Cyclopharm Limited
Appendix 4E

1. Company details

Name of entity

CYCLOPHARM LIMITED

ABN or equivalent company reference	Financial year ended ('current period')	Financial year ended ('previous period')
74 116 931 250	31 December 2007	31 December 2006

2. Results for announcement to the market

2.1 Revenues from ordinary activates	up	7.7%	to	11,128,224
2.2 Profit from ordinary activities after tax attributable to members	down	44.2%	to	1,131,239
2.3 Net profit for the period attributable to members	down	44.2%	to	1,131,239

2.4 Dividends	Amount per security	Franked amount per security
Final dividend proposed	Not applicable	Not applicable
Interim dividend	Not applicable	Not applicable

2.5 Record date for determining entitlements for the final dividend

Not applicable

2.6 Brief explanation of any of the figures in 2.1 to 2.4 above necessary to enable the figures to be understood.

Refer Attachment 1.

3. Statement of financial performance

Refer Attachment 1.

4. Statement of financial position

Refer Attachment 1.

5. Statement of cash flows

Refer Attachment 1.

6. Dividends

Not applicable

7. Dividend reinvestment plans

Not applicable

8. Statement of retained earnings

Refer Attachment 1.

9. Net tangible assets

Refer Attachment 1.

10. Entities over which control has been gained or lost during the period

Control over entities

Name of entity (or group of entities)	Refer Attachment 1.

Loss of control over entities

Name of entity (or group of entities)	Refer Attachment 1.

11. Details of associates and joint venture entities

Refer Attachment 1.

12. Significant Information

Refer Attachment 1.

13. Foreign Entities

Refer Attachment 1.

14. Commentary on results for the period

Refer Attachment 1.

15. A statement as to whether the report is based on accounts which have been audited or subject to review, are in the process of being audited or reviewed, or have not yet been audited or reviewed.

The accounts are in the process of being audited.

16. If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, details are described below

The accounts are unlikely to be subject to dispute or qualification.

17. If the accounts have been audited or subject to review and are subject to dispute or qualification, details are described below

Not applicable

Contact details:

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Company Secretary
Cyclopharm Limited

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Appendix 4E

Preliminary Final Report

For the year ended 31 December 2007

Cyclopharm Limited and its Controlled Entities
ABN 74 116 931 250

Appendix 4E Commentary

Full Year Results of
Cyclopharm Limited and its Controlled Entities ("Company")
For the 12 months ended 31 December 2007

FEATURES

2007 was an exciting year for our company. We successfully listed on the Australian Securities Exchange ("ASX") in January 2007, and our Technegas business achieved record levels of sales and is well placed for future growth. We continue to develop our Molecular Imaging Business, acquiring our first site in Melbourne, where we have commenced the development of our PET Pharmacy.

On a consolidated basis Cyclopharm's revenue increased 8% to a record full year level of $11.13 million (2006: $10.33 million). Revenue was driven by the highest level of unit sales in the Company's history for key products; the TechnegasPlus generator ("Generators") and Patient Administration Sets ("PAS"). We are pleased with the continued success of the TechnegasPlus generator as it underwrites the future performance of this division of Cyclopharm and is testimony to the enduring market leading nature of the Technegas technology.

Operating costs increased to $6.57 million (2006: $4.95 million). The higher operating costs reflect the investment the Company is making in the expansion of its sales and service network, the establishment of the Molecular Imaging business and corporate costs associated with Cyclopharm being an ASX listed company.

As a result of higher operating costs EBIT was $1.61 million (2006: $2.63 million). Borrowings were reduced to $1.51 million (2006: $5.70 million).

Net profit after tax attributable to members for the year was $1.13 million. Caution must be exercised when comparing the 2007 after tax result with prior years as the Molecular Imaging business had not been formed and Cyclopharm was part of an unlisted group at that time.

Overall, we are satisfied with the progress of the Company's businesses in 2007 as its Technegas footprint has expanded, providing an expanded platform for future growth, and the Molecular Imaging business has begun to take shape.

Divisional Analysis

	Technegas 2007	Technegas 2006	Molecular Imaging 2007	Molecular Imaging 2006	Corporate 2007	Corporate 2006	Total 2007	Total 2006
Revenue	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Technegas Generators and other	2,825,405	2,234,685	-	-	-	-	2,825,405	2,234,685
Patient Administration Sets	8,302,819	8,097,147	-	-	-	-	8,302,819	8,097,147
	11,128,224	10,331,832	-	-	-	-	11,128,224	10,331,832
Finance revenue	15,155	-	-	-	86,251	10,856	101,406	10,856
Total divisional revenue	**11,143,379**	**10,331,832**	**-**	**-**	**86,251**	**10,856**	**11,229,630**	**10,342,688**
Expenditure	(8,478,742)	(7,543,042)	(399,039)	(114,938)	(738,504)	(58,544)	(9,616,285)	(7,716,524)
Profit / (loss) before tax and finance costs	**2,664,637**	**2,788,790**	**(399,039)**	**(114,938)**	**(652,253)**	**(47,688)**	**1,613,345**	**2,626,164**
Finance costs	(21,870)	(123,430)	(265)	-	(201,472)	(163,427)	(223,607)	(286,857)
Profit / (loss) before income tax	**2,642,767**	**2,665,360**	**(399,304)**	**(114,938)**	**(853,725)**	**(211,115)**	**1,389,738**	**2,339,307**

Molecular Imaging

The Molecular Imaging business is to initially build 3 PET Pharmacies in Australia. These PET Pharmacies require extensive and technical input prior to construction. Since raising the necessary capital to commence this business in early 2007, a large part of the planning, design and site feasibilities for the Company's PET Pharmacies and customer (hospital) PET radiopharmaceutical drug requirements have been completed.

In January 2008, we announced that we have secured the site for our first PET Pharmacy in Kensington, Melbourne. The property is centrally located to many of Melbourne's major hospitals. Construction of the facility is expected to be finished in the third quarter of this year, at which time the fit out and commissioning of the PET Pharmacies can commence. Production of radiopharmaceuticals is planned for 2009.

At the time of writing this report we are close to finalising our first site in Sydney. Upon securing this second site, the next phases are:

1. To construct and fit-out the PET Pharmacies;
2. Obtain Good Manufacturing Practice certification for each PET Pharmacy; and
3. Obtain regulatory approval for the radio-pharmaceuticals that are to be produced and sold to hospitals with PET imaging facilities.

We remain positive in our outlook for PET radiopharmaceuticals. There have been a number of key developments around the world in terms of Molecular Imaging businesses and the Board of Cyclopharm remain positive in our outlook for our Company.

No revenue was earned in 2007 by the Molecular Imaging division and costs associated with its development were as follows:

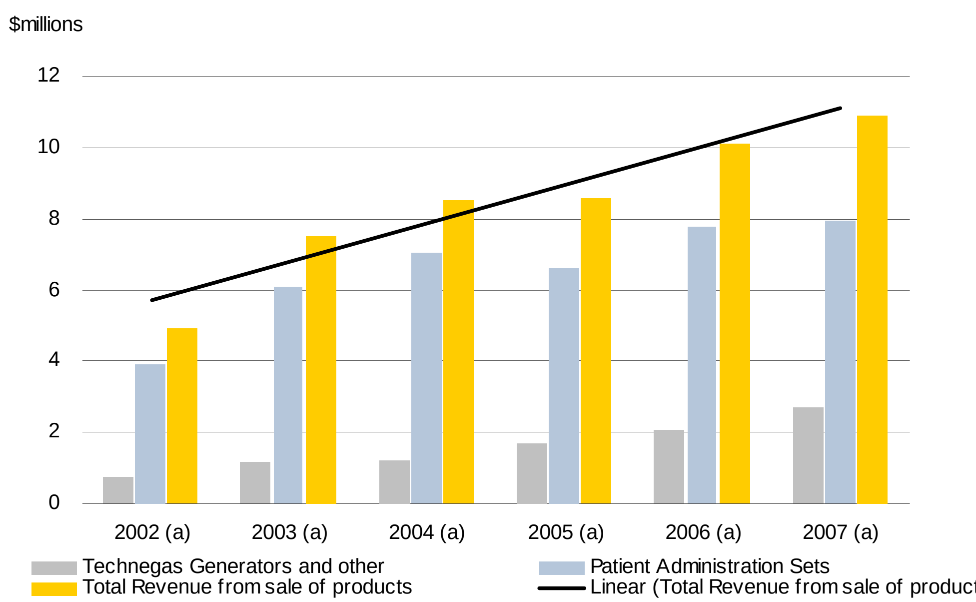
-	Expensed (Income Statement)	$339,304
-	Capitalised (Balance Sheet)	$58,168

OPERATING REVIEW

Technegas

Cyclopharm's Technegas division achieved record sales levels for PAS and Generators.

