



Cyclopharm Limited

Annual General Meeting

26 May 2011

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All references to dollars are to Australian dollars.

Agenda



Chairman's Address

Managing Director's Review

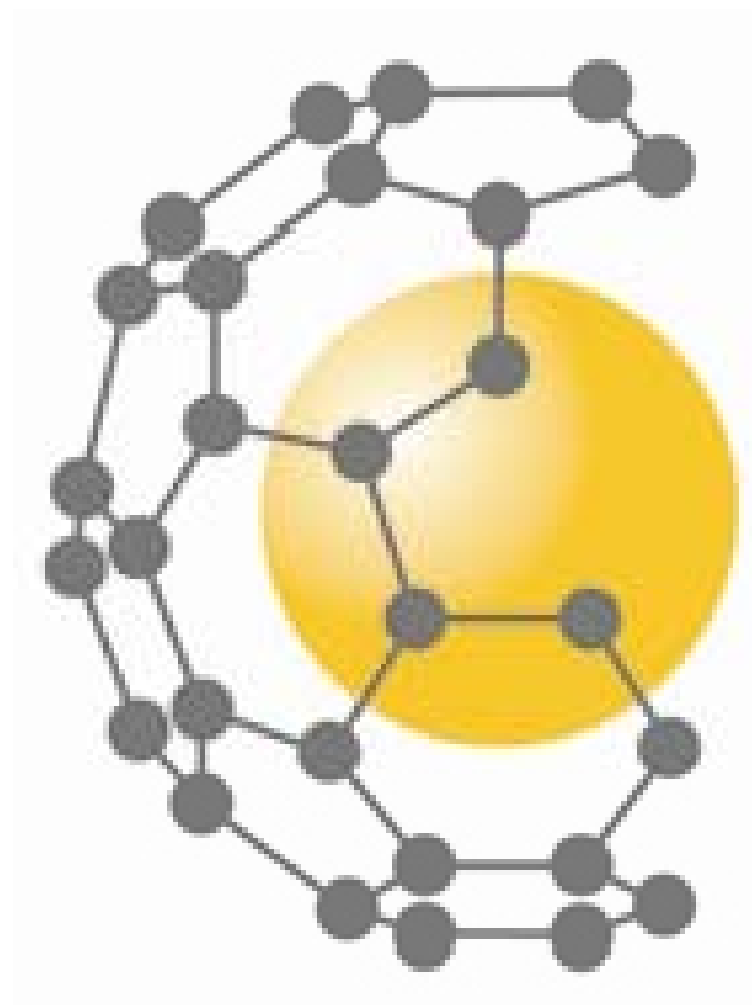
Question Time

Business

Close

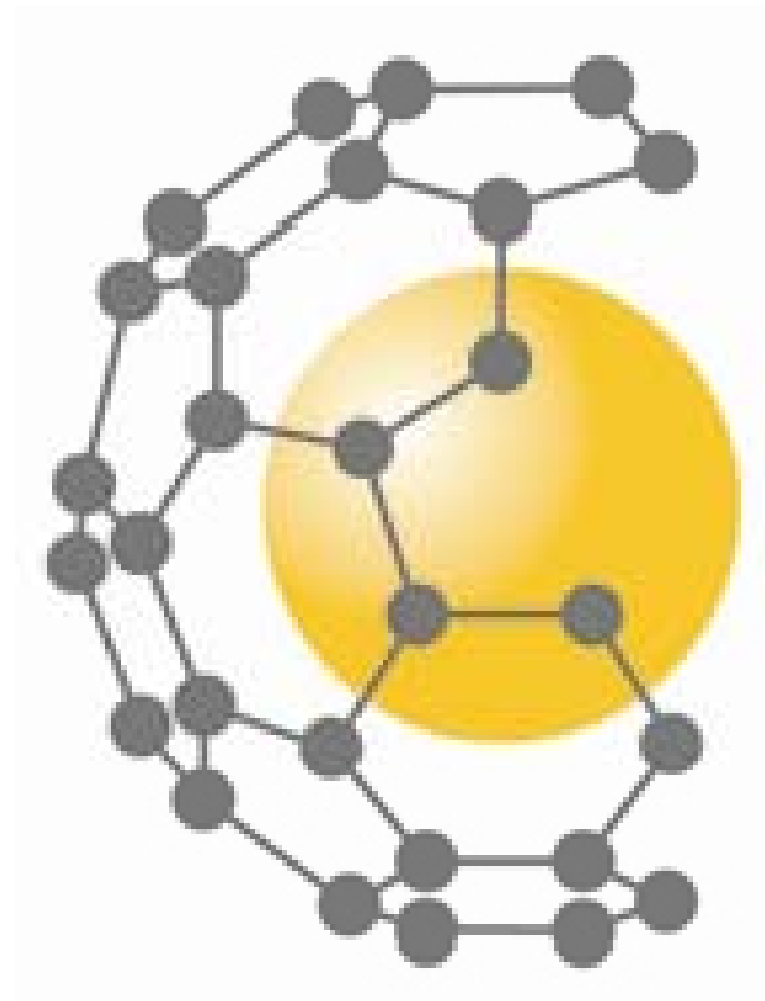
Chairman's Address

Vanda Gould



Managing Director's Review

James McBrayer



Cyclopharm business

Three business units



Cyclopharm - helping save lives everyday!



Technegas

Established in 1986 continues to generate revenue, profits and strong cash flows through the manufacture and distribution of drugs and equipment for lung imaging



