CollTech Australia Ltd [ASX: CAU]

Investor Presentation

March 2005

Contents

Company Overview

- Australian bio-industrial company currently focusing on the extraction and purification of biomaterials from animal sources
- Developed & patented a novel process for the extraction and purification of collagen from ovine (sheep) sources
  - All IP owned royalty free
  - Unique product and imminent sales revenue
- Completed construction of collagen extraction facility in FEB 2005
- Currently commissioning facility for sample dispatch by APR 2005
- Substantial and growing markets with supply constraints
- Significant growth opportunities as manufacturer of broad range of bio-materials and value-added collagen products

Organisational Structure

Board	
Chairman	Michael Blakiston
NED	Dr John Snowden
NED	Dr Anna Kluczewska
Management	
CEO	Michael Pixley
CFO	Mathew Whyte
CSMO	Dr Leearne Hinch
COO	Dr David Kennedy
Operations	
Operations Manager	Lorin Sole
Production Super	Shaun Trestain
Compliance Manager	Edd Lawson
Administration Officer	Margaret Trestain
Plant Technicians	2

Milestones

Feb-04	ASX Listing
Apr-04	KBR completes construction design for tender
Jun-04	Signed lease & service agreements with Western Power
	Appointed sales agent (NE Asia)
Jul-04	Awarded building contract to Keytown
Aug-04	Commenced construction of Collie Facility
	Clear IPE Patent Report
	Secured Pelt Supply Agreement
Oct-04	Appointed key operational personnel
Dec-04	Appointed CSMO
Feb-05	Completed construction
	Commenced commissioning

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Strategy

- MANUFACTURING
  - Plant commissioning and accreditation to ISO/GMP standards
  - Process optimisation from 400 skins/day FY05 to 800-1000 skins/day FY06
  - Capacity expansion (potential locations East Coast AU & NZ)

- RESEARCH & DEVELOPMENT
  - IP expansion
  - Product development/customisation of collagen biomaterials
  - Process development – final diafiltration step
  - Collaboration projects – medical end-products

- SALES & MARKETING
  - Capitalise on CollTech Asia's existing business relationships in North Asia
  - Long term sales contracts with key customers for existing food and cosmetic products – Asia/ N America /EU
  - Select and appoint distributors for research-grade collagen
  - Develop markets for medical-grade collagen

What is Collagen?

- Major structural protein found in the connective tissue of mammals, particularly in skin, tendon, bone and cartilage
- Comprised of three polypeptide chains in the form of a triple helix
- Natural biomaterial used in the manufacture of food, cosmetic and medical end-products
- Weak antigenic properties minimise foreign body reactions
- Extremely hydrophilic with the capacity to hold 20X its weight in water
- Biodegradable, hypoallergenic and cell adhesive properties of collagen make it a versatile biomaterial for a wide range of commercial applications