Technegas Revenue Composition by product



Technegas performed extremely well in key markets and the acceptance of the Generator by hospitals (113 units installed in 2007 and 4 units placed and commitments for a further 40 placement generators) bodes well for increased use of PAS (consumables) in future periods. These Generator sales delivered revenue of $2.83 million (2006: $2.23 million). The commitment by hospitals to either replace their old Technegas generator or install new Generators for the first time is a testimony to the Company's proprietary technology. Importantly, it "cements" Technegas as the preferred diagnostic method for detecting pulmonary emboli with the Company's existing customers and expanding markets. This inturn underpins the recurring revenue base from the one time, one patient use of PAS.

PAS or consumable revenue amounted to $8.30 million (176,700 units) for the current period (2006: $8.09 million and 171,050 units). Revenue from all activities relating to Technegas was up 8% to $11.13m (2006: $10.33 m).

Regional Review

Canada

Canada continues to be our star performer achieving accretive generator and PAS volume growth of 100% and 37% respectively. We achieved revenue growth of 46% compared to the prior year and expect growth to continue in 2008.

France

France our largest market continued to perform solidly. Revenue increased to $2.84 million or 15%. The sale of 27 generators (2006: 16 generators) demonstrates the success of our replacement strategy and underlines the importance of Technegas in this market. We are grateful to our trading partners Cyclopharma Laboratories SA for their continued support in this market.

Germany

We achieved strong sales of Technegas generators in Germany with 15 generator sales (2006: 9 generators) and revenue growth of 50%. Much of the success in Germany is attributed to the acceptance of our “small user package” which has been successful in building the installed base of generators in Germany to drive PAS usage.

Europe-other

Pleasingly, the regulatory approvals identified as restricting sales in the first half of 2007 were received late in the year. During the year we appointed new distributors in Portugal and Italy. Consequently, revenues in Europe-other grew by 6%. During 2007, we agreed to place 40 generators in Italy which will underpin the use of our product by the medical community in Italy.

Asia

Generator sales to Asia declined from 14 generators in 2006 to 9 generators in 2007. The decline resulted from the embargo on purchasing medical equipment by the Chinese government as a result of the corruption scandal that effected sales of medical equipment on an industry wide basis during 2006 and during the first half of the 2007 year. PAS sales grew 62% on the prior year. China and Hong Kong were strong performers and we are hopeful for continued growth in these markets.

Australia

Sales of PAS grew 6% to 36,750 units in 2007. Generator sales declined from 19 units in 2006 to 6 units in 2007 as key customers replaced their older Technegas machine with the newer TechnegasPlus machine in 2006.

Latin America

Cyclopharm continues to invest time and effort into developing the Latin American market. Certain regulatory approvals expected during 2007, such as Brazil are yet to be received and we expect 2008 to show a significant improvement.

New Markets

During 2007, Cyclopharm completed its first sale of Technegas products into Russia. Russia represents the largest market in Europe where Technegas had not previously been sold. There are in excess of 700 nuclear medicine departments in Russia which, are all potential users of Technegas.

Brazil represents a very substantial opportunity for Technegas within Latin America. Our regulatory approval has experienced frustrating delays but we continue to work with local authorities to obtain regulatory approval in this market. Brazil has 350 nuclear medicine departments and has one of the best funded health systems in the region.

United States of America – FDA

We continue to focus energies on obtaining approval to sell Technegas products in the USA and we are making good progress in this regard. There are more than 7,000 Nuclear Medical sites in the USA and if Technegas is approved for sale, the financial opportunity for Cyclopharm is substantial.

As previously advised, the FDA registration program requires preparation and submission of a detailed New Drug Application ("NDA") that describes the manufacturing and quality control procedures, in vitro and in vivo preclinical information, and a minimum of two well controlled clinical studies in human patients. Our NDA must include evidence of clinical effectiveness and completely describe the safety characteristics of Technegas.

Substantial work has been completed in terms of finalising our NDA application. The studies required have been collected, logged in the database, audited and verified. Data analysis and the preparation of the statistical and medical summary reports have commenced. The Meta analysis which will accompany the safety data contained in the data base is progressing well and is designed to consolidate and statistically analyse data selected from several well-controlled clinical studies published in peer reviewed journals. The process of completing all the parts of our NDA is progressing well.

The strength of our NDA application rests on the findings of the Company's experts. Cyclopharm remains optimistic that the clinical findings will conclusively document a diagnostic advantage for Technegas (as it has in all other western and developed countries in the world) and this advantage will receive a positive recommendation from the FDA.

Whilst Cyclopharm originally planned to submit our NDA by December 2007, our experts have experienced some delays in terms of obtaining all the information they required to complete and submit the application. We believe we are on track to submit our NDA during the first half of 2008. Whilst we are still hoping to have approval to sell Technegas in the United States towards the end of 2008, it is increasingly likely that our approval, if obtained, will be in early 2009.

OPERATING EXPENDITURE

An analysis of operating expenditure as it relates to each of our business units is detailed below.

Summary of operating expenses by business division

	Technegas 2007	Technegas 2006	Molecular Imaging 2007	Molecular Imaging 2006	Corporate 2007	Corporate 2006	Total 2007	Total 2006
Total divisional revenue	11,143,379	10,331,832	-	-	86,251	10,856	11,229,630	10,342,688
Expenditure	(8,478,742)	(7,543,042)	(399,039)	(114,938)	(738,504)	(58,544)	(9,616,285)	(7,716,524)
Percentage of revenue	76%	73%					86%	75%
Profit / (loss) before tax and finance costs	**2,664,637**	**2,788,790**	**(399,039)**	**(114,938)**	**(652,253)**	**(47,688)**	**1,613,345**	**2,626,164**
Finance costs	(21,870)	(123,430)	(265)	-	(201,472)	(163,427)	(223,607)	(286,857)
Profit / (loss) before income tax	**2,642,767**	**2,665,360**	**(399,304)**	**(114,938)**	**(853,725)**	**(211,115)**	**1,389,738**	**2,339,307**

Technegas

Costs in our Technegas business were negatively impacted by one off Legal and Patent costs relating to the developments of new Technegas products and charges relating to prior periods ($370,000).

Most other operating costs relating to the Technegas business were in line with previous years,

Molecular Imaging

Costs of $339,304 associated with the Molecular Imaging business were expensed during the year and no revenue was earned during the period.

Corporate

2007 was the first year that Cyclopharm became a publicly listed company and as such costs associated with being a publicly listed company have been incurred for the first time. These included items such as the staff share plan costs, compliance costs, administrative costs and directors' fees. Total corporate costs were $738,504 (2006: $58,544).

OUTLOOK

Cyclopharm is well placed to achieve its business strategies for 2008 and beyond. We remain focussed on developing Cyclopharm into a substantial radiopharmaceutical company in the region. Our negotiations to establish our PET Pharmacies continue to develop and we are making good progress. As a Company we are focussed to choose the right partners and locations for our PET Pharmacies.

The Company will continue to aggressively pursue the development of its Molecular Imaging business. Concurrently, we continue to focus of developing new markets for Technegas, aggressively pursuing approval by the USA FDA to sell Technegas in the USA.

Our Technegas product is well positioned for growth with new markets likely to come on stream in 2008, including Italy, Brazil, Mexico and perhaps Russia, Vietnam and Taiwan. Of course the USA market remains our key focus and we believe our opportunity to develop this market, should we obtain the necessary approvals is substantial.

With the impact of new contracted sales in Italy and some new markets opening up for Technegas we expect the Company's to experience substantial revenue growth in 2008. Management have not forecast any contribution from the Molecular Imaging division or the sale of Technegas in the USA. We expect operating expenditure in 2008 to be lower primarily because one time costs incurred in 2007 are not expected to recur in 2008 and costs associated with the construction and commissioning of our PET Pharmacies which were expensed in 2007 ($399,304) are expected to be capitalised in 2008.

Income Statement

for the year ended 31 December 2007

	Notes	Consolidated 2007 $	Consolidated 2006 $	Parent 2007 $	Parent 2006 $
CONTINUING OPERATIONS					
Sales revenue	4	11,128,224	10,331,832	-	-
Finance revenue		101,406	10,856	86,251	-
Other revenue	4	-	-	784,110	-
Total revenue		**11,229,630**	**10,342,688**	**870,361**	**-**
Cost of materials and manufacturing	4a	(3,121,918)	(2,858,065)	-	-
Employee benefits expense	4e	(3,211,965)	(2,355,334)	(447,027)	(51,870)
Advertising and promotion expense		(202,702)	(136,331)	-	-
Depreciation and amortisation expense	4c	(315,391)	(230,982)	-	-
Freight and duty expense		(457,334)	(296,917)	-	-
Research and development expense	4d	(28,762)	(20,162)	(5,000)	-
Administration expense	4f	(2,164,542)	(1,572,594)	(429,868)	(12,384)
Other expenses		(113,671)	(246,139)	-	-
Profit / (loss) before tax and finance costs		**1,613,345**	**2,626,164**	**(11,534)**	**(64,254)**
Finance costs	4b	(223,607)	(286,857)	(201,472)	(234,519)
Profit / (loss) before income tax		**1,389,738**	**2,339,307**	**(213,006)**	**(298,773)**
Income tax expense	5	(258,499)	(311,327)	65,600	106,973
Net profit / (loss) attributable to members of the parent		**1,131,239**	**2,027,980**	**(147,406)**	**(191,800)**
Earnings per share (cents per share)	6	**cents**	**cents**		
-basic earnings per share for continuing operations		0.83	1.87		
-basic earnings per share		0.83	1.87		
-diluted earnings per share		0.83	1.87		

The Income Statement is to be read in conjunction with the notes to the financial statements.

Balance Sheet
as at 31 December 2007

		Consolidated		Parent	
		2007	2006	2007	2006
	Notes	$	$	$	$
Assets					
Current Assets					
Cash and cash equivalents	7	1,204,543	1,403,328	486,609	620,845
Trade and other receivables	8	4,211,112	3,593,728	661,818	16,326
Inventories	9	2,348,074	2,013,488	-	-
Total Current Assets		**7,763,729**	**7,010,544**	**1,148,427**	**637,171**
Non-current Assets					
Trade and other receivables	8	3,422	145,830	1,987,741	1,307,458
Property, plant and equipment	10	973,402	847,235	-	-
Investments in subsidiaries	11	-	-	6,084,516	6,064,863
Intangible assets	12	1,909,545	1,057,743	-	-
Deferred tax assets	5	327,451	144,894	246,763	43,922
Total Non-current Assets		**3,213,820**	**2,195,702**	**8,319,020**	**7,416,243**
Total Assets		**10,977,549**	**9,206,246**	**9,467,447**	**8,053,414**
Liabilities					
Current Liabilities					
Trade and other payables	13	1,252,937	2,647,223	147,599	1,162,800
Interest bearing loans and borrowings	14	-	1,346,893	-	725,000
Provisions	15	331,981	228,697	-	-
Tax liabilities	5	-	197,745	9,636	-
Total Current Liabilities		**1,584,918**	**4,420,558**	**157,235**	**1,887,800**
Non-current Liabilities					
Interest bearing loans and borrowings	14	1,511,500	4,975,000	1,511,500	4,975,000
Provisions	15	23,645	120,769	60,000	-
Deferred tax liabilities	5	515,342	255,979	-	-
Total Non-current Liabilities		**2,050,487**	**5,351,748**	**1,571,500**	**4,975,000**
Total Liabilities		**3,635,405**	**9,772,306**	**1,728,735**	**6,862,800**
Net Assets / (Liabilities)		**7,342,144**	**(566,060)**	**7,738,712**	**1,190,614**
Equity					
Contributed equity	16	7,841,223	1,237,703	8,004,252	1,382,414
Employee equity benefits reserve		73,666	-	73,666	-
Foreign currency translation reserve		(331,254)	(431,033)	-	-
Accumulated losses		(241,491)	(1,372,730)	(339,206)	(191,800)
Total Equity		**7,342,144**	**(566,060)**	**7,738,712**	**1,190,614**

The Balance Sheet is to be read in conjunction with the notes to the financial statements.

Cash Flow Statement
for the year ended 31 December 2007

		Consolidated		Parent	
		2007	2006	2007	2006
	Notes	$	$	$	$
Operating activities					
Receipts from customers		10,512,326	9,125,112	-	-
Payments to suppliers and employees		(10,428,029)	(7,618,288)	(1,380,522)	(80,559)
Interest received		86,178	10,856	86,251	-
Borrowing costs paid		(223,607)	(286,856)	(201,472)	(234,519)
Income tax paid		199,231	(61,730)	-	-
Net cash flows from / (used) operating activities	7	**146,099**	**1,169,094**	**(1,495,743)**	**(315,078)**
Investing activities					
Acquisition of minority interest in subsidiaries		-	(6,168,095)	(19,653)	(6,064,863)
Purchase of property, plant and equipment		(404,013)	(17,695)	-	-
Payments for deferred expenditure		(907,677)	(495,574)	-	-
Other		-	800	-	-
Net cash flows used in investing activities		**(1,311,690)**	**(6,680,564)**	**(19,653)**	**(6,064,863)**
Financing activities					
Proceeds from issue of shares		7,018,484	1,695,300	7,018,484	1,695,300
Costs of raising capital		(396,634)	(312,897)	(396,646)	(312,897)
Proceeds from borrowings		161,500	6,000,000	161,500	6,000,000
Repayment of borrowings		(4,350,000)	(300,000)	(4,350,000)	(300,000)
Loans from related entities		-	1,102,055	-	1,269,763
Loans to related entities		-	-	49,887	-
Repayment of loan from external entity		(1,566,322)	(1,238,377)	(1,102,065)	(1,351,380)
Net cash flows from financing activities		**867,028**	**6,946,081**	**1,381,160**	**7,000,786**
Net (decrease) / increase in cash and cash equivalents		**(298,563)**	**1,434,611**	**(134,236)**	**620,845**
Cash and cash equivalents					
- at beginning of the period	7	**1,403,328**	**152,552**	**620,845**	**-**
- net foreign exchange differences from translation of cash and cash equivalents		99,778	(183,835)	**-**	**-**
- at end of the period	7	**1,204,543**	**1,403,328**	**486,609**	**620,845**

The Cash Flow Statement is to be read in conjunction with the notes to the financial statements.

Statement of Changes in Equity
for the year ended 31 December 2007

CONSOLIDATED	Share capital $	Other Contributed Equity $	Total Contributed Equity $	Accumulated Profits $	Foreign Currency Translation Reserve $	Employee Equity Benefits Reserve $	Attributable to Equity Holders of the Parent $	Minority Interests $	Total $
Balance at									
1 January 2006	**5,132,627**	**1,294,724**	**6,427,351**	**(2,690,316)**	**(624,412)**	-	**3,112,623**	**(66,816)**	**3,045,807**
Currency translation difference	-	-	-	-	193,379	-	193,379	-	193,379
Total income (expense) for the year recognised directly in equity	-	-	-	-	193,379	-	193,379	-	193,379
Profit for the year	-	-	-	2,027,980	-	-	2,027,980	-	2,027,980
Total income (expense) for the year	-	-	-	**2,027,980**	**193,379**	-	**2,221,359**	**-**	**2,221,359**
Equity dividend	-	-	-	(694,460)	-	-	(694,460)	66,816	(627,644)
Acquisition of minority interest in controlled entities	-	(6,572,051)	(6,572,051)	-	-	-	(6,572,051)	-	(6,572,051)
Issue of share capital	1,695,300	-	1,695,300	-	-	-	1,695,300	-	1,695,300
Capital raising costs	(312,897)	-	(312,897)	-	-	-	(312,897)	-	(312,897)
Other	-	-	-	(15,934)	-	-	(15,934)	-	(15,934)
Balance at						-			
31 December 2006	**6,515,030**	**(5,277,327)**	**1,237,703**	**(1,372,730)**	**(431,033)**	-	**(566,060)**	-	**(566,060)**
Balance at									
1 January 2007	**6,515,030**	**(5,277,327)**	**1,237,703**	**(1,372,730)**	**(431,033)**	**-**	**(566,060)**	-	**(566,060)**
Cost of share based payments	-	-	-	-	-	73,666	73,666	-	73,666
Currency translation difference	-	-	-	-	99,779	-	99,779	-	99,779
Total income (expense) for the year recognised directly in equity	-	-	-	-	99,779	73,666	173,445	-	173,445
Profit for the year	-	-	-	1,131,239	-	-	1,131,239	-	1,131,239
Total (expense) for the year	**-**	**-**	**-**	**1,131,239**	**99,779**	**73,666**	**1,304,684**	-	**1,304,684**
Issue of share capital	7,018,484	-	7,018,484	-	-	-	7,018,484	-	7,018,484
Capital raising costs	(396,634)	-	(396,634)	-	-	-	(396,634)	-	(396,634)
Other	-	(18,330)	(18,330)	-	-	-	(18,330)	-	(18,330)
Balance at									
31 December 2007	**13,136,880**	**(5,295,657)**	**7,841,223**	**(241,491)**	**(331,254)**	**73,666**	**7,342,144**	-	**7,342,144**

The Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.

Statement of Changes in Equity
for the year ended 31 December 2007

PARENT	Share capital $	Accumulated Losses $	Foreign Currency Translation Reserve $	Attributable to Equity Holders of the Parent $	Minority Interests $	Employee Equity Benefits Reserve $	Total $
Balance at 1 January 2006	**10**	-	-	**10**	**-**	**-**	**10**
Loss for the year	-	(191,800)	-	(191,800)	-	-	(191,800)
Issue of share capital	1,695,300	-	-	1,695,300	-	-	1,695,300
Capital raising costs	(312,896)	-	-	(312,896)	-	-	(312,896)
Balance at 31 December 2006	**1,382,414**	**(191,800)**	**-**	**1,190,614**	**-**	**-**	**1,190,614**
Balance at 1 January 2007	**1,382,414**	**(191,800)**	-	**1,190,614**	-	-	**1,190,614**
Loss for the year	-	(147,406)	-	(147,406)	-	-	(147,406)
Issue of share capital	7,018,484	-	-	7,018,484	-	-	7,018,484
Cost of share base payment	-	-	-	-	-	73,666	73,666
Capital raising costs	(396,646)	-	-	(396,646)	-	-	(396,646)
Balance at 31 December 2007	**8,004,252**	**(339,206)**	**-**	**7,665,046**	**-**	**73,666**	**7,738,712**

The Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.

1. CORPORATE INFORMATION

Cyclopharm is a Company limited by shares incorporated and domiciled in Australia. The shares are publicly traded on the Australian Securities Exchange ("ASX").

The nature of the operations and principal activities of the Group are described in Director's Report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards. The financial report has also been prepared on a historical cost basis.

The financial report is presented in Australian dollars.

b) Statement of compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards ('AIFRS'). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ('IFRS').

The following standards and amendments were available for early adoption but have not been applied by the consolidated entity in these financial statements:

Reference	Title	Summary	Application date of standard*	Impact on Group financial report	Application date for Group*
AASB 2007-2	Amendments to Australian Accounting Standards arising from AASB Interpretation 12 [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139]	Amending standard issued as a consequence of AASB Interpretation 12 *Service Concession Arrangements*.	1 January 2008	Unless the Group enters into service concession arrangements or public-private-partnerships (PPP), the amendments are not expected to have any impact on the Group's financial report.	1 January 2008
AASB 2007-3	Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038]	Amending standard issued as a consequence of AASB 8 *Operating Segments*.	1 January 2009	AASB 8 is a disclosure standard so will have no direct impact on the amounts included in the Group's financial statements. However the amendments may have an impact on the Group's segment disclosures as segment information included in internal management reports is more	1 January 2009

Reference	Title	Summary	Application date of standard*	Impact on Group financial report	Application date for Group*
				detailed than is currently reported under AASB 114 *Segment Reporting*.	
AASB 2007-6	Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]	Amending standard issued as a consequence of revisions to AASB 123 *Borrowing Costs*.	1 January 2009	The amendments to AASB 123 require that all borrowing costs associated with a qualifying asset be capitalised. The Group has no borrowing costs associated with qualifying assets and as such the amendments are not expected to have any impact on the Group's financial report.	1 January 2009
AASB 2007-8	Amendments to Australian Accounting Standards arising from AASB 101	Amending standard issued as a consequence of revisions to AASB 101 *Presentation of Financial Statements*	1 January 2009	The amendments are expected to only affect the presentation of the Group's financial report and will not have a direct impact on the measurement and recognition of amounts under the current AASB 101. The Group has not determined at this stage whether to present the new statement of comprehensive income as a single or two statements.	1 January 2009
AASB 8	Operating Segments	New standard replacing AASB 114 *Segment Reporting*, which adopts a management approach to segment reporting.	1 January 2009	Refer to AASB 2007-3 above.	1 January 2009
AASB 101 (revised)	Presentation of Financial Statements	Introduces a statement of comprehensive income. Other revisions include impacts on the presentation of items in the statement of changes in equity, new presentation	1 January 2009	Refer to AASB 2007-8 above.	1 January 2009

Reference	Title	Summary	Application date of standard*	Impact on Group financial report	Application date for Group*
		requirements for restatements or reclassifications of items in the financial statements, changes in the presentation requirements for dividends and changes to the titles of the financial statements.			
AASB 123 (revised)	Borrowing Costs	The amendments to AASB 123 require that all borrowing costs associated with a qualifying asset must be capitalised.	1 January 2009	Refer to AASB 2007-6 above.	1 January 2009
AASB Interpretation 4 (revised)	Determining whether an Arrangement contains a Lease	The revised Interpretation specifically scopes out arrangements that fall within the scope of AASB Interpretation 12.	1 January 2008	Refer to AASB 2007-2 above.	1 January 2008
AASB Interpretation 12	Service Concession Arrangements	Clarifies how operators recognise the infrastructure as a financial asset and/or an intangible asset – not as property, plant and equipment.	1 January 2008	Refer to AASB 2007-2 above.	1 January 2008
AASB Interpretation 13	Customer Loyalty Programmes	Deals with the accounting for customer loyalty programmes, which are used by companies to provide incentives to their customers to buy their products or use their services.	1 July 2008	The Group does not have any customer loyalty programmes and as such this interpretation is not expected to have any impact on the Group's financial report.	1 January 2009
AASB Interpretation 14	AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	Aims to clarify how to determine in normal circumstances the limit on the asset that an employer's balance sheet may contain in respect of its defined benefit pension plan.	1 January 2008	The Group does have a defined benefit pension plan and as such this interpretation may have an impact on the Group's financial report. The Group has not yet determined the extent of the impact, if any.	1 January 2008
AASB Interpretation 129	Service Concession Arrangements: Disclosures	Requires disclosure of provisions or significant features necessary to assist in assessing the amount, timing and certainty of	1 January 2008	Refer to AASB 2007-2 above.	1 January 2008

Reference	Title	Summary	Application date of standard*	Impact on Group financial report	Application date for Group*
		future cash flows and the nature and extent of the various rights and obligations involved. These disclosures apply to both grantors and operators.			
AASB Interpretation 1003	Australian Petroleum Resource Rent Tax	Requires Australian Petroleum Resource Rent Tax to be accounted for within the scope of AASB 112.	Ending 30 June 2008	The Group does not engage in petroleum projects that would fall under AASB Interpretation 1003 and as such this interpretation is not expected to have any impact on the Group's financial report.	1 January 2008

*designates the beginning of the applicable annual reporting period unless otherwise stated

c) Basis of consolidation

The consolidated financial statements comprise the financial statements of Cyclopharm and its subsidiaries as at 31 December each year ('the Group').

Subsidiaries

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which Cyclopharm has control.

The financial statements of subsidiaries are prepared for the same reporting period as the parent Company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

Transactions eliminated on consolidation

All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered.

The Directors have identified that the business combination, encompassing the restructure of the Cyclopharm Group that occurred in May 2006 constituted a reverse acquisition as defined under *AASB3 Business Combinations*. Accordingly the consolidated financial statements have been issued under the name of the new legal parent, Cyclopharm, but reflect a continuation of the financial statements of the economic entity that existed prior to the business combination/reorganisation.

