BioLayer Corporation Limited

20 November 2007

Company Announcements Office
Australian Stock Exchange
Level 6, 20 Bridge Street
SYDNEY NSW 2000

For release to the market

**CHAIRMAN ADDRESS & CEO'S PRESENTATION TO SHAREHOLDERS**

Please find attached the address to be given by the Chairman and the presentation made by the CEO of BioLayer Corporation Limited to shareholders at the Company's Annual General Meeting which is taking place at 11.00am 20 November 2007.

Location

BioLayer Corporation Limited
Unit 4, 26 Brandl St,
Eight Mile Plains
Brisbane Qld 4113

Yours faithfully

Michael Moloney
*Company Secretary*

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**20 November 2007**

**ADDRESS BY MR BRUCE RATHIE**

**TO THE ANNUAL GENERAL MEETING OF BIOLAYER CORPORATION LIMITED**

Ladies and Gentlemen,

It is with pleasure that I welcome you to the 2007 Annual General Meeting of BioLayer Corporation. Given that I have provided considerable detail in the Annual Report, I propose to be relatively brief regarding the 2007 year.

## Review of the Year

2007 was characterized by strategic adjustments to the BioLayer business as follows:

1. Refocusing on the Luminex platform in the short term where the company's technology has a demonstrated commercial track record with a license and royalty agreement already in place with a $US 1.0 billion NASDAQ-listed Life Science company as well as another proprietary IVD platform the identity of which is also protected by confidentiality arrangements. The company has a number of promising projects underway with Luminex licensees and these projects are showing promising and encouraging results; and

2. Pursuing new opportunities in novel bioassay development which builds on BioLayer's core competencies for the longer term horizon. These are particularly exciting developments with good early signs of progress. The recent announcement made with respect to progress in the development of an Alzheimers test is an example of these initiatives.

David Beins will give you additional perspectives on these activities in his presentation.

While the company's shorter term endeavour has been focussed on the above activities, the Board also recognises that the greater potential for revenue growth lies ahead with its new applications such as those arising from its Abiotics initiatives. This will form the basis for the broad commercialisation of BioLayer products into other human health applications and markets of the future which is the third step of the vision alluded to above.

## Result for the Year to 30 June 2007

The net consolidated operating loss of the economic entity for the financial year, after providing for income tax, amounted to $1.56 million compared with a loss for the 2006 year of $6.2 million (of which $3.6 million related to the transition to the Australian version of the international accounting standards and the business combination undertaken during the 2006 year).

The 2007 operating result reflected essential spending of $2.23 million on the aforementioned Research & Development activities and $0.38 million on the Business Development activities of the company.

## Recapitalisation of the Company

Your Board has treated the recapitalization of the company as its highest priority this year and has previously announced the appointment of financial advisors both in Australia and in North America to help with this task. It has been a difficult task given the desire to give the company time to deliver results out of the lab yet have the company funded in a timely fashion. This difficulty has been compounded by virtue of the major shareholder having no further capacity or capability to support the company after taking up the bulk of the converting note issue approved by shareholders early this year, the recent volatility of equity markets and the preference of investors for the resource sector and larger market cap stocks.

Despite these factors, your Board has been very encouraged by the interest shown in the company and its activities. The Board currently has before it a number of opportunities which it is considering carefully. These include opportunities for possible merger as well as for raising capital. The Board hopes to be shortly in a position to make an announcement regarding its preferred course of action and will come to shareholders for any necessary approvals.

## Conclusion

The current Board is very aware that shareholders wish to see tangible results from the company's commercialization initiatives and endeavors. The Board with the CEO has focused the company on delivering results in its core activity of immunoassay coatings and the other strategies mentioned earlier in my address. The progress made to date has been substantial and David will give you a further sense of this progress in his presentation.

The prospect of developing BioLayer's own proprietary assay products and the future promise of abiotics are truly exciting and we believe will deliver material value to shareholders in the longer term.

We thank shareholders for their ongoing support and the management & staff for the hard work they are putting in to deliver against company objectives.

