

**BIOTECH CAPITAL LTD  
ANNUAL GENERAL MEETING**

**WEDNESDAY 9<sup>TH</sup> NOVEMBER 2011**

**CHAIRMAN'S ADDRESS**

It is my pleasure to welcome you to the 2011 Annual General Meeting for BioTech Capital Ltd ("BTC").

The past year has been focused upon implementing the changed strategy as communicated to shareholders during 2010. Our efforts have been towards exiting the investments held by the Company, returning proceeds to shareholders and generally winding down the portfolio whilst keeping a close watch on overheads.

Global investor sentiment remains very volatile and investor sentiment has turned markedly negative following the credit rating downgrade of the United States and associated panic selling across world markets.

Investors have factored in the higher risk of the world slipping back into a recessionary environment and fears about sovereign debt contagion - especially in Europe where concerns over the level of sovereign debt in countries such as Greece, Italy, Spain, Portugal and Ireland continues to weigh on investors.

The listed life-science sector in Australia continues to experience far more negative news than positive with several top tier companies experiencing significant declines in their share prices for a variety of reasons including regulatory setbacks.

In reviewing our decision to exit the life-science sector we continue to believe this was the correct path forward. The prevailing macro environment is markedly different to that around the time that BTC was established. It is extremely difficult to generate suitable positive returns in a fragile and volatile investment market where investor appetite for risk is focused largely on the resources sector and availability of capital for life science private equity in Australia is minimal, as indeed it is around the world.

We have confidence that the remaining investments can be realised over the course of the next 12 months. Whilst at this stage no firm plans have been made for the Company beyond then we believe the most sensible course for shareholders is to retain some cash, remain as a listed entity and seek new opportunities rather than pursue a wind-up strategy.

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

**Kathryn Greiner AO**  
Chairman