Radiopharmaceuticals

Establishment of PET central pharmacies to produce PET radiopharmaceuticals



Diagnostic Imaging

Developing centres that provide services ranging from specialised nuclear medicine to a full complement of imaging modalities

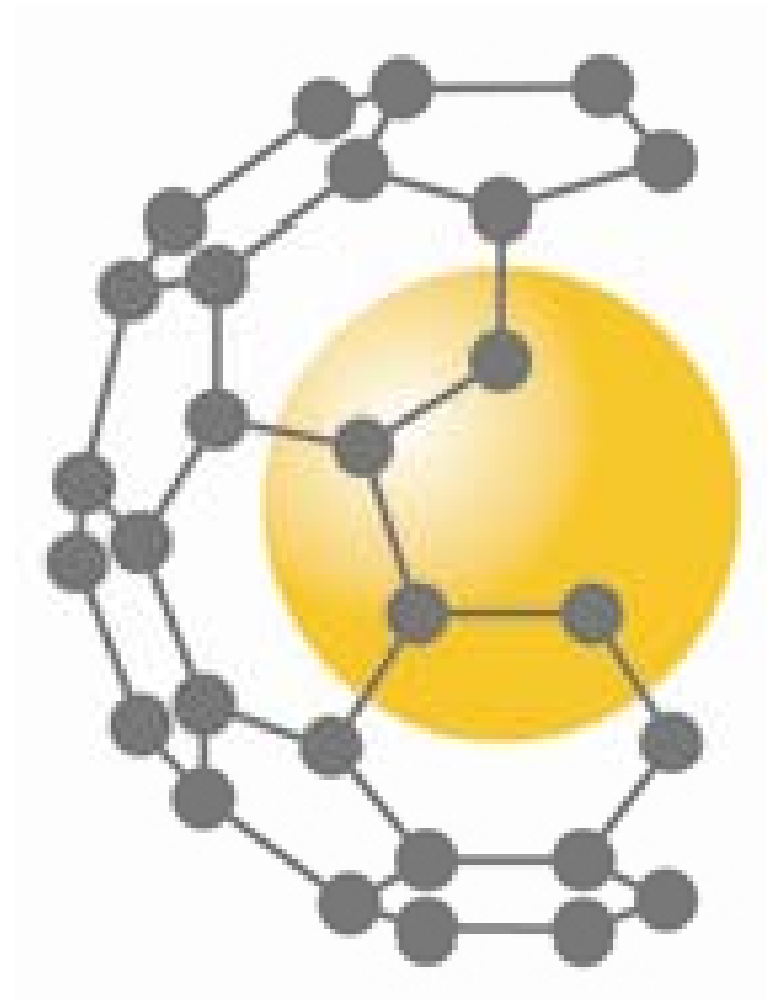


A Year of Transformation

- ✓ Technegas business strong and consistent
- ✓ Cyclotron facility receives TGA license
- ✓ Start-up Cyclotron facility generating revenues
- ✓ Start-up Diagnostic Imaging joint venture generating revenues
- ✓ United States FDA approves Special Protocol Assessment