END

# BioLayer Corporation Limited
## (ASX:BLS)

***Materials Solutions for Life Sciences***

AGM Presentation

David Beins, CEO

20 November 2007

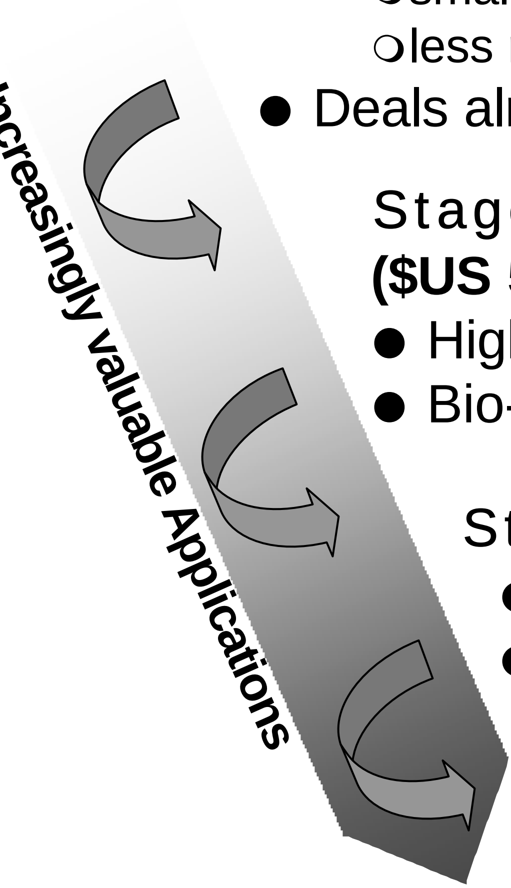
# 2007 Highlights

- Started collaborations with:
  - 5 global diagnostic companies, including Beckman Coulter
  - 1 global life science company (Luminex licensee)
  - Brisbane instrument/platform company Cleveland Biosensors, and multiplex assay developer Cardinal BioResearch
  - Perth drug developer Alzhyme
- Granted $2.67m from AusIndustry for ‘abiotics’ development
- Started IMB collaboration on detection Ab project
- Met significant science milestones:
  - Discovered and characterised new coatings comprising polymeric metals with improved Ab binding (patent application filed)
  - Prototype ultrasensitive beta amyloid assay for Alzheimer’s disease
  - Published peer-reviewed paper in Analytical Biochemistry and presented technology poster at AACC
- Installed new Board, CFO/Coy Sec and Head of Product Development
- Raised $1.3M as part of a funding round

# BioLayer's 2-step Business Strategy for the immediate term

- Strategic Partnerships to **Establish Value**
  - Bio-Layer has focused initially on validating the platform by establishing partnerships with top tier Life Science and IVD firms
  - Strategy has been to work with existing products in the market to improve performance, manufacturability and margins
- Proprietary Product Development to **Build Value**
  - Create innovative new coatings leveraging on experience and surface chemistry expertise
  - Bio-Layer is developing its own proprietary IVD products targeting detection of critical biomarkers that have been difficult to detect but are vitally important for disease diagnosis/monitoring

# Attractive Targeted Markets




## Stage 1: Licensing **Research Immunoassay market ($US 1bn)**

- Low barrier to entry
  - smaller innovative companies
  - less regulated market
- Deals already completed with 2 Life Science companies

## Stage 2: Licensing **Diagnostic Immunoassay market ($US 5bn)**

- Higher value products providing more royalty potent
- Bio-Layer is working with 5 of top 9 IVD comp

**We are Here!**

## Stage 3: **Own content in areas of unmet**

- Blood test for Alzheimer’s Disease
- Blood test for Parkinson’s Disease

## Stage 4: **Abiotics Applications**

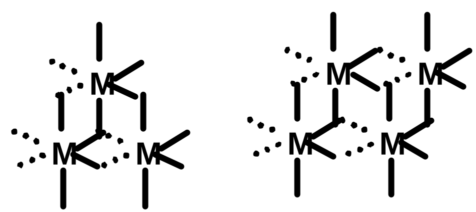
- Bio-separations
- Ex-Vivo applications

