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Chairman's Address

Welcome to the 2020 Annual General Meeting of Cyclopharm Limited.

My name is David Heaney, the Chairman of Cyclopharm's board and the Chairman for this meeting.

I have been advised that a quorum is present – by virtue of the proxies I hold as Chair, and those shareholders in attendance – and I now formally declare the meeting open.

I am pleased to introduce my fellow non-executive Director and Chairman of the Audit and Risk Committee, Tom McDonald and our Managing Director, CEO and Company Secretary, James McBrayer.

I also welcome Mr Lester Wills and Mr Umer Altaf of Nexia Sydney, the Company's Auditor.

Instead of our physical meeting, we are webcasting the entire AGM live with the assistance of Lumi's shareholder voting and question platform.

While disappointed that we were unable to meet with shareholders in person this today, I look forward to shareholders who are attending online will be able to be present when we meet again next year.

Every effort has been made to ensure that this meeting runs smoothly for our shareholders.

I will commence this AGM with a short address, followed by a presentation from Cyclopharm's Managing Director, James McBrayer, before turning to the formal business of the meeting, which will include an opportunity for shareholders to ask questions. The formal portion of the meeting will then follow which includes the three resolutions as detailed in the Notice of Meeting, where voting will be conducted by way of a poll.

Slide 4 Online Attendees – Question Process

Questions may be submitted at any time, from now on, including questions relating to the Company's business activities or any of the upcoming



resolutions. Please also note that the questions may be moderated, or if we receive multiple questions on one topic, amalgamated together.

To ask a question, press on the speech bubble icon. This will open a new screen. At the bottom of that screen there is a section for you to type your question. Once you have finished typing please hit the arrow to send.

Slide 5 Online Attendees – Voting Process

As mentioned previously, voting today will be by way of a poll. If you are eligible to vote at this meeting, a new polling icon will appear. Selecting this icon will bring up a list of resolutions and present you with voting options. To cast your vote simply select one of the options. There is no need to hit a submit or enter button, as the vote is automatically recorded. You do have the ability to change your vote, up until the time I declare the voting closed.

I now declare voting open on all resolutions. The polling icon will soon appear. I will give you ample warning before I move to close voting on these resolutions.

I will now proceed with The Chairman's address.

Ladies and Gentlemen and fellow shareholders, I wish to welcome you to the AGM for Cyclopharm Limited. This year in the time of Covid-19, we are conducting this meeting via a webcast, and details of this address, the Managing Director's presentation and the results of the poll will be posted on both the Company's and the ASX website.

This has been a year in which the Company continued to put tireless efforts into progressing our most important business opportunity, that of gaining access to the US market for our core Technegas™ products, along with significant efforts to bolster our own European distribution capabilities to expand sales and margins in existing markets.

Our submission of the Technegas™ NDA was lodged on 30 March this year and was subsequently granted a full US\$2.9 million fee waiver in respect of the application. This has further enhanced our already strong capital position, following last year's capital raising. And more recently we filed our formal application following the FDA's review of our submission.

Currently in the United States, infectious control concerns have been raised relating to the risks associated with the provision of nuclear medicine ventilation procedures, using competitive products to Technegas. This has dramatically impacted the utilisation of these products in procedures in that market. In response to these concerns, 77 United States Nuclear Medicine Clinicians, in late June 2020 co-signed a letter to the USFDA requesting an expedited approval of Technegas. It is important to note that none of these signatories have any professional or financial relationship with Cyclopharm or any of its subsidiaries.



The positive response from US physicians gives the Board of Cyclopharm further confidence that we remain on track for USFDA approval and an expected commercial launch of Technegas™ in the US in early 2021.

In advance of this commercial launch of Technegas™ in the US, we are investing in building our US management team, distribution capabilities and inventory. The estimated size of the US market for Technegas™ is US\$90 million in sales per annum. Of that, we expect to gain a 50% share of this market in the first 2 to 3 years, rising to 80% over 5 to 7 years.

While completing preparations for the commercial launch of Technegas™ in the US we continued to pursue regulatory approval to sell Technegas™ in Russia and other European markets and delivered a solid financial performance from our existing business.

It is worth noting that our strategies to expand our offering to include 3rd party products in European markets where we have a direct presence contributed approximately \$0.6 million in revenue during the first half of 2020.

Good progress also continued to be made against our key strategic initiatives. For example, we continued to invest in medical trials as part of our 'Beyond PE' initiatives, aimed at broadening the use of Technegas™ in new and significantly larger markets, such as the diagnosis and monitoring of COPD and asthma.

The company's Beyond PE initiatives are linked to significant Research and Development activities, which are being presently impacted by Covid-19, as the rate of patient recruitment for trials slowed during the first half of 2020 and in some cases has been put on hold.

In many markets around the world, noncritical medical procedures are being temporarily suspended, as part of broader strategies to contain the spread of COVID-19. Whilst overall sales of PAS kits and Generators have been depressed during the first half of 2020, Cyclopharm's expectation is for sales of PAS kits and Technegas® Generators to rebound once Covid-19 restrictions are lifted.

In 2019, our business continued to generate solid returns, supporting our ongoing dividends, and our healthy balance sheet was further bolstered, following the successful equity placement late last year, at a premium to Cyclopharm's share price at the time.

Our people are integral to our mission to provide our customers with the assurance of ongoing supply of Technegas™ Systems including consumables, accessories and service. As a company we are committed to minimising the risk of Covid-19 and keeping our employees, their loved ones and our communities safe.



I now invite our Managing Director, James Mc Brayer to provide an update on the company's operations and performance.

David Heaney
Chairman

This ASX announcement was approved and authorised for release by James McBrayer, Managing Director, CEO and Company Secretary.

For more information, please contact:

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Cyclopharm Limited

Cyclopharm is an ASX Listed radiopharmaceutical company servicing the global medical community. The Company's mission is to provide nuclear medicine and other clinicians with the ability to improve patient care outcomes. Cyclopharm achieves this objective primarily through the provision of its core radiopharmaceutical product, Technegas® used in functional lung ventilation imaging.

Technegas®

The Technegas® technology is a structured ultra-fine dispersion of radioactive labelled carbon, produced by using dried Technetium-99m in a carbon crucible, micro furnace for a few seconds at around 2,700° C. The resultant gas like 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 evaluating functional ventilation imaging. Historically used in the diagnosis of pulmonary embolism, Technegas, together with advancements in complementary technology to multimodality imaging and analytical software, is being used in other disease states to include COPD, asthma, pulmonary hypertension and certain interventional applications to include lobectomies in lung cancer and lung volume reduction surgery.