For business combinations involving entities under common control, which are outside the scope of *AASB 3 Business Combinations*, the Company applies the purchase method of accounting by the legal parent.

d) Foreign currency translation

Functional and presentation currency

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars (Aud $) which is the parent entity's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items that are measured in terms of historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate when the fair value was determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement, except where deferred in equity as a qualifying cash flow or net investment hedge. On disposal of a foreign entity the deferred cumulative amount in equity is recognised in the income statement.

Group companies

The functional currency of the overseas subsidiaries Cyclomedica Ireland Limited, Cyclomedica Germany GmbH, Cyclomedica Europe Limited, is European Euro (Euro €) and Cyclomedica Canada Limited is Canadian dollars (Can $).

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date.
- Income and expenses are translated at the weighted average exchange rates for the period.
- Retained profits are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on the translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the balance sheet. These differences are recognised in the income statement in the period in which the entity is disposed. Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the income statement.

e) Income tax

Income tax on the profit and loss for the year comprises current and deferred tax. income tax is recognised in the profit and loss, except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date and are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Tax consolidation

The Company is the head entity of the tax consolidated group comprising all the Australian wholly owned subsidiaries. The implementation date for the tax consolidated group was 31 May 2006, Current tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax consolidated group are recognised in the separate financial statements of the members of the tax consolidated group using a "stand alone basis without adjusting for intercompany transactions" approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under consolidation.

Any current tax Australian liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries is assumed by the head entity in the tax consolidated group and are recognised as amounts payable (receivable) to (from) other entities in the tax consolidated group. Any difference between these amounts is recognised by the head entity as an equity contribution or distribution.

The Company recognises deferred tax assets arising from unused tax losses of the tax consolidated group to the extent that it is probable that future taxable profits of the tax consolidated group will be available against which the asset can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

f) Property, plant and equipment

Plant and equipment is measured at cost less accumulated depreciation and impairment losses.

The cost of fixed assets constructed within the economic entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Impairment

The carrying amount of plant and equipment is reviewed annually by directors to ensure for impairment. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including capitalised lease assets are depreciated on a straight-line basis over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

	Basis	Method
Plant and equipment	10-33%	Straight-line method
Leasehold Improvements	20-50%	Straight-line method
Motor vehicles	20-25%	Straight-line method

	Patents and licences	Development costs
Useful lives	Indefinite	Finite
Method used	Not depreciated or revalued	8 - 10 years - Straight line
Internally generated / Acquired	Acquired	Internally generated
Impairment test / Recoverable Amount testing	Annually and where an indicator of impairment exists	Amortisation method reviewed at each financial year-end; Reviewed annually for indicator of impairment

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the year the item is derecognised.

g) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in income in the period in which they are incurred.

Borrowing costs include interest, amortisation of discounts or premiums relating to borrowings, amortisation of ancillary costs incurred in connection with arrangement of borrowings, foreign exchange losses net of hedged amounts on borrowings, including trade creditors and lease finance charges.

h) Intangibles

Intangible assets

Intangible assets acquired separately are capitalised at cost and from a business combination are capitalised at fair value as at the date of acquisition. Following initial recognition, the cost model is applied to the class of intangible assets.

The useful lives of these intangible assets are assessed to be either finite or indefinite. Where amortisation is charged on assets with finite lives, this expense is taken to the income statement through the ‘administrative expenses’ line item.

Intangible assets, excluding development costs, created within the business are not capitalised and expenditure is charged against profits in the year in which the expenditure is incurred.

Intangible assets are tested for impairment where an indicator of impairment exists, and in the case of indefinite life intangibles, annually, either individually or at the cash generating unit level. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

Research and development costs

Expenditure on research activities is recognised as an expense when incurred.

Expenditure on development activities is capitalised only when it is probable that future benefits will exceed deferred costs and these benefits can be reliably measured. Capitalised development expenditure is stated at cost less accumulated amortisation. Amortisation is calculated using a straight-line method to allocate the costs over a period during which the related benefits are expected to be realised.

Expenditure on the development of the TechnegasPlus generator has been capitalised. A useful life of 8 years has been applied and amortisation for the year included in the income statement. No impairment provision has been deemed appropriate. The directors are satisfied that the future economic benefits will eventuate to justify the capitalisation of the expenditure incurred.

Expenditure on costs incurred in the application to the Food & Drug Administration authority have been capitalised. A useful life has not been determined as Cyclopharm have not yet received approval from the Food & Drug Administration authorities. No impairment provision has been deemed appropriate. The directors are satisfied that the future economic benefits will eventuate to justify the capitalisation of the expenditure incurred.

Certain expenditure in establishing and commissioning Cyclopharm's PET central Pharmacies have been capitalised. No amortisation has been applied as the asset is not yet deemed held for use. No impairment provision has been deemed appropriate. The directors are satisfied that the future economic benefits will eventuate to justify the capitalisation of the expenditure incurred.

Development expenditure is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Capitalised development expenditure is measured at cost less any accumulated amortisation and impairment losses.

i) Inventories

Inventories are valued at the lower of cost and net realisable value where net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials: purchase cost on a first-in, first-out basis;
- Finished goods and work-in-progress: cost of direct materials and labour and an appropriate portion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

j) Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. A specific estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks, short-term deposits with an original maturity of three months or less and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet. For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

l) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade payables are normally settled within 30 to 60 days.

m) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs and any discount or premium on settlement. Gains and losses are recognised in the income statement when the liabilities are derecognised and as well as through the amortisation process.

n) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, for which it is probable that an outflow of economic benefits will result and that an outflow can be reliably measured. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

o) Employee entitlements

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

Employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled plus related on-costs. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yield as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

Employee benefit expenses and revenues arising in respect of wages and salaries, non-monetary benefits, annual leave, long service leave and other leave benefits; and other types of employee benefits are recognised against profits on a net basis in their respective categories.

p) Employee share and performance share schemes

The fair value of performance rights issued under the Cyclopharm Long Term Incentive Plan are recognised as a personnel expense over the vesting period with a corresponding increase in Employee Equity Benefits Reserve.

The fair value of performance the implied option attached to shares granted is determined using a pricing model that takes into account factors that include exercise price, the term of the performance option, the vesting and performance criteria, the share price at grant date and the expected price volatility of the underlying share. The fair value calculation excludes the impact of any non market vesting conditions. Non market vesting conditions are included in assumptions about the number of performance options that are expected to become exercisable. At each balance date, the entity revises its estimate of the number of performance rights that are expected to become exercisable. The personnel expense recognised each period takes into account the most recent estimate.

Shares issued under employee and executive share plans are held in trust until vesting date. Unvested shares held by the trust are consolidated into the group financial statements.

q) Leases

Finance Leases

Leases of fixed assts, which substantially transfer to the Group all the risks and benefits incidental to ownership of the leased item, but not the legal ownership, are classified as finance leases. Finance leases are capitalised at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

Operating Leases

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term. Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease.

r) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue is recognised (net of returns, discounts and allowances) when the significant risks and rewards of ownership and therefore control of the goods have passed to the buyer and can be measured reliably. Control is considered to have passed to the buyer at the time of delivery of the goods to the customer.

Interest

Revenue is recognised as the interest accrues using the effective interest rate method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Dividends

Revenue from quoted investments is recognised in the income statement on the day which the relevant investment is first quoted on an "ex-basis". Dividend revenue is recognised net of any franking credits.

Revenue from distributions from controlled entities is recognised by the Company when they are declared by the controlled entities. Revenue from dividends from associates and other investments is recognised when dividends are received. Dividends received out of pre-acquisition reserves are eliminated against the carrying amount of the investment and not recognised in revenue.

Research and development grants

Where a grant is received relating to research and development costs that have been expensed, the grant is recognised as revenue.

All revenue is stated net of the amount of goods and services tax (“GST”).

s) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except where the GST incurred is not recoverable from the Australian Taxation Office(“ATO”), and is therefore recognised as part of the asset’s cost or as part of the expense item. Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the balance sheet. Cash flows are presented in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to the taxation authority are classified as operating cash flows.

t) Financial instruments

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below.

