

**BIOTECH CAPITAL LTD  
ANNUAL GENERAL MEETING  
TUESDAY 20<sup>TH</sup> NOVEMBER 2012  
CHAIRMAN'S ADDRESS**

It is my pleasure to welcome you to the 2012 Annual General Meeting for BioTech Capital Ltd ("BTC").

During the year to June 2012, as part of the process of liquidating the portfolio in an orