

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Cyclopharm Limited

ABN

74 116 931 250

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Up to 52,566,443 shares. |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Up to 52,566,443 fully paid ordinary shares. Fully paid at an issue price of \$0.04 per share. |

+ See chapter 19 for defined terms.

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<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>The shares issued will rank equally with all existing shares from the date of issue.</p>
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<p>5 Issue price or consideration</p>	<p>\$0.04 per share.</p>
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<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The funds raised from the Rights Issue will go towards funding the operating costs of Cyclopet and to fund a Technegas clinical trial in the United States.</p>
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<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>9 December 2011</p>
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<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th style="text-align: left;">Number</th> <th style="text-align: left;">+Class</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;"> <p>Up to 220,779,059* <i>*(Subject to the effects of rounding and the number of acceptances under the pro-rata rights issue)</i></p> </td> <td style="vertical-align: top;"> <p>Fully paid ordinary shares</p> </td> </tr> </tbody> </table>	Number	+Class	<p>Up to 220,779,059* <i>*(Subject to the effects of rounding and the number of acceptances under the pro-rata rights issue)</i></p>	<p>Fully paid ordinary shares</p>
Number	+Class				
<p>Up to 220,779,059* <i>*(Subject to the effects of rounding and the number of acceptances under the pro-rata rights issue)</i></p>	<p>Fully paid ordinary shares</p>				

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	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	All shares issued under the Rights Issue rank equally with all other ordinary shares in relation to dividend policy.

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Renounceable
13	Ratio in which the +securities will be offered	One share for every three point two shares held on the record date.
14	+Class of +securities to which the offer relates	Fully paid ordinary shares.
15	+Record date to determine entitlements	7:00 pm (Sydney time) 14 November 2011
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Rounded up to the nearest whole number.
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	All countries in which the entity has security holders other than Australia and New Zealand.

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19	Closing date for receipt of acceptances or renunciations	2 December 2011
20	Names of any underwriters	CVC Managers Pty Limited ABN 12 108 360 372
21	Amount of any underwriting fee or commission	5.0% of the underwritten amount
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	N/A
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	An entitlement and acceptance form and offer booklet will be sent to eligible shareholders on 18 November 2011
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	8 November 2011
29	Date rights trading will end (if applicable)	25 November 2011
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	The shareholder must provide appropriate instructions to their stockbroker and provide to them any information requested by them in order to effect their

⁺ See chapter 19 for defined terms.

	instructions.
31 How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	<p>The shareholder should:</p> <ul style="list-style-type: none">• if paying by cheque, complete the Entitlement and Acceptance Form in accordance with the instructions on that form, specifying the number of Cyclopharm Limited shares they wish to apply for, and lodge the completed form with a cheque in accordance with the instructions on that form; and• in relation to the balance of Cyclopharm Limited rights they wish to sell, provide appropriate instructions to their stockbroker and provide to them any information requested by them in order to effect their instructions.
32 How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	<p>If a shareholder holds their shares on the Cyclopharm Limited Issuer Sponsored Subregister, the shareholder and the transferee must complete a standard renunciation and transfer form and forward that completed form, together with their completed Cyclopharm Limited Entitlement and Acceptance Form for any rights that the transferee wishes to take up and a cheque for the relevant application monies, to Cyclopharm Limited's share registry so that they are received by no later than 25 November 2011.</p>
33 ⁺ Despatch date	9 December 2011

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which
+quotation is sought

39 Class of +securities for which
quotation is sought

40 Do the +securities rank equally in
all respects from the date of
allotment with an existing +class
of quoted +securities?

If the additional securities do not
rank equally, please state:

- the date from which they do
- the extent to which they
participate for the next
dividend, (in the case of a
trust, distribution) or interest
payment
- the extent to which they do
not rank equally, other than in
relation to the next dividend,
distribution or interest
payment

41 Reason for request for quotation
now

Example: In the case of restricted securities, end
of restriction period

(if issued upon conversion of
another security, clearly identify
that other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

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Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 4 November 2011
(Company secretary)

Print name: James McBrayer

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