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term, or if so designated by management and within the requirement of AASB139: Recognition and Measurement of Financial Instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

De-recognition of financial instruments

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration received that the Group could be required to repay.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

Financial assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through use of an allowance account. The amount of the loss is recognised in profit or loss.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in profit or loss, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

Financial assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value (because its fair value cannot be reliably measured), or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for a similar financial asset.

u) Contributed equity

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Other contributed equity

In accordance with *UIG 1052 Tax Consolidation Accounting*, additional contributed equity was recorded to recognise the transfer of tax liabilities from Vita Medical Limited to Vita Life Sciences Limited, being the parent of the Australian tax consolidated group at the relevant time. This event occurred prior to Cyclopharm acquiring its interests in the net assets of Vita Medical Limited.

As part of the restructure a subsidiary of Cyclopharm, Vita Medical Australia Pty Ltd acquired all the assets, liabilities and business from Vita Medical Limited, the former group parent.

With effect from 31 May 2006, Cyclopharm also acquired 100% of the other group operating subsidiaries from the ultimate holding company, Vita Life Sciences Limited. Accordingly, the group comprises Cyclopharm and the following wholly owned subsidiaries:

- Cyclomedica Australia Pty Ltd (formerly Vita Medical Australia Pty Ltd)
- Cyclomedica Ireland Ltd (formerly Vitamedica Europe Ltd)
- Cyclomedica Europe Ltd
- Cyclomedica Canada Limited (formerly Vita Medical Canada Ltd)
- Cyclomedica Germany GmbH
- Allrad 28 Pty Ltd
- Allrad 29 Pty Ltd

These entities collectively comprise the medical diagnostic equipment and associated consumables business formerly operated as the Vita Medical Group – now known as the Cyclopharm Group. The transaction has been accounted for as a 'reverse acquisition' as defined in *AASB 3 Business Combinations* whereby Cyclopharm is the legal parent and Cyclomedica Australia Pty Limited is the financial parent, which for accounting purposes is deemed to be the acquirer.

The consideration for the minority interests of the controlled entities and costs of acquisition have been charged to other contributed equity in accordance with *AASB 127 Consolidated and Separate Financial Statements*.

v) Earnings per share

Basic earnings per share

Basic earnings per share is determined by dividing the net profit/(loss) after income tax attributable to members of the Company by the weighted average number of ordinary shares outstanding during the financial year. Where a change in the number of ordinary shares on issue without a corresponding change in recognised resources during the year the number of ordinary shares for all periods presented are correspondingly adjusted as if the event had occurred at the beginning of the earliest period presented.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares. Where a change in the number of ordinary shares on issue without a corresponding change in recognised resources during the year the number of ordinary shares for all periods presented are correspondingly adjusted as if the event had occurred at the beginning of the earliest period presented.

3. SEGMENT REPORTING

The Group's primary segment reporting format is business segments as the Group's risks and returns are affected predominantly by differences in the products and services produced.
No secondary segment information is reported.

The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Technegas segment is a supplier of diagnostic equipment and consumables used by physicians in the detection of pulmonary embolism.

The Molecular Imaging segment will produce radiopharmaceuticals to be used by physicians in the detection of cancer, neurological disorders and cardiac disease.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, segment expense and segment result include transfers between business segments. Those transfers are eliminated on consolidation.

Business segments

The following tables present revenue and profit information and certain asset and liability information regarding business segments for the years ended 31 December 2007 and 31 December 2006.

3. SEGMENT REPORTING (continued)

For the period ended 31 December 2007	Consolidated Technegas $	Molecular Imaging $	Unallocated $	Total $
Revenue				
Sales to external customers	11,128,224	-	-	11,128,224
Finance revenue	15,155	-	86,251	101,406
Total segment revenue	**11,143,379**	**-**	**86,251**	**11,229,630**
Result				
Profit / (loss) before tax and finance costs	**2,664,637**	**(399,039)**	**(652,253)**	**1,613,345**
Finance costs	(21,870)	(265)	(201,472)	(223,607)
Profit / (Loss) before income tax	**2,642,767**	**(399,304)**	**(853,725)**	**1,389,738**

For the period ended 31 December 2006	Consolidated Technegas $	Molecular Imaging $	Unallocated $	Total $
Revenue				
Sales to external customers	10,331,832	-	-	10,331,832
Finance revenue	-	-	10,856	10,856
Total segment revenue	**10,331,832**	**-**	**10,856**	**10,342,688**
Result				
Profit / (loss) before tax and finance costs	**2,788,790**	**(114,938)**	**(47,688)**	**2,626,164**
Finance costs	(123,430)	-	(163,427)	(286,857)
Profit / (Loss) before income tax	**2,665,360**	**(114,938)**	**(211,115)**	**2,339,307**

Notes
Continued

4. REVENUES AND EXPENSES

	Notes	Consolidated 2007 $	Consolidated 2006 $	Parent 2007 $	Parent 2006 $
Revenue					
Sales revenue		11,128,224	10,331,832	-	-
Other Revenue					
Management Fees		-	-	784,110	-
Expenses					
a) Cost of materials and manufacturing					
Cost of materials and manufacturing		3,121,918	2,858,065	-	-
b) Finance costs					
Interest on loans from external parties		223,607	249,402	201,472	71,092
Interest on loans from related parties		-	37,455	-	163,427
Total finance costs		**223,607**	**286,857**	**201,472**	**234,519**
c) Depreciation and amortisation					
Amortisation of leased plant & equipment		753	6,712	-	-
Depreciation of plant and equipment		270,890	195,277	-	-
Depreciation of leasehold improvements		6,203	5,888	-	-
Amortisation of intangibles		37,545	23,105	-	-
		315,391	**230,982**	**-**	**-**
d) Research & development					
Research costs		28,762	20,162	5,000	-
		28,762	**20,162**	**5,000**	**-**
e) Employee benefits expense					
Salaries and wages		3,015,962	2,285,450	254,624	6,433
Director and consultant fees		122,337	69,884	118,737	45,437
Share-based payments expense		73,666	-	73,666	-
		3,211,965	2,355,334	447,027	51,870
f) Administration expense					
Legal, Patent renewal and Professional costs		845,650	486,766	281,197	-
Office and facility costs		802,665	563,169	120,821	10,836
Travel and motor vehicle costs		516,227	522,659	27,850	1,548
		2,164,542	1,572,594	429,868	12,384

5. INCOME TAX

	Consolidated		Parent	
	2007	2006	2007	2006
	$	$	$	$
Current income tax (expense) / benefit	(197,439)	(453,896)	65,600	106,973
Deferred tax (expense) / benefit	(61,060)	142,569	-	-
Income tax reported in income statement	**(258,499)**	**(311,327)**	**65,600**	**106,973**

A reconciliation of income tax benefit / (expense) applicable to accounting profit before income tax at the statutory income tax rate to income tax expense at the Group's effective income tax rate is as follows:

	Consolidated 2007 $	Consolidated 2006 $	Parent 2007 $	Parent 2006 $
Accounting profit / (loss) before income tax	**1,389,739**	**2,339,307**	**(213,006)**	**(298,773)**
Statutory income tax rate of 30%	(416,922)	(701,792)	63,902	89,632
Expenditure not allowable for income tax purposes	(972)	(12,531)	-	(233)
Share based payments for which no deduction is obtained	(22,100)	-	(22,100)	-
Share issue costs taken directly to equity	23,798	18,774	23,798	18,774
Effects of lower rates on overseas income	219,483	247,896	-	-
Tax expense offset against carry forward tax losses	(63,355)	64,251	-	(1,200)
Tax losses not recognised in foreign subsidiaries	1,569	72,075	-	-
Total income tax (expense) / benefit	**(258,499)**	**(311,327)**	**65,600**	**106,973**
Effective income tax rate	(18.6%)	(13.3%)	(30.8%)	(35.8%)
Current tax liabilities				
Current income tax (receivable) / liability	**(1,486)**	**197,745**	**9,636**	**-**
Deferred tax assets/liabilties				
Deferred tax assets and liabilities relate to the following:				
Deferred tax assets from temporary differences on:				
Provisions	104,122	97,340	18,000	-
Tax losses of parent entity brought to account	155,773	108,173	155,773	108,173
Tax losses / (payable) transferred from Australian subsidiaries	63,355	(64,251)	72,990	(64,251)
Other	4,201	3,632	-	-
Total deferred tax assets	**327,451**	**144,894**	**246,763**	**43,922**
Deferred tax liabilities from temporary differences on:				
Capitalised expenditure	515,342	255,979	-	-
Total deferred tax liabilities	**515,342**	**255,979**	**-**	**-**

