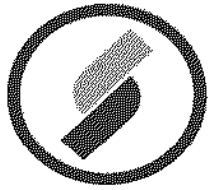


SOLBEC PHARMACEUTICALS LTD



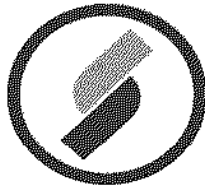
Investor Update May 2007

BETTER THERAPIES FOR LIFE



BUSINESS UPDATE

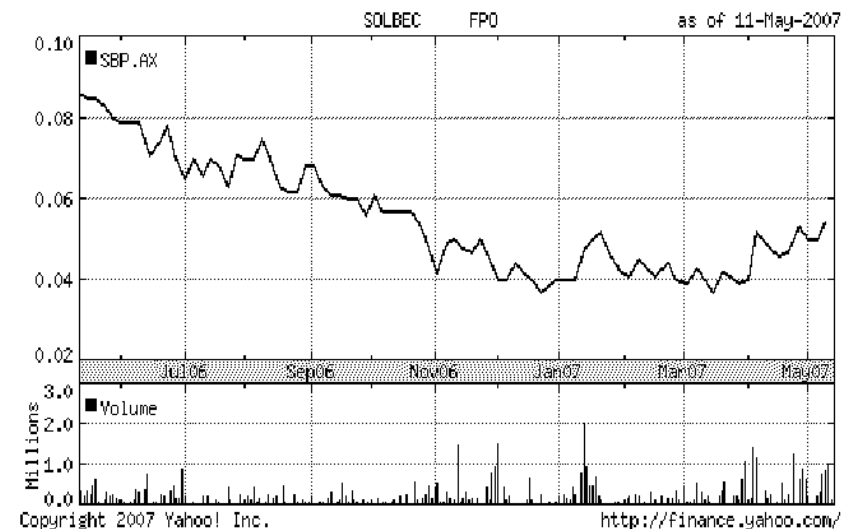
- The TGA has accepted Solbec's proposed Development Plan for Coramsine®
- Capital raising initiative underway
 - Private placement to raise \$800K complete
 - Rights issue open to all shareholders to raise A\$1.65M (fully underwritten) to be completed by early June
- Two additions to Solbec's Board
 - Mr. Graeme Kirke, Mr. Russell Barnett



CORPORATE SNAPSHOT

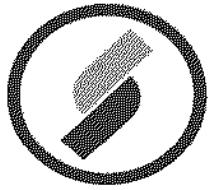
ASX code: SBP
Price: A\$ 0.05 (May 07)
Market Cap: ~A\$ 12M
Shares: 284,545,700 (after Rights Issue)
Listed Options: 9M (@15c exp Aug 08)
Cash: A\$ 800K (May 07)
A\$ 1.65M (Rights Issue)
A\$ 2.45M (Aggregate)
Grant: A\$ 2.26M
Land: A\$ 2-3M
Equity Standby: A\$ 5M (untouched)
Bank O/D A\$ 400K (untouched)
Burn A\$ 100K/month

