN THE UNITED STATES

Nuclear Medicine Company, Cyclopharm Limited today announced that it has signed a Term Sheet with Jubilant DraxImage (DraxImage+), one of the wholly owned subsidiaries of Jubilant Life Sciences Limited, providing DraxImage an exclusive license to market and distribute Technegas in the United States.

DraxImage will assist CYC with the development and financing of the phase III clinical trials for Technegas, and any other steps required to file for and obtain USFDA approval. The final License Agreement, expected to be completed within 60 to 90 days, will be subject to mutual due diligence and the necessary board approvals. The primary commercial elements of the Term Sheet are as follows:

- DraxImage will provide at risk up to \$4.5M USD to fund the USFDA clinical trial currently under development with any additional costs to be funded by both parties equally.
- Upon successful completion of the USFDA trial, DraxImage will be able to convert USFDA trial costs into CYC common stock up to a maximum of 15% of the total CYC shareholding.
- DraxImage will pay CYC a 17.5% royalty in addition to an agreed margin above the cost of goods sold.

Mr McBrayer stated that Cyclopharm is thrilled with the opportunities this transaction represents. DraxImage is the market leader for nuclear medicine lung imaging in the USA. We are confident that the synergies that exist between the two organisations will ensure faster acceptance of our proprietary technology+.

DraxImage President Martyn Coombs stated, DraxImage is excited about this opportunity to participate with Cyclopharm in the clinical development and potential US market introduction of this innovative nuclear medicine product. The execution of this Term Sheet demonstrates DraxImage's commitment to invest in and grow the sustainability of the V/Q imaging in the US and our continued passion to bring innovative products that enable physicians to deliver high quality diagnostics to their patients+.

Cyclopharm will be hosting a webcast at 10.30 am today to discuss this important milestone. Those interested can connect online through the following URL: <http://www.openbriefing.com/OB/1937.aspx>



For more information, please contact:

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About Jubilant Draximage:

Jubilant DraxImage Inc., a subsidiary of Jubilant Life Sciences, develops, manufactures and commercializes radiopharmaceuticals used for the diagnosis and treatment of disease. The company is dedicated to nuclear medicine and serves customers and through them patients, globally, with high quality and reliable products and services. The company is the market leader in North America for I-131 products (diagnosis and treatment of thyroid disorder and cancer, MAA (lung perfusion imaging), DTPA (renal imaging) and MDP (bone imaging), and also markets other products such as Sestamibi and Gluceptate. The company has a strong development pipeline of new products, notably a Rubidium-82 Generator (PET Cardiology). For more info: www.draximage.com

About Jubilant Life Sciences

Jubilant Life Sciences Limited is an integrated global Pharmaceutical and Life Sciences Company engaged in manufacture and supply of APIs, Solid Dosage Formulations, Radiopharmaceuticals, Allergy Therapy Products and Life Science Ingredients. It also provides services in Contract Manufacturing of Sterile Injectables and Drug Discovery Solutions. The Company's strength lies in its unique offerings of Pharmaceuticals and Life Sciences products and services across the value chain. With 10 world-class manufacturing facilities in India, US and Canada and a team of around 6,000 multicultural people across the globe, the Company is committed to deliver value to its customers spread across over 100 countries. The Company is well recognized as a Partner of Choice by leading pharmaceuticals and life sciences companies globally. For more info: www.jubl.com

Technegas

Technegas is a structured ultra-fine dispersion of radioactive labeled carbon. Technegas is produced by drying Technetium-99m, (the most commonly used isotope in nuclear medicine imaging), in a carbon crucible then heating the isotope for a few seconds at around 2,700°C in a Technegas Generator. The resultant gas-like substance is inhaled by the patient (referred to as lung ventilation) via our consumable product known as a Patient Administration Set (PAS).

The inhaled Technegas particles enables multiple views and tomography imaging under a gamma or single photon emission computed tomography (SPECT) camera for the superior functional ventilation imaging primarily used to diagnose pulmonary emboli (blood clots in the lungs).