6. NET TANGIBLE ASSETS AND EARNINGS PER SHARE

Net Tangible Assets per share

	Consolidated	
	2007	**2006**
	$	**$**
Net assets per share	0.05	(0.01)
Net tangible assets per share	0.04	(0.01)
	Number	**Number**
Weighted average number of ordinary shares for net assets per share	136,151,755	108,555,494

Earnings per share

	Consolidated	
	2007	**2006**
	cents	**cents**
Basic earnings per share for continuing operations	0.83	1.87
Basic earnings per share	0.83	1.87
Diluted earnings per share	0.83	1.87
	Number	**Number**
Weighted average number of ordinary shares for basic earnings per share	136,151,755	108,555,494

7. CASH AND CASH EQUIVALENTS

	Consolidated		Parent	
	2007	2006	2007	2006
	$	$	$	$
Cash at bank and in hand	1,204,543	1,403,328	486,609	620,845
Total cash and cash equivalents	**1,204,543**	**1,403,328**	**486,609**	**620,845**

Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates.

The fair value of cash equivalents is $1,204,543 (2006:$1,403,328).

Reconciliation of Cash Flow Statement	**2007**	**2006**	**2007**	**2006**
For the purpose of the Cash Flow Statement, cash and cash equivalents comprise the following:				
Cash at bank and in hand	1,204,543	1,403,328	486,609	620,845
	1,204,543	**1,403,328**	**486,609**	**620,845**
(a) Reconciliation of net profit / (loss) after tax to net cash flows from operations				
Net profit / (loss) after tax	1,131,239	2,027,980	(147,406)	(191,800)
Adjustments for non-cash income and expense items:				
Depreciation	277,093	201,165	-	-
Amortisation	38,298	29,817	-	-
Movement provision for doubtful debts	(3,027)	(70,478)	-	-
Movement provision for employee benefits	18,233	66,917	-	-
Movement provision for warranties	-	(7,500)	-	-
Movement in related party loan balance resulting from transfer of tax liability	-	-	-	(63,051)
Movement in employee benefits reserve	73,666	-	-	-
Movement in other provisions	12,073	55,000	60,000	-
	1,547,575	**2,302,901**	**(87,406)**	**(254,851)**
Increase/decrease in assets and liabilities:				
(Increase) / decrease in receivables	(605,203)	(237,428)	(645,492)	(16,305)
(Increase) / decrease in inventories	(334,586)	(796,135)	-	-
(Increase) / decrease in other receivables	(7,668)	(539,661)	-	-
(Increase) / decrease in deferred tax assets	(182,557)	(51,992)	-	(43,922)
Increase / decrease in related party loans	(39,373)	185,909	(849,710)	-
Increase / (decrease) in creditors	(292,221)	(42,978)	86,864	-
Increase / (decrease) in current tax liabilities	(199,231)	156,013	-	-
Increase / (decrease) in deferred tax liabilities	259,363	192,465	-	-
Net cash from operating activities	**146,099**	**1,169,094**	**(1,495,744)**	**(315,078)**

8. TRADE AND OTHER RECEIVABLES

	Notes	Consolidated 2007 $	Consolidated 2006 $	Parent 2007 $	Parent 2006 $
Current					
Trade receivables, third parties		3,618,807	3,013,604	640,720	-
Provision for impairment		(375,188)	(378,215)	-	-
		3,243,619	2,635,389	640,720	-
Other receivables		966,007	958,339	21,098	16,326
Current income tax receivable	5	1,486	-	-	-
		4,211,112	**3,593,728**	**661,818**	**16,326**
Non-current					
Loans to external parties		3,422	-	-	-
Loans to related parties		-	145,830	1,987,741	1,307,458
Total other receivables		**3,422**	**145,830**	**1,987,741**	**1,307,458**

Terms and conditions
Terms and conditions relating to the above financial instruments
a. Trade receivables are non-interest bearing and generally on 30 and 60 day terms.
b. Other debtors are non-interest bearing and have repayment terms between 30 and 90 days.

9. INVENTORIES

	Consolidated 2007 $	Consolidated 2006 $	Parent 2007 $	Parent 2006 $
Raw materials at cost	869,074	1,036,652	-	-
Finished goods at lower of cost or net realisable value	1,479,000	976,836	-	-
	2,348,074	**2,013,488**	**-**	**-**

Notes
Continued

10. PROPERTY, PLANT AND EQUIPMENT

Year ended
31 December 2007

Consolidated	Land and buildings	Leasehold improvements $	Plant and equipment $	Leased Plant and Equipment $	Capital Work in Progress $	Total $
1 January 2007						
at written down value	-	36,368	793,914	753	16,200	847,235
Additions	161,500	-	286,277	-	-	447,777
Disposals / Transfers	-	-	(27,564)	-	(16,200)	(43,764)
Depreciation for the year	-	(6,203)	(270,890)	(753)	-	(277,846)
31 December 2007						
at written down value	**161,500**	**30,165**	**781,737**	**-**	**-**	**973,402**
1 January 2007						
Cost value	-	206,189	1,955,227	146,210	16,200	2,323,826
Accumulated depreciation	-	(169,821)	(1,161,313)	(145,457)	-	(1,476,591)
Net carrying amount	**-**	**36,368**	**793,914**	**753**	**16,200**	**847,235**
31 December 2007						
Cost value	161,500	206,189	1,978,663	114,049	-	2,460,401
Accumulated depreciation	-	(176,024)	(1,196,926)	(114,049)	-	(1,486,999)
Net carrying amount	**161,500**	**30,165**	**781,737**	**-**	**-**	**973,402**

The net carrying value of plant and equipment held under finance lease contracts at 31 December 2007 is $0 (2006: $0).

10. PROPERTY, PLANT AND EQUIPMENT (continued)

Year ended 31 December 2006 Consolidated	Leasehold improvements $	Plant and equipment $	Leased Plant and Equipment $	Capital Work in Progress $	Total $
1 January 2006					
at written down value	34,918	1,046,143	7,465	-	1,088,526
Additions	-	133,031	-	16,200	149,231
Disposals / Transfers	7,338	(189,983)	-	-	(182,645)
Depreciation for the year	(5,888)	(195,277)	(6,712)	-	(207,877)
31 December 2006					
at written down value	**36,368**	**793,914**	**753**	**16,200**	**847,235**
1 January 2006					
Cost value	198,851	1,748,356	156,590	-	2,103,797
Accumulated depreciation	(163,933)	(702,213)	(149,125)	-	(1,015,271)
Net carrying amount	**34,918**	**1,046,143**	**7,465**	**-**	**1,088,526**
31 December 2006					
Cost value	206,189	1,955,227	146,210	16,200	2,323,826
Accumulated depreciation	(169,821)	(1,161,313)	(145,457)	-	(1,476,591)
Net carrying amount	**36,368**	**793,914**	**753**	**16,200**	**847,235**

The net carrying value of plant and equipment held under finance lease contracts at 31 December 2006 is $0 (2005: $7,465). Leased assets are pledged as security for the related finance lease.

11. INVESTMENTS IN SUBSIDIARIES

	Consolidated		Parent	
	2007	2006	2007	2006
	$	$	$	$
Investments in controlled entities at cost	-	-	6,084,516	6,064,863
Total investments	**-**	**-**	**6,084,516**	**6,064,863**

12. INTANGIBLE ASSETS

Consolidated	Molecular Imaging $	Intellectual property $	Technegas Development $	FDA Development $	Software $	Total $
Balance at						
1 January 2007	-	61,599	254,160	599,103	142,881	1,057,743
Arising during the year	58,168	-	-	832,322	-	890,490
Amortisation	-	(6,825)	(30,720)	-	-	(37,545)
Foreign exchange movement	-	-	-	-	(1,143)	(1,143)
Balance at						
31 December 2007	**58,168**	**54,774**	**223,440**	**1,431,425**	**141,738**	**1,909,545**
31 December 2007						
Non-Current	58,168	54,774	223,440	1,431,425	141,738	1,909,545
Total	**58,168**	**54,774**	**223,440**	**1,431,425**	**141,738**	**1,909,545**
31 December 2006						
Non-Current	-	61,599	254,160	599,103	142,881	1,057,743
Total	**-**	**61,599**	**254,160**	**599,103**	**142,881**	**1,057,743**

The recoverable amount of FDA and Technegas development and Molecular Imaging costs have been determined on a discounted cash flow methodology based on three years of pre-tax cash flows.

The following describes each key assumption on which management has based its value in use calculations:

(a) Three year pre tax cash flow projections, based upon management approved budgets covering a one year period, with the subsequent periods based upon management expectations of growth excluding the impact of possible future acquisitions, business improvement capital expenditure and restructuring.

(b) The discount factor used was 12.0% in 2006 (2006: 12.0%).

(c) The directors have concluded that the recoverable amount of the FDA development costs exceeds its carrying value.

13. TRADE AND OTHER PAYABLES

	Consolidated		Parent	
	2007	**2006**	**2007**	**2006**
	$	**$**	**$**	**$**
Trade payables, third parties	943,267	1,155,063	120,932	22,366
Other payables and accruals	309,670	390,095	26,667	38,369
Non interest bearing loan, related party	-	1,102,065	-	1,102,065
Total trade and other payables	**1,252,937**	**2,647,223**	**147,599**	**1,162,800**

Terms and conditions

Terms and conditions relating to the above financial instruments:

(i) Trade payables are non-interest bearing and are normally settled on 30-60 day terms.

(ii) Other payables and accruals are non-interest bearing and have an average term of 4 months.

14. INTEREST BEARING LOANS AND BORROWINGS

	Consolidated		Parent	
	2007	**2006**	**2007**	**2006**
	$	**$**	**$**	**$**
Current				
Bank loan - secured	-	725,000	-	725,000
Related party loan - unsecured	-	621,893	-	-
Interest bearing loans and borrowings (current)	**-**	**1,346,893**	**-**	**725,000**
Non-current				
Bank loan - secured	1,511,500	4,975,000	1,511,500	4,975,000
Interest bearing loans and borrowings (non-current)	**1,511,500**	**4,975,000**	**1,511,500**	**4,975,000**
Total interest bearing loans and borrowings	**1,511,500**	**6,321,893**	**1,511,500**	**5,700,000**

14. INTEREST BEARING LOANS AND BORROWINGS (continued)

(a) Financing facilities available:

At reporting date, the following financing facilities had been negotiated and were available:

		Consolidated		Parent	
		2007	2006	2007	2006
	Notes	$	$	$	$
Total facilities available:					
- interest bearing loans, related parties		-	621,893	-	-
- non interest bearing loans, related parties		-	1,102,065	-	1,102,065
- secured bank loans, third party		4,944,300	6,000,000	4,944,300	6,000,000
		4,944,300	**7,723,958**	**4,944,300**	**7,102,065**
Facilities used at reporting date:					
- interest bearing loans, related parties	14	-	621,893	-	-
- non interest bearing loans, related parties	13	-	1,102,065	-	1,102,065
- secured bank loans, third party	14	1,511,500	5,700,000	1,511,500	5,700,000
		1,511,500	**7,423,958**	**1,511,500**	**6,802,065**
Facilities unused at reporting date:					
- interest bearing loans, related parties		-	-	-	-
- non interest bearing loans, related parties		-	-	-	-
- secured bank loans, third party		3,432,800	300,000	3,432,800	300,000
		3,432,800	**300,000**	**3,432,800**	**300,000**
Total facilities		4,944,300	7,723,958	4,944,300	7,102,065
Facilities used at reporting date:		(1,511,500)	(7,423,958)	(1,511,500)	(6,802,065)
Facilities unused at reporting date:		3,432,800	300,000	3,432,800	300,000

(b) Secured Bank Loan

This loan has been drawn down under a 5 year multi-option facility (MOF) provided by the National Australia Bank. The facility is secured by a first registered mortgage debenture over Cyclopharm Limited and a guarantee and indemnity for $6,000,000 from Cyclomedica Australia Pty Ltd, Cyclomedica Germany GmbH, Cyclomedica Canada Limited, Cyclomedica Europe Ltd, Allrad No. 28 Pty Ltd and Allrad No. 29 Pty Ltd. Supported by First Registered Debenture charges over these companies.

15. PROVISIONS

Consolidated	Employee Entitlements $	Other $	Total $
Balance at			
1 January 2007	**264,466**	**85,000**	**349,466**
Arising during the year	114,615	52,927	167,542
Utilised	(96,382)	(65,000)	(161,382)
Balance at			
31 December 2007	**282,699**	**72,927**	**355,626**
31 December 2007			
Current	259,054	72,927	331,981
Non-Current	23,645	-	23,645
Total	**282,699**	**72,927**	**355,626**
Number of employees			
Number of employees at year end	36		
31 December 2006			
Current	143,697	85,000	228,697
Non-Current	120,769	-	120,769
Total	**264,466**	**85,000**	**349,466**
Number of employees			
Number of employees at year end	31		

Other provisions consist of year end audit fees accrual of $60,000 (2006: $60,000) and a distributor commission of $12,928 (2006: $25,000).

Notes
Continued

16. CONTRIBUTED EQUITY

	Notes	Consolidated 2007 Number	Consolidated 2006 Number	Consolidated 2007 $	Consolidated 2006 $	Parent 2007 $	Parent 2006 $
Issued and paid up capital							
Ordinary shares	(a)	138,712,616	112,317,667	13,136,880	6,515,030	8,004,252	1,382,414
Other contributed equity	(b)	-	-	(5,295,657)	(5,277,327)	-	-
Total issued and paid up capital		**138,712,616**	**112,317,667**	**7,841,223**	**1,237,703**	**8,004,252**	**1,382,414**
Ordinary shares							
(a) Issued and paid up capital							
Balance at the beinning of the period		112,317,667	10	6,515,030	5,132,627	1,382,414	10
Conversion of ordinary share capital in January 2006	(i)	-	106,666,657	-	-	-	-
Issue of 5,651,000 ordinary shares at $0.30 in September 2006	(ii)	-	5,651,000	-	1,695,300	-	1,695,300
Capital raising costs	(iii)	-	-	(396,634)	(312,897)	(396,646)	(312,896)
Issue of 23,394,949 ordinary shares at $0.30	(iv)	23,394,949	-	7,018,484	-	7,018,484	-
Issue of 3,000,000 shares to directors and employees	(v)	3,000,000	-	-	-	-	-
Balance at end of period		**138,712,616**	**112,317,667**	**13,136,880**	**6,515,030**	**8,004,252**	**1,382,414**
(b) Other contributed equity							
Balance at the beginning of the period		-	-	(5,277,327)	1,294,724	-	-
Acquisition of minority interests in controlled entities		-	-	(18,330)	(6,572,051)	-	-
Balance at end of period		**-**	**-**	**(5,295,657)**	**(5,277,327)**	**-**	**-**

(i) On 1 January 2006, Cyclopharm split its 10 ordinary shares on issue to 106,666,667 ordinary shares.
(ii) Cyclopharm by way of a placement allotted 5,651,000 new ordinary shares at $0.30 each during September 2006 raising $1,695,300.
(iii) The total of costs relating to IPO and listing Cyclopharm on ASX Limited was $709,542 being $312,897 and $396,634 incurred in 2006 and 2007 respectively.
(iv) On 11 January 2007, Cyclopharm completed its IPO allotment of 23,394,949 ordinary shares raising $7,018,484
(v) On 29 June 2007, 3,000,000 new shares in the Cyclopharm were issued via non-recourse loans to key employees and the Managing Director following approval by shareholders at the Annual General Meeting held on 8 May 2007.

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

General Information

Directors
Vanda Gould
Non-Executive Chairman

John Sharman
Managing Director

David Heaney
Non-Executive Director

Henry Townsing
Non-Executive Director

Company Secretary
William Richardson

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Bankers
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Melbourne VIC 3000

Solicitors
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Level 24, 385 Bourke Street
Melbourne VIC 3000

Stock Exchange Listing
The ordinary shares of Cyclopharm Limited are listed on the Australian Securities Exchange Ltd (code: CYC).

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