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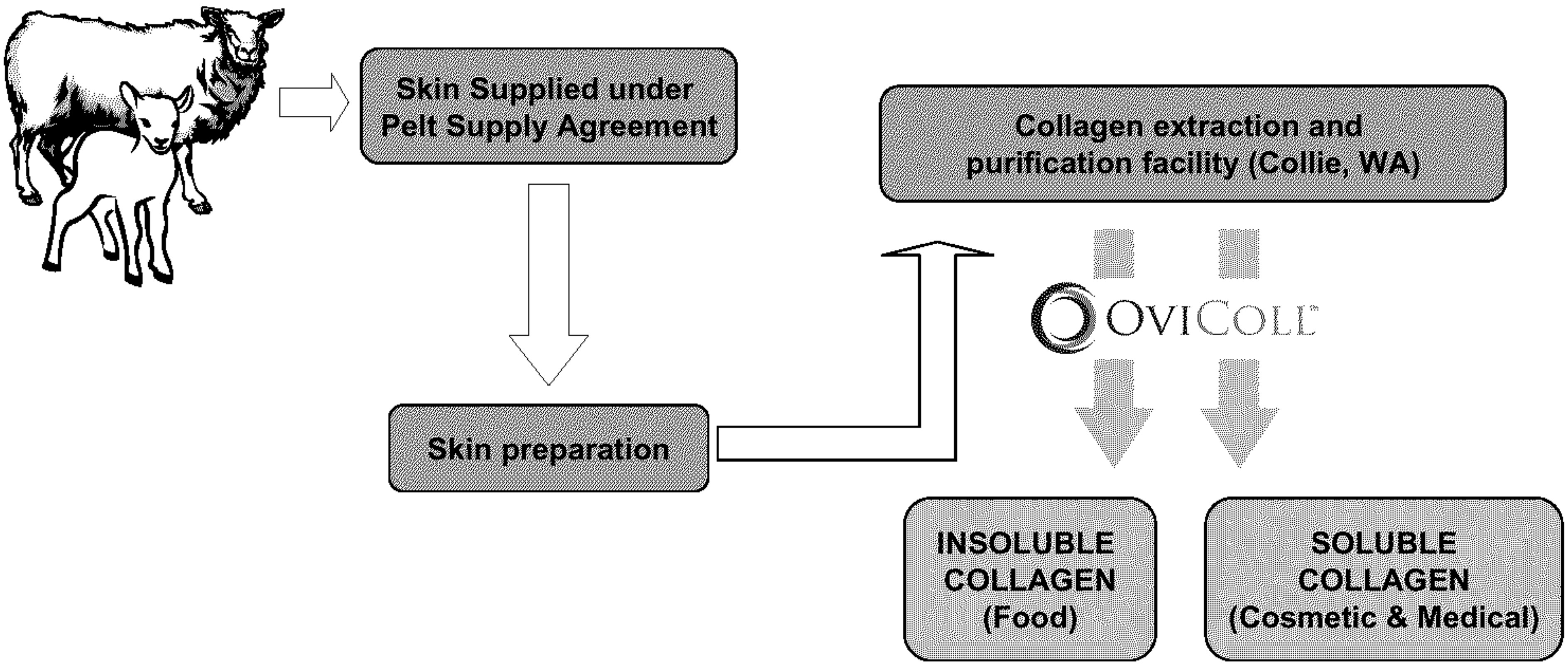
Markets for Collagen

- Food Additives and Functional Foods
  - Sausage skin/casings
  - Functional Foods (therapeutic benefits)
  - US Market for Functional Foods Approx US $4.7 billion in 2000 and forecast to grow to US $12 billion by 2007[1]
- Cosmetics and Cosmeceuticals
  - Personal skincare and toiletry products
  - Many topically-applied cosmetics use collagen
  - US $34 billion & forecast growth of 7%pa[2]
- Research
  - University and collaborative partners
- Medical and Surgical -
  - Advanced Wound Dressing for burns & Diabetic Ulcers
  - Haemostatics and Sealants
  - US $12 billion & forecast growth of 8%pa[3]

Ref: 1. Business Communications Company (2001)
2. The Freedonia Group (2003)
3. Business Communications Company (2000)

Technology/ IP

- Patented collagen extraction & purification process from ovine (sheep) skin



OVICOLL™

The Products

OVICOLL™ | F — **Food-grade native insoluble collagen (type I/III) from sheepskin, 10% solids in dilute acid**

OVICOLL™ | C — **Cosmetic-grade native soluble collagen (type I/III) from sheepskin, opaque solution, 10mg/mL protein in 0.1M acetic acid**

OVICOLL™ | R — **Research-grade native soluble collagen (type I/III) from sheepskin, clear solution, 5mg/mL protein in 0.1M acetic acid**

OVICOLL™ | M — **Medical-grade available 2006**

Competitive Advantages

- Patented technology provides global monopoly for supply of collagen from sheepskins

- Internationally certified TSE-free source of collagen

- Lower production costs
  - Reduced capital cost
  - Outsourced infrastructure cost
  - Significantly higher yields of high-margin soluble collagen