Segmental Overview



Technegas

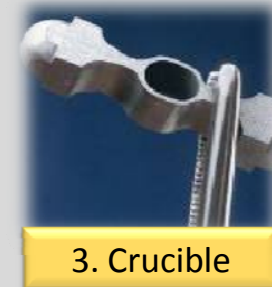


There are four components required for a Technegas procedure:

1. Technegas Generator
2. A single use Patient Administration Set (PAS)
3. A single use patient crucible
4. Technetium 99m

All non-radioactive components are manufactured at Cyclopharm's Australian facility located at Lucas Heights, NSW and in Europe

Components of Technegas

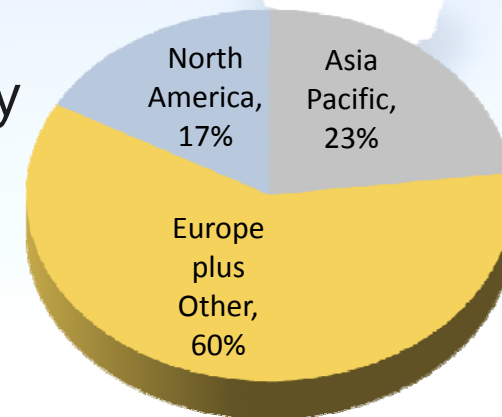


Technegas

Global footprint



- Technegas is sold in 55 countries across the world
- Over 2,500,000 patient studies since 1986
- 162,800 patient studies conducted in 2010
- 1,163 Technegas generators sold globally
- Patents in 36 countries
- Expanding operations in North America pending clinical trial and approval of United States FDA



Revenue by Region

Molecular Imaging - Positron Emission Tomography (PET)

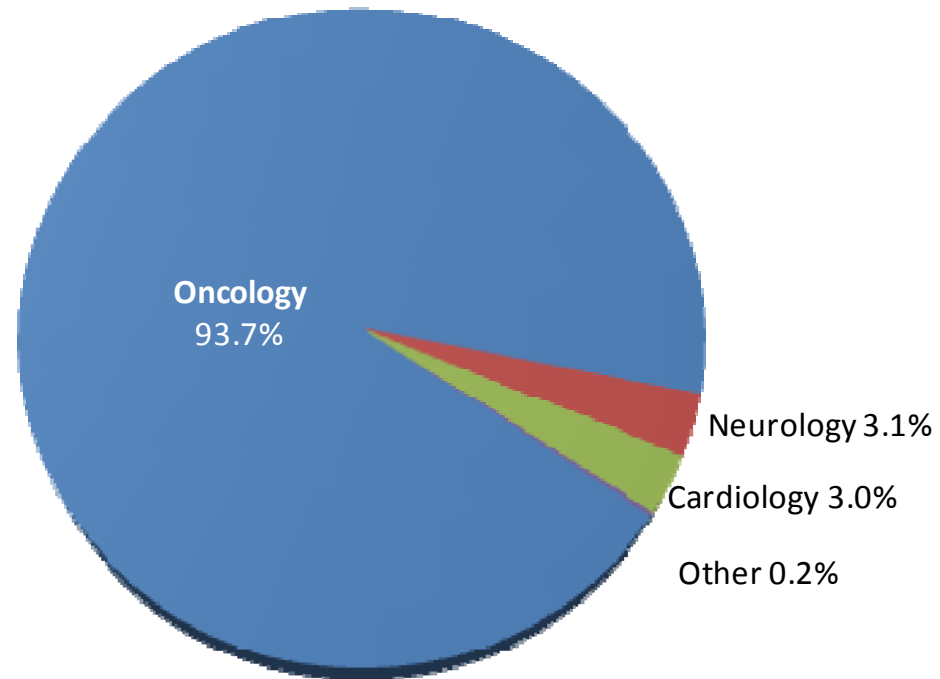


PET is the future of Nuclear Medicine.

Positron Emission Tomography allows physicians to differentiate between healthy and active diseased tissue.

