

**BIOTECH CAPITAL LTD
ANNUAL GENERAL MEETING
TUESDAY 17TH NOVEMBER 2009**

CHAIRMAN'S ADDRESS

Good afternoon ladies and gentlemen and welcome to the 2009 Annual General Meeting for BioTech Capital Ltd.

I am sure most of you do not need reminding that this time last year the world was gripped by a wave of fear as uncertainty over the full economic impacts of the global financial crisis were being felt. Twelve months on, the world is a much happier place with fear being replaced with relief and even some hints of optimism. Many of the world's stock-markets have staged meaningful rallies and signs of economic expansion are appearing.

The Australian economy appears to have emerged relatively unscathed underscoring the intrinsic strength in the local environment and leverage to strong growth in countries such as China and India and is poised for a second wave of strong economic expansion.

The recovery in equity markets has also spilled over into the Australian life-science sector where many of the leading groups have enjoyed meaningful rallies in their share-prices. The share-price of BioTech Capital has increased by over 350% over this period.

An unprecedented number of Australian life-science companies are now generating significant revenues from their activities or about to commence doing so over the next 12 months. This has resulted in sometimes very significant re-ratings to their share prices as investors become more comfortable with the diminishing risk profile as products become approved and are begun to be sold. Many of today's next generation of life-science companies have been moving towards this era for almost a decade highlighting the long-term nature of the industry. Investors today are being rewarded for the patience of past investors.

As flagged around two years ago, the portfolio has been re-positioned away from early stage "venture" projects to more advanced companies. The majority of these continue to demonstrate underlying progress.

The Board has continually discussed and reviewed whether shareholders' interests are best served by a continued focus on the Australia life-sciences sector given the long-term and cyclical nature of the sector. Whilst BTC was originally established as a vehicle to provide investors access to this difficult sector we are cognisant that better returns may be obtained in other sectors.

As a result of this review, the Company will no longer pursue opportunities in the life-sciences sector at this stage, and will seek to exit existing investments at fair value when the opportunities arise.

We continue to look for other opportunities and are open to considering any restructuring proposal, any project, in any sector that has the potential to add significant value for shareholders. As a result, we asked shareholders at the last Annual General Meeting to provide the Board with approval to drop the Pooled Development Fund status should a sufficiently attractive alternative investment opportunity present itself. We are requesting the same approval be given at today's meeting.

The current focus is to extract value from existing investees and move towards exits for the fund. The upswing in markets provides a window to explore exits via the IPO route. It is the intention of the Board that as cash is realised from these exits that we provide an expanded buyback or capital return program to provide an exit mechanism for those shareholders who no longer wish to have exposure to the biotech sector and who are not able to sell their holding on market for prices close to underlying asset value.

In conclusion, I thank you for your ongoing support and invite Mr Harry Karelis to make his presentation.

Kathryn Greiner
Chairman