- Product acceptance in global religious markets

Production Economics[1,2]

Plant Cost $2.7M	Yield Per Skin	Price A$/kg	A$/skin
Revenue			
Soluble	+35g[3]	$1,000 – +10,000[4]	$35 – 350
Insoluble	160g	$50 – 200	$8 – 32
			$43 - $382
Costs			
Collagen Extraction			$(9)
Administration			$(6)
			$(15)
Operating Margin / Skin			$28 - $367

Ref:

1. *These figures are provided to assist investors in evaluating the potential benefits and risks of an investment in CollTech. Their inclusion here is not a representation by CollTech that the results set out above will be achieved.*
2. *Assumes production rate of 1,000 skins per day.*
3. *Based on independent CSIRO results.*
4. *Based on sale of medical grade collagen products that require certain regulatory approvals*

Future Opportunities

- Medium Term
  - Production of Medical Grade Collagen
    - Achieve GMP/ISO 13485
    - Very high margins
    - Subject to certain regulatory approvals
- Longer Term
  - Horizontal Expansion
    - Other commercially viable biomaterials from CollTech's unique TSE-free animal source
  - Vertical Integration
    - Collaboration with Industry Partners to develop value-added medical products

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Biomaterial Technology
+
INDUSTRY PARTNER
Medical Device Manufacturing & Distribution
=
COLLABORATION
Exciting New Collagen Based Medical Products

Capital Structure

Securities		Number	%
Shares	Quoted	73,245,999	75.5%
	Unquoted Restricted	23,754,001	24.5%
TOTAL Shares on Issue		**97,000,000**	**100.0%**
Options	Quoted ($0.25 exp 30/06/05)	6,250,000	32.5%
	Unquoted	13,010,000	67.5%
TOTAL Options on Issue		**19,260,000**	**100.0%**
Share Price (14/03/05)			$0.20
Market Capitalisation ($million)			$19.4

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Top 20 Shareholders

Rank	Name	Units	% of issued Capital
1	DR JOHN SNOWDEN + MRS PAULINE SNOWDEN	7,200,000	7.42%
2	IRSS NOMINEES (21) LIMITED C/-ASIACITI CORPORATE SERVICES PTE LTD	6,600,000	6.80%
3	LIFESCIENCE INVESTMENT GROUP INC C/- RIKVIN CONSULTING PTE LTD	6,600,000	6.80%
4	OAKTONE NOMINEES PTY LTD	5,000,000	5.15%
5	AYMON PACIFIC PTY LTD	3,500,000	3.61%
6	NATIONAL NOMINEES LIMITED	2,700,000	2.78%
7	AUSTRALIAN DEVELOPMENT CAPITAL LIMITED	2,318,249	2.39%
8	GWYNVILL TRADING PTY LIMITED	1,750,000	1.80%
9	BROR JOEL RUNO NESSEN KOMETVAGEN	1,500,000	1.55%
10	BRINDABELLA HOLDINGS PTY LTD	1,450,000	1.49%
11	TRICOM NOMINEES PTY LIMITED <NOMINEE A/C>	1,290,000	1.33%
12	FIORI PTY LTD	1,189,386	1.23%
13	MR KENNETH JOHN KOHEN + MRS ANNE MARIE KOHEN <SUPER FUND A/C>	1,110,083	1.14%
14	DIGAURA HOLDINGS PTY LTD	1,075,641	1.11%
15	MR CHUI TU CHIU	1,000,000	1.03%
16	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,000,000	1.03%
17	FAIRVIEW HOLDINGS PTY LTD <THE MANJULE SUPER A/C>	910,000	0.94%
18	MEGA-MIN RESOURCES NL <MEGA-MIN A/C>	875,000	0.90%
19	BLUE CHIP SECURITIES PTY LTD <THE MERIFIELD FAMILY A/C>	866,563	0.89%
20	UBS PRIVATE CLIENTS AUSTRALIA NOMINEES PTY LTD	860,000	0.89%
	Total	**48,794,922**	**50.30%**

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