PET is primarily used in the detection of cancer but rapid growth in other indications is also promising

From 1 July 2011 there will be an increase from 10 to 20 procedures covered under the Medicare Benefit Scheme



Macquarie University Hospital

cyclopharm
Nuclear Medicine



- 183 bed university hospital
- 12 operating theatres
- Specialising in Oncology and Neurology
- Home of the Australian School of Advanced Medicine
- Adjacent specialty clinic containing 18 specialist suites
- Home of a Gamma knife

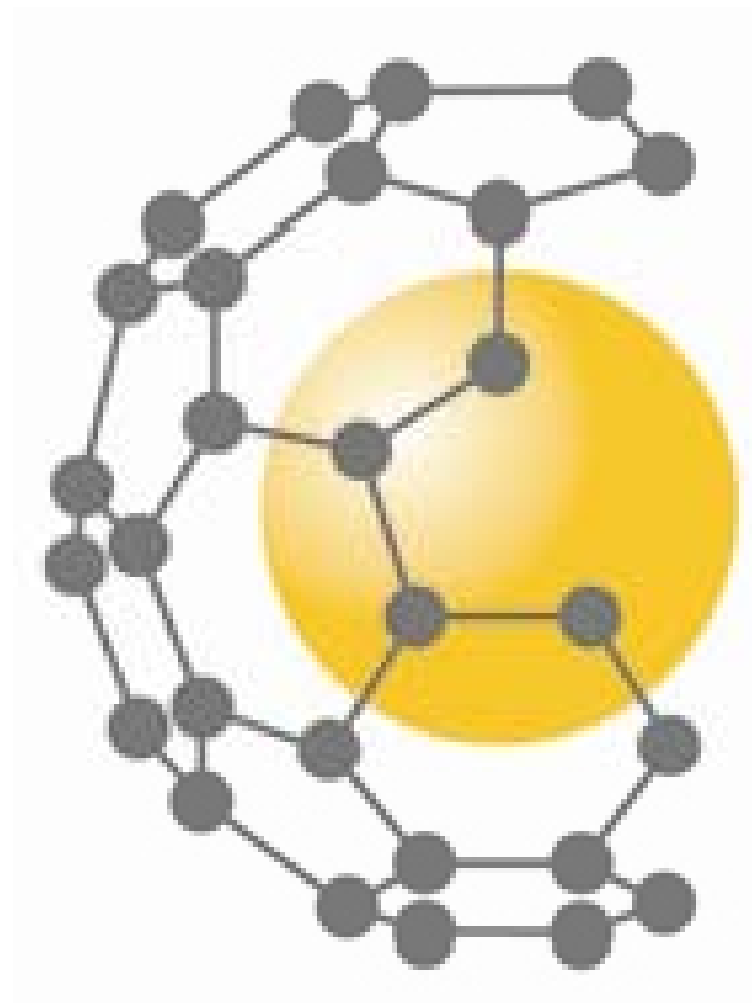
Diagnostic Imaging



- Joint venture with Alfred Health Solutions
- Comprehensive suite of imaging modalities
- State of the art research platform
- Inpatient and outpatient services
- Foundation for regional growth



2010 Financials



Profit & Loss



✓ Profitable while investing for the future

- Overall revenue down 14.7% but volumes remaining consistent
- \$864K Loss from MUH Cyclotron
- \$311K Loss from Molecular Imaging JV

	2010	2009
	\$	\$
CONTINUING OPERATIONS		
Sales revenue	9,464,605	11,098,579
Finance revenue	68,972	93,186
Other revenue	-	2,403,090
Total revenue	9,533,577	13,594,855
Expenses	(8,526,870)	(10,889,851)
Profit / (loss) before tax and finance costs	1,006,707	2,705,004
Finance costs	(198,299)	(137,503)
Profit / (loss) before income tax	808,408	2,567,501
Income tax expense	(358,302)	(523,011)
Net profit after tax	450,106	2,044,490

Profit & Loss



✓ Adjusted Net Profit After Tax consistent

Full Year ending 31 December		2008	2009	2010	% Change
Sales Revenue	\$'000	10,888	11,099	9,465	(14.7%)
Net Profit Before Tax	\$'000	1,896	2,568	808	(68.5%)
Adjusted Net Profit Before Tax*	\$'000	1,896	2,044	1,983	(3.0%)
Net Profit After Tax	\$'000	1,705	2,044	450	(78.0%)
EPS	cents	1.20	1.20	0.26	(78.0%)

- \$864K Loss from MUH Cyclotron and \$311K Loss from Molecular Imaging JV
- In 2009, the Clinquest settlement of \$2.0m, legal costs of \$0.8m and impairment write-down of \$0.7m were recorded