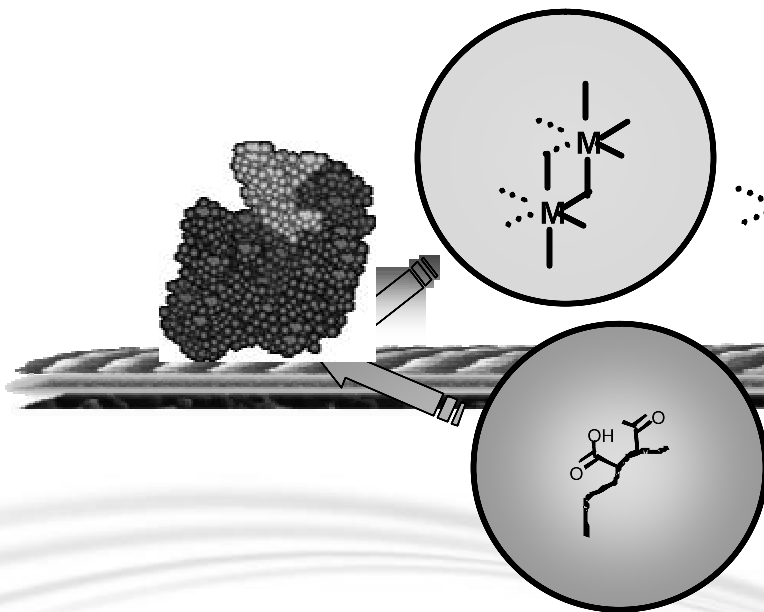
# BioLayer’s Technology Portfolio

- 3 families of products:
  - **Mix&Go™** : a mixture of metal species that bind Abs to surfaces
  - **Mix&Go *Plus*** : a series of custom built polymers that coat a surface so that it is suitable for Mix&Go™ to bind Abs
  - **Mix&Select™** : a multicomponent synthetic coating that binds any protein (such as an Ab)
- Extensions of **Mix&Go™** and **Mix&Go *Plus***

***Oligomeric metal complexes***

**Eg. di-mer, tri-mer, tetra-mer, etc.**



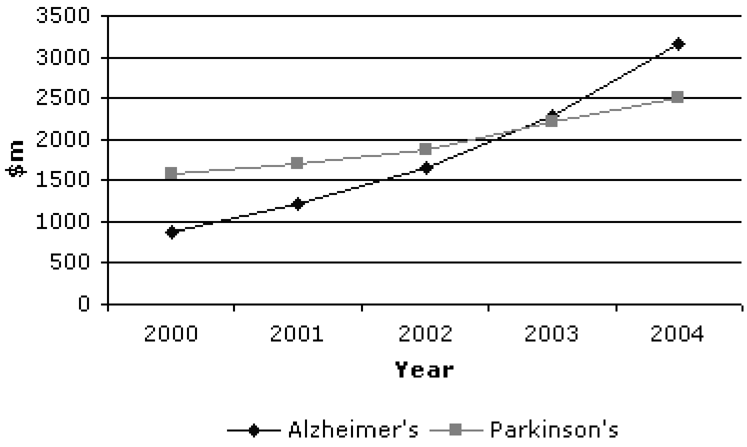

***Chelating ligands on Polymer Surfaces***

# IVD Partner: developing high sensitivity assays for new Dx platform

- In May 2007 BioLayer signed a funded SRA with a large global US diagnostics company
- **Phase I:** improve assay sensitivity for TSH and PSA using specialised bead format
- **Phase II**: enter collaboration on proprietary Dx platform with the same bead format
- BioLayer completed Phase I in Oct 2007 on time and on budget
  - Achieved >10X assay sensitivity for TSH; confirmed by client
  - Achieved >10X assay sensitivity for PSA; client to confirm by January 2008

