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**Cyclopharm Limited (ASX: CYC)
Company Update**

At Cyclopharm's AGM recently held in May 2010, shareholders were provided with an update on the Company's strategic initiatives. It is with pleasure that I provide you with further information on Cyclopharm's progress.

Macquarie University Hospital Opens

After much anticipation, Macquarie University Hospital, Australia's first private teaching hospital located on a university campus was officially opened on Saturday, 26th June 2010.

The 183 bed facility is poised to set new benchmarks in health care with its emphasis on integrated clinical care, teaching and research. There are 12 operating theatres including 3 interventional and angiographic rooms.

The hospital and adjacent 6,000 square meter medical centre incorporates the Australian School of Advanced Medicine providing subspecialty surgical training and research. Professor Michael Morgan, one of Australia's foremost neurovascular surgeons, will be the first Dean of the medical school and has the vision of the hospital being modeled on the Mayo clinic.

Macquarie Medical Imaging Operational

Cyclopharm's medical imaging joint venture is now operational. **Macquarie Medical Imaging (MMI)**, the most technologically advanced imaging centre in Australia represents a fully aligned and integrated diagnostic, therapeutic and research platform.

MMI will provide patient's at the new hospital and neighbouring suburbs access to state of the art imaging facilities including 3T MRI, CT, X-ray, Ultrasound and Positron Emission Tomography (PET) scanning.

Cyclopet Ready for TGA Inspection

Cyclopet has just received notification from the Australian Therapeutic Goods Authority (TGA) that our facilities will be inspected this month.

Cyclopet's radiopharmaceutical facility is Australia's most technologically advanced production and research facility for the manufacture of radioisotopes used in PET.

115,000 Australians will be diagnosed with cancer this year. This figure represents a 10% increase since 2006. Cyclopet's products and research will play a major role in the early diagnosis and therapeutic management of these cancer patients.

Cyclopet has already achieved all radiation safety licensing requirements to manufacture, use and dispense radioactive substances. The TGA approval for Good Manufacturing Process is the final step required to achieve full commercial status.

I look forward to updating you when this significant milestone is achieved.

New Drug Application to sell Technegas in the USA

As previously updated, the United States Food and Drug Administration (FDA) is requiring Cyclopharm to complete an additional Phase III clinical trial prior to approval of Technegas for sale in the USA.

Based on recent discussions with the FDA, our clinical trial protocol has been further refined. The protocol design will be completed and submitted to the FDA this month for review as a Special Protocol Assessment (SPA) submission.

In parallel with the clinical trial development, we have also engaged a number of the leading United States medical centres to participate in the upcoming trial. Technegas is the globally recognised ventilation imaging agent of choice in determining pulmonary embolism from both a safety and efficacy standpoint. While we will only require 10 to 15 centres for our clinical trial, we have been approached by scores more wanting to be first to have access to our technology in the United States.

The SPA process should be concluded in time to start recruitment by December 2010. It is anticipated that the clinical trial will take up to a year to complete and submit to the FDA. Based on this timeline, Technegas will be available for sale in the United States late 2012 to early 2013.

As the USA represents such a major growth opportunity, the director's will continue to pursue approval to sell Technegas in the USA.

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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 furnace for a few seconds at around 2,500°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 Hospital and the Macquarie University School of Advanced Medicine

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

Macquarie Medical Imaging

Cyclopharm formed a joint venture with Alfred Health Solutions to provide all imaging services on-site at the hospital. The new venture named Macquarie Medical Imaging ("MMI") represents a rare strategic opportunity to provide a fully aligned and integrated diagnostic, therapeutic and research platform. The new venture will offer a range of diagnostic radiology, interventional radiology, nuclear medicine and molecular imaging services for inpatient and outpatients.

The combination of state of the art imaging equipment, a GE cyclotron located on the grounds of MUH, leading surgeons, clinicians and academics will ensure that MMI will become the leading centre of imaging excellence.