Sales impacted by Molybdenum Crisis & Foreign Exchange

Patient Administration Sets (PAS)

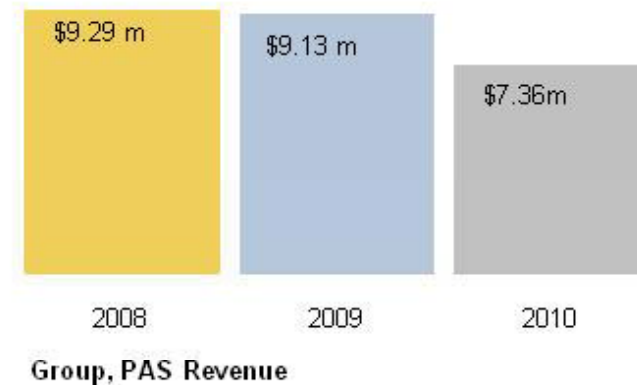
- PAS revenue down 19% to \$7.36 m
- PAS volumes consistent

Technegas Generators

- Generator volumes up 11%
- Generator revenue down 3%
- Other revenue up 24%

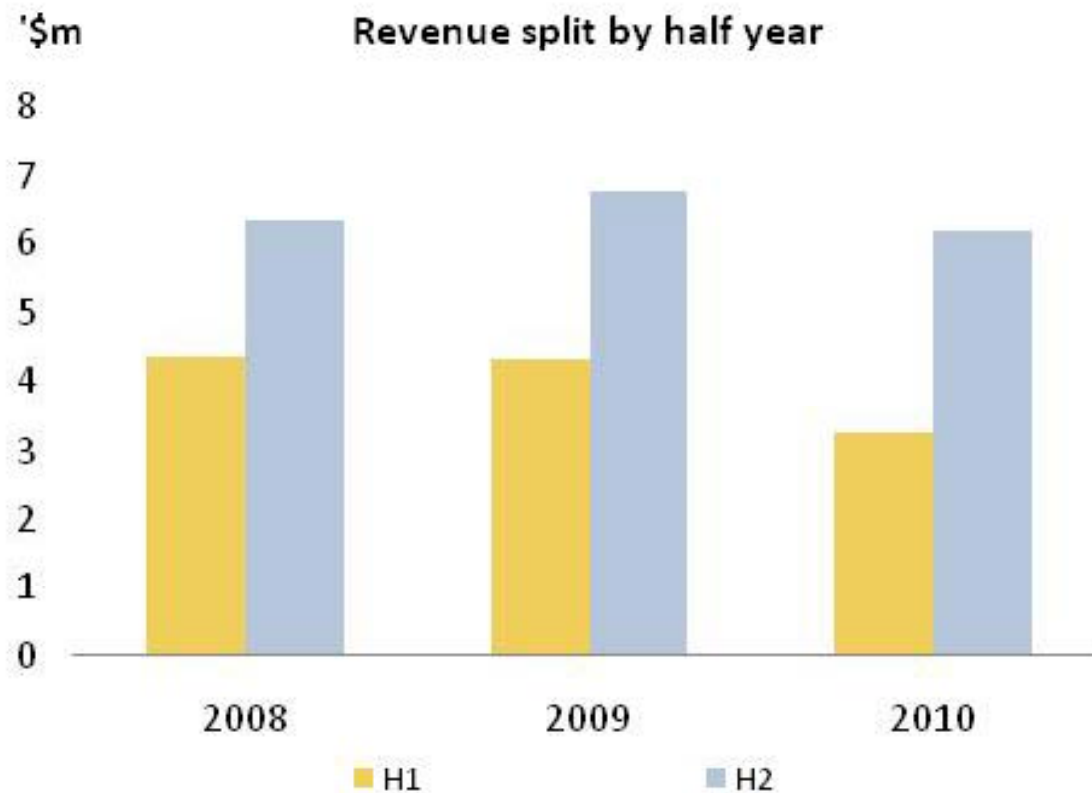
Molecular Imaging

- \$22K revenue



Sales revenue Half year comparison

✓ Historical Trend – strong second half results continues



Balance Sheet



✓ Consistent Net Asset Position

- PET Facility at MUH reclassified as Property Plant & Equipment since commissioning
- Debt facility with senior debt providers for PET Facility at Macquarie University expected to be renewed in June 2011

