cyclopharm
Nuclear Medicine

cyclomedica
molecularimaging
technegas

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The Manager
Company Announcements Office
Australian Securities Exchange Limited
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Company Update

I take this opportunity to thank our shareholders for their support during Cyclopharm Limited's (ASX: CYC) non-renounceable rights issue. We successfully raised the entire rights issue offer of $3.18 million (before costs). It is an excellent result given the turbulent financial times in the local and global economies.

In our market presentation this past September, I informed shareholders that we were also seeking extended banking facilities of $5.1 million. I am pleased to announce that these funds have been secured through nabHealth a Specialised business within the National Australia Bank (NAB).

Cyclopharm is on track to deliver our Positron Emission Tomography (PET) development strategy. The equity, in conjunction with the extended banking facilities, will be used to continue our PET radiopharmaceutical production facility located at the Macquarie University Private Hospital.

Fit-out of our facilities at Macquarie University Private Hospital is due to commence in early 2009. Facility certification is scheduled for the latter half of 2009. We are optimistic that commercialization of our facility will be achieved in the final months of 2009.

Trading Update

Once again, the last quarter of each year is historically Cyclopharm's busiest period. This is the case again in 2008. With the volumes currently being achieved, I can confirm that Cyclopharm is on track to deliver on the forecast guidance of an EBIT of $2.0M communicated to the market this past September.

James McBrayer

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Background

Cyclopharm Limited

Cyclopharm is a radiopharmaceutical company servicing the medical global medical community. The Company's mission is to enable nuclear medicine and other clinicians with the ability to improve patient care outcomes.

Cyclopharm achieves this objective through the provision of radiopharmaceutical products, Technegas (for lung imaging) and Molecular Imaging / PET radiopharmaceuticals (used in cancer, brain and cardiac imaging). Our customers are nuclear medicine departments located within hospitals and clinics.

Technegas

The Technegas technology is a structured ultra-fine dispersion of radioactive labeled carbon, produced by using dried Technetium-99m in a carbon crucible, micro furnaced for a few seconds at around 2,500^{o}C. The resultant gaseous substance is inhaled by the patient (lung ventilation) via a breathing apparatus, which then allows multiple views and tomography imaging under a gamma or single photon emission computed tomography (SPECT) camera for the superior diagnosis of pulmonary emboli (blood clots in the lungs).

Positron Emission Tomography (PET)

PET radiopharmaceuticals target specific tissues / organs, concentrate there, and the attached radioisotope emits radiation, which is then detected by a PET or PET / CT gamma (collectively PET camera). These imaging modalities help physicians improve their ability to detect and determine the location, extent and stage of cancer, neurological disorders and cardiac disease. By improving diagnosis, PET scans aid physicians in selecting better courses of treatment, as well as assessing whether treatment is effective or should be changed.

Macquarie University Private Hospital and the Macquarie University School of Advanced Medicine

Macquarie University Private Hospital is an $80 million joint venture development between Macquarie University and Dalcross Private Hospital. The development will establish a major medical precinct within the Macquarie University Research Park to complement the Allied Health teaching services offered by Macquarie University.

The Macquarie University Private Hospital will be a state of the art facility that will also deliver health education and research on site.