# Developing high-value novel content: Neurodegenerative Diseases

**Global neurodegenerative pharmaceutical sales 2000-2004**




## Alzheimers Disease (AD)

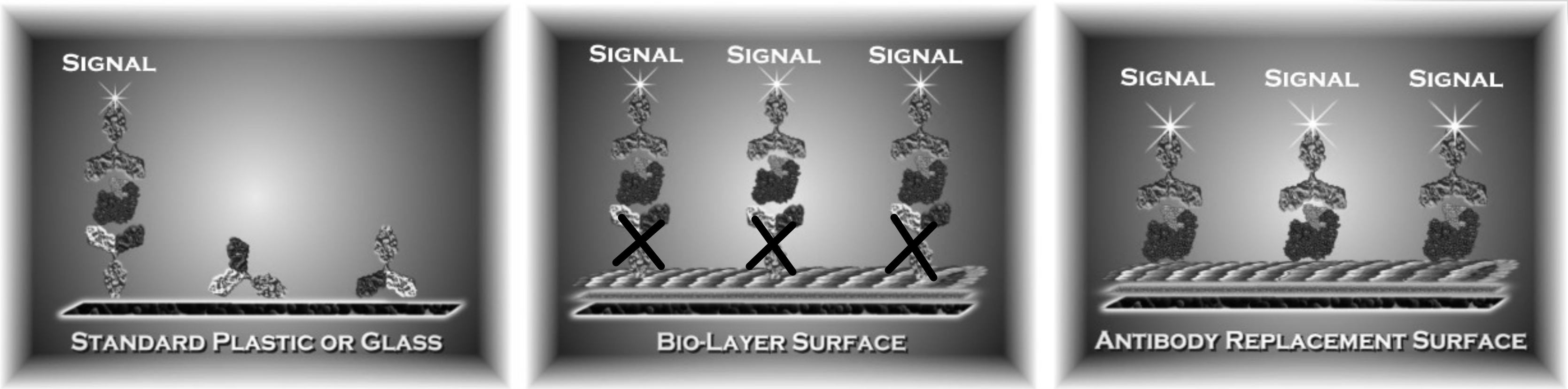
- AD is the most common form of dementia affecting 6 – 8% of over 65's (16M in N. America & EU by 2010; doubling over next 20 years)
- Treatment options are currently limited (5 drugs FDA approved) but 2004 sales were $US 3.2b growing at >20%p.a. Research for new therapies is being actively pursued.
- Biomarkers of choice: beta amyloids in CSF. Low levels in blood are thought to be predictive of AD but existing assays are *not* sensitive enough
- **BioLayer signed a collaborative agreement with Alzhyme to develop highly sensitive beta amyloid tests in blood. Possible downstream involvement in the AIBL study will give us access to 1000 highly characterised clinical samples for biomarker validation and regulatory approvals.**

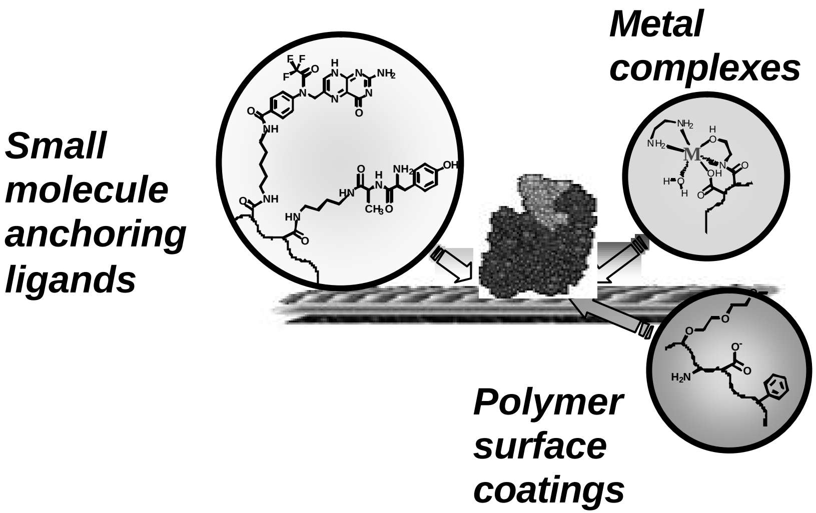
# Beta amyloid (Alzheimer’s) assay development

- BioLayer commenced work on beta amyloid late Sep 2007
  - Collaboration agreement signed in 2006 but insufficient funding by Alzhyme delayed the project start date
- Benchmark assay had LoD = 20pmol/mL, not sensitive enough for blood
- After 4 weeks intense product development work BioLayer produced an assay with LoD < 2pmol/mL (10x – 20x greater sensitivity than benchmark)
- Next step: validate assay retrospectively against stored clinical samples (AIBL study)

# Abiotics: creating new Applications

Abiotics describes a coating that specifically binds any protein




- **How is it done**: Combine a medium strength small molecule specific binder + high strength metal binder + polymer scaffold ("Combichem")

- **Why is it useful**:
  - To purify a valuable protein, eg. protein therapeutics, (bio-separations) or
  - To eliminate a toxic molecule, eg. endotoxin removal (Ex-vivo application)

# 2008 Current Outlook

- Capital raising (as a matter of highest priority)
- Complete key customer projects:
  - Phases I & II of IVD project Q2 08
  - 2 other IVD projects Q1 & Q2 08
  - 1 life science project Q2 08
- Complete R&D on ‘abiotics’ Q3 08
- Meet IMB (detection Ab) project milestones
- Beta amyloid (Alzheimer’s) project:
  - Complete assay development Q2 08
  - Retrospective assay validation Q3 08
  - Pre-launch activities Q4 08
- Start assay for Parkinson’s disease Q1 08

Bio-Layer

# Thank You