Balance Sheet Summary	2010 \$	2009 \$
Total Current Assets	8,409,488	12,169,793
Total Non-current Assets	13,732,411	7,474,618
Total Assets	22,141,899	19,644,411
Total Current Liabilities	7,978,925	4,329,825
Total Non-current Liabilities	396,820	1,385,945
Total Liabilities	8,375,745	5,715,770
Net Assets	13,766,154	13,928,641

Operating Cash flow



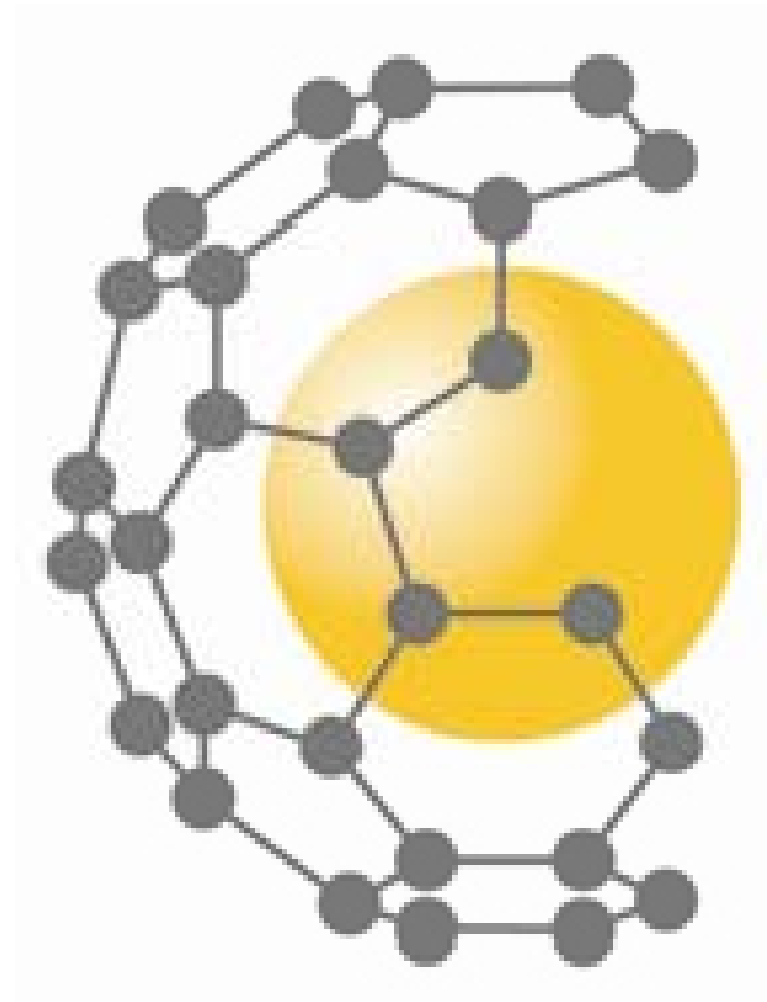
✓ Closing cash of \$1.5m

- Prior year cash from operating activities included the US\$1.8m settlement with Clinquest Inc (offset by \$0.8m in legal costs)
- Significant cash flows were expended on PET Nuclear Pharmacy at Macquarie University and in the start up phase of MMI

	2010	2009
	\$	\$
Operating activities	(90,960)	3,691,033
Investing activities	(6,218,108)	(3,096,865)
Financing activities	3,369,503	-
Net increase in cash	(2,939,565)	594,168
Opening cash	4,612,205	4,206,271
Foreign exchange translation	(130,996)	(188,234)
Closing cash	1,541,644	4,612,205

Business Outlook

2011



Business Outlook

Technegas

New Drug Application (NDA)