SBP Stock Price – Past 12 months



Top 20 Shareholders

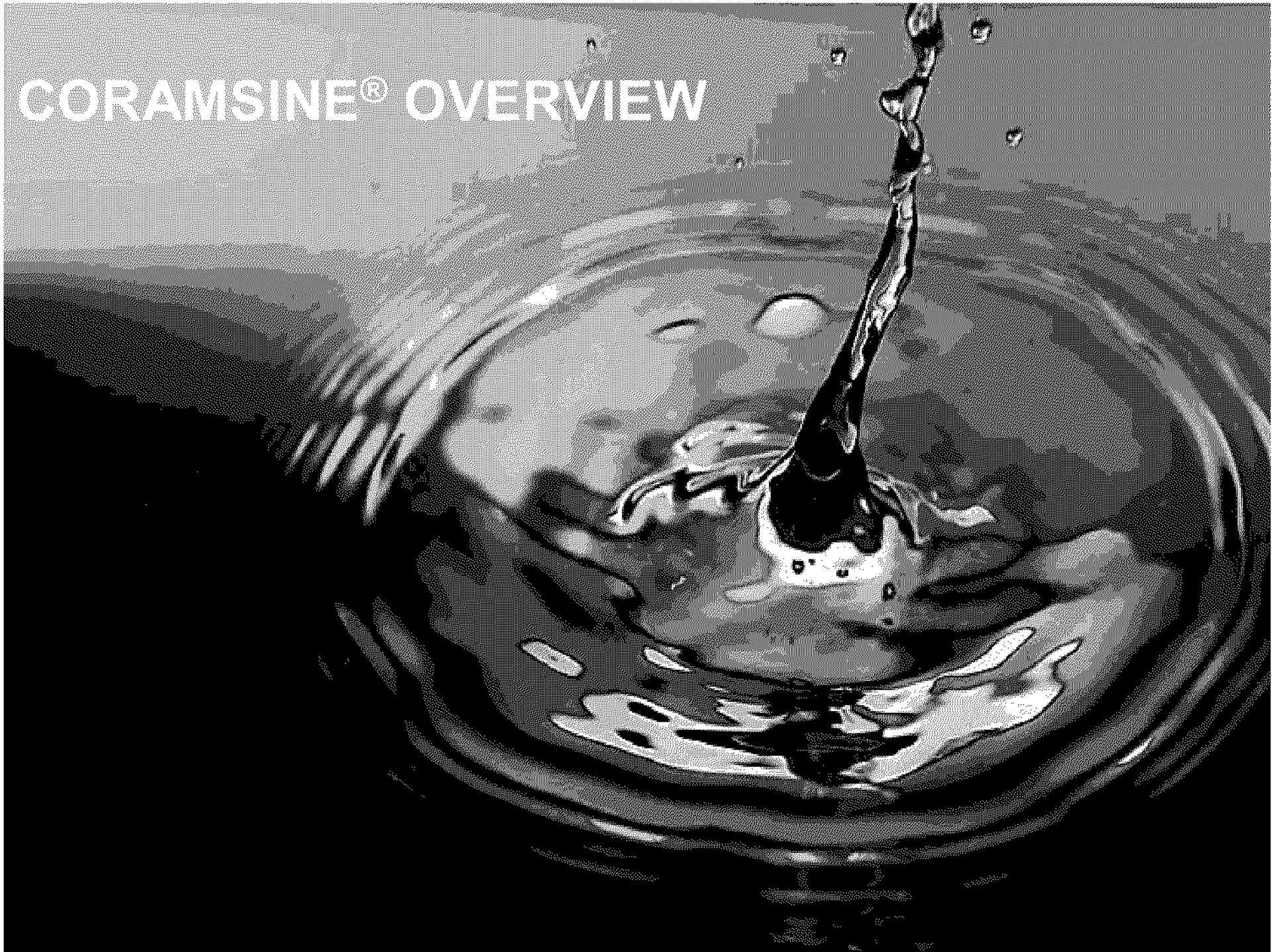
Top 20 own 30%



USE OF FUNDS

- **Supplementary preclinical toxicology studies**
 - ... To strengthen Coramsine's® data package for potential licensee's
 - ... To get Coramsine® back into Australian Phase II clinical trials
- **Costs associated with due diligence on potential new projects**
 - ... Additional pipeline
 - ... What's next after Coramsine®? (de-risk approach and also to provide future project(s) for Solbec)
 - ... Development of existing projects (eg: psoriasis, diagnostics)
- **Working capital**

CORAMSINE® OVERVIEW



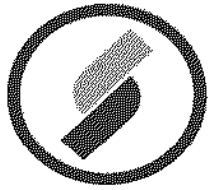


CORAMSINE[®] DRUG DEVELOPMENT PROJECT

- Phase I human trials complete
 - ... Coramsine's[®] safety confirmed
 - ... Anecdotal efficacy reported
- Excellent drug safety profile
 - ... There have been no Serious Adverse Events reported in connection with the use of Coramsine[®] in humans
- Anecdotal efficacy seen in Phase I trial subjects [and via the Special Access Scheme] is very encouraging
 - ... Significantly de-risks Coramsine's[®] move into Phase II trials

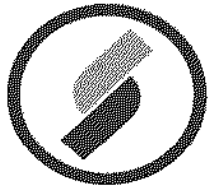
OPERATIONS REVIEW





TGA UPDATE

- 8 May 2007 Announced to market the TGA's acceptance of Solbec's Development Plan for Coramsine®
- Development Plan details a series of preclinical studies to supplement Coramsine's® existing data package
 - Toxicology → 14 day and 28 day studies
 - *In vitro* metabolic studies
- The supplementary studies will commence as soon as the quotation is finalised and a slot in the contract research laboratory becomes available
- Once the studies are complete the Investigator's Brochure will be updated with this new data



DEVELOPMENT PLAN

- **Toxicology studies - rat and dog**
 - ... 14 day dose range finding studies
 - ... 28 day toxicology studies

- ***In vitro* metabolic studies**
 - ... Looking to better understand how Coramsine® is cleared from the body and the likely pathway(s) behind this

- **TGA data package review**
 - ... At the completion of the supplementary studies the TGA will review the data package
 - ... Providing a clear toxicological profile for Coramsine® has been elucidated by the studies, the TGA will allow Solbec to update the Investigator's Brochure and re-instate the Australian Phase II trials

INVESTMENT SUMMARY





WHY INVEST IN SOLBEC?

Facts:

- 420 Companies in Aust. with Biotech as their core business¹
- 104 of these are publicly listed core biotechnology/pharmaceutical companies²
- Of these 104 life science companies only 14 have compounds in Phase II or III clinical trials³
- The average market cap of these 14 Phase II or III companies is A\$ 155M*

Solbec:

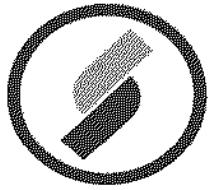
- Coramsine® has completed Phase I and is proceeding towards Phase II trials
- Potential for strong news flow over the next 9-12 months
 - Preclinical study releases
 - Key patents coming up for examination
 - Re-commencement of Phase II
- Solbec's market cap is ~A\$ 12M
- Solbec's share price is sitting around \$A 0.05

¹ Hopper and Thorburn, 2005 *Bio-Industry Review: Australia and New Zealand*

² Intersuisse Investment Research, *Overview of the Australian Life Sciences Sector* July 2006

³ Bioshares *Clinical Trials Survey 2006* 31 March 2006 Edition 161

* Does not include CSL, Cochlear and Resmed



INVESTMENT SUMMARY

- Coramsine® is an advanced stage pharmaceutical project
 - Increasing preclinical data package
 - Phase I clinical trials complete
 - * Safe dose achieved, preliminary efficacy noted
 - Proceeding towards Phase II
[SOLBEC'S COMMERCIALISATION EXIT POINT]
- Solbec has a significantly de-risked project on the cusp of Phase II development with a market cap of less than one tenth of the other Australian entities with similar stage projects
- New Board, new management