



22 February 2011

**The Announcements Officer
Australian Stock Exchange**

Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir

CLARIFICATION OF FORM 604 – PHYLOGICA LIMITED

We wish to provide clarification of the form 604 lodged today in relation to Biotech Capital Limited's investment in Phylogica Limited.

In addition to the current 17,263,405 shares noted in the form, Biotech Capital Limited owns a \$1,000,000 convertible note at 4 cents per share in Phylogica Limited. This note is convertible on 30 April 2011 which will equate to a further 25,000,000 shares.

Yours faithfully

A handwritten signature in blue ink that reads 'Baden Bowen'. The signature is written in a cursive style with a large initial 'B'.

**Baden M Bowen
Company Secretary**