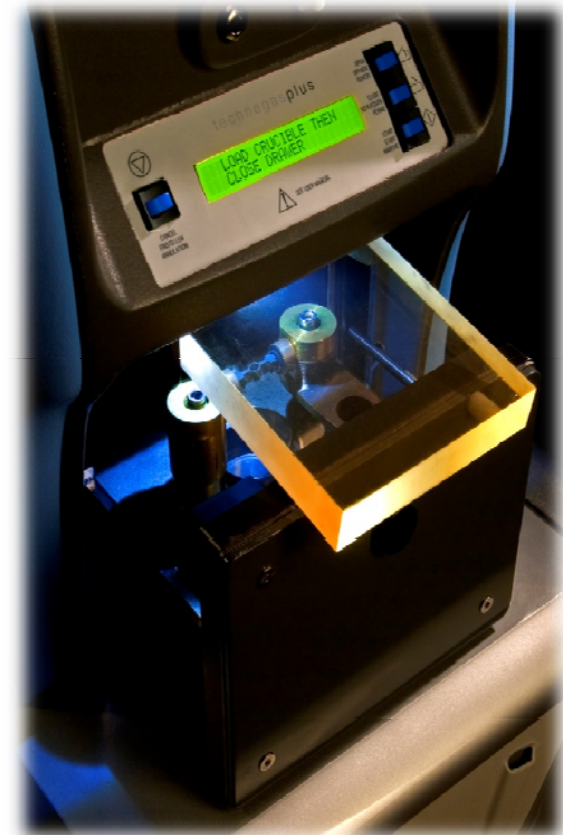
- Investigational New Drug Application to be submitted Q3 2011
- Clinical trial commencement targeted Q3 2011

New Indications for Technegas

- Collaborations underway with researchers and clinicians
- COPD and Lung Cancer targeted for potential new indications in global initiatives

Leverage Clinical Developments

- Promote new European Guidelines
- Underscore high radiation doses received from CT Pulmonary Angiography



Business Outlook

PET Radiopharmaceuticals

Macquarie University Hospital (MUH)

- Continue to expand our FDG customer base in NSW
- Focus on new product development
- Develop clinical research opportunities

Expansion Opportunities

- Evaluate expansion opportunities within the Australasian region



Business Outlook

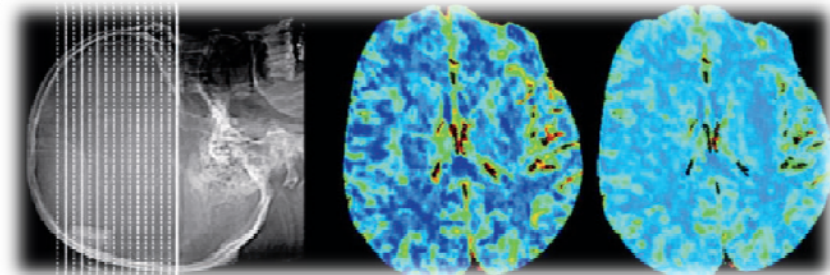
Diagnostic Imaging

Macquarie Medical Imaging

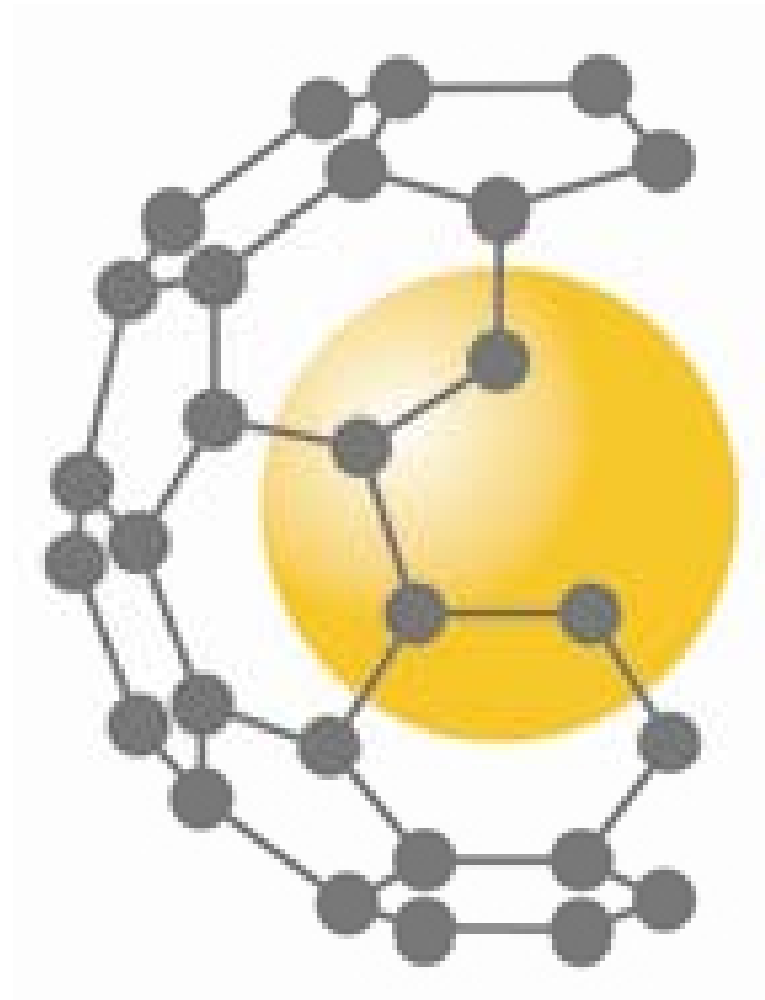
- Continue to support minority shareholding
- Implement breast clinic services in collaboration with the University
- Expand Cancer Care Clinic visibility and service offering
- Leverage growth in PET

