

20 May 2010



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Chairman's Address

Welcome to the Annual General Meeting of the members of Cyclopharm Limited (ACN 116 931 250) at St Kilda Road Towers, 1 Queens Road, Melbourne on Thursday, 20 May, 2010 at 12.00 p.m.

I, Vanda Russel Gould, as Chairman, declare that a quorum is present in accordance with the Constitution and that the meeting is open.

I have the pleasure of introducing my fellow directors Mr David Heaney and the Managing Director Mr James McBrayer. Mr John Sharman will join us during the meeting.

I also welcome Professor Nabil Morcos, Cyclopharm's Chief Operating Officer, Mr Greg Ralph, the Company's Auditor and Mr William Richardson, Cyclopharm's Company Secretary.

Please note the following documents are tabled and are available for review, the Notice of Annual General Meeting, the Financial Statements, Independent Auditor's Report, Directors' Report, the Member's minute book, Company's Constitution and Shareholders' Register.

I'm pleased to report that your company, Cyclopharm Limited, achieved growth of around 20% in its after tax profit for the 2009 calendar year.

Our core business continues to perform well and indeed there are sound reasons why over the next several years the Technegas business will be even better. Recent studies show the superiority of Technegas over alternate methods for lung imaging both for its clinical outcomes and safety features. Patients are exposed to far less radiation as compared to the high doses received from competitive technology.

It is unfortunate that we still have not obtained approval from the US government to sell our technology in the United States even though we have now undertaken more than 2.4 million patient studies around the world without a problem.

The American market presently represents more than 50% of the world market and thus our continued expenditure to achieve registration is justified, provided the costs do not become prohibitive. Overcoming the enormous barrier that the FDA represents has been a struggle for your company but a challenge we similarly share with many other medical technology businesses.

During 2009, management was largely focused on its strategic partnerships at Macquarie University Hospital in the north-central sector of Sydney. The construction and opening of the hospital has been delayed but we now expect a soft start in June 2010. Our cyclotron

facility located within Macquarie will play a major role in supplying Sydney's need for radioactive pharmaceuticals used to diagnose and monitor cancer sufferers.

Macquarie will house 183 beds and 12 state-of-the-art operating theatres. Cyclopharm's scientific director, Professor. Nabil Morcos, will join the faculty of the University as an adjunct professor as well as overseeing the cyclotron and related activities.

In 2009, we also negotiated a joint venture with Alfred Health Solutions to provide all imaging services on-site at the hospital. This is part of our vision to expand the range of activities undertaken by Cyclopharm in the context of becoming Australia's premier nuclear medicine company.

Our Managing Director, James McBrayer, is also a qualified nuclear pharmacist, and has made an outstanding contribution to the further development of the company and its vision. I wish to also express appreciation to Professor Nabil Morcos for his contribution to the development of the Company's facilities and technology. Finally, I wish to thank our shareholders, our many loyal customers, staff and bankers.

Mr James McBrayer, Cyclopharm's Managing Director will now present the review of operations.

Vanda Gould
Chairman