Expansion

- Expansion and acquisition opportunities currently under review



Conclusion



Cyclopharm business



Cyclopharm - helping save lives everyday!



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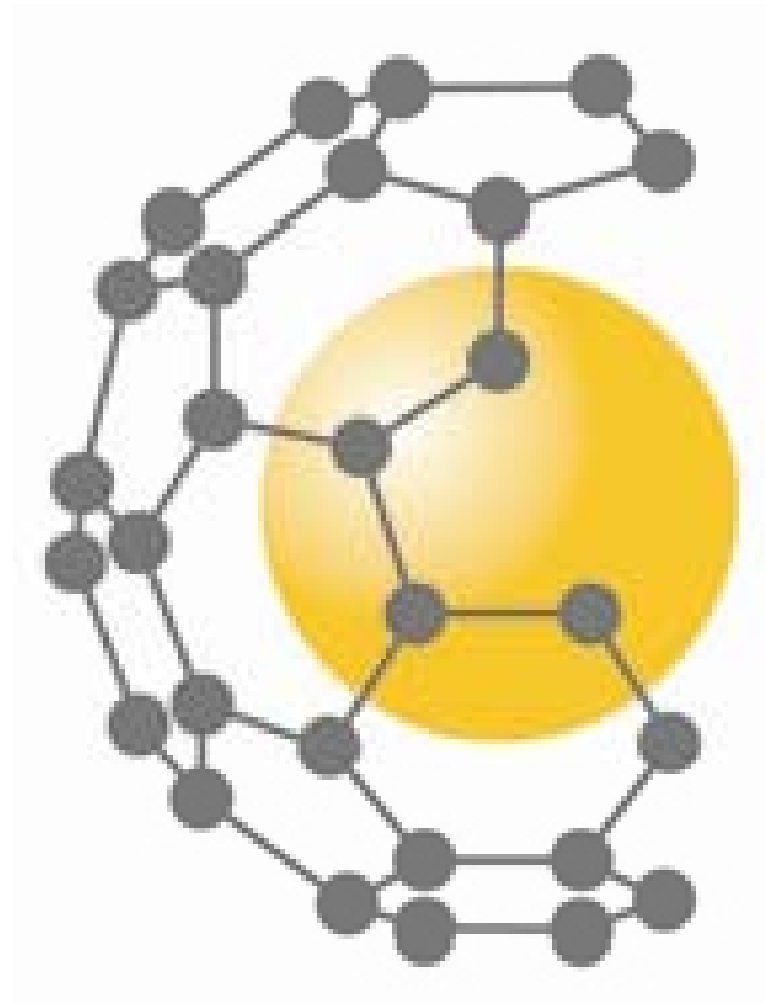


Diagnostic Imaging

Developing centres that provide services ranging from specialised nuclear medicine to a full complement of imaging modalities



Question Time & Business



Proxy Summary



Resolution	Business	For*	Against	Abstain	Proxy's discretion
1	Remuneration Report	82,395,487	50,293	27,286	15,829
2	Re-election of Mr David Heaney	82,463,971	9,095	0	15,829
3	Share Buy-back	82,460,780	12,286	0	15,829
4	Long Term Incentive Plan: Grant of a limited recourse loan	81,649,297	81,442	742,327	15,829
5	Amendments to Constitution: Payment of Dividends	82,428,172	9,095	35,799	15,829

*Includes Open Useable Proxies that have instructed the Chairman to vote on their behalf and have been voted in favour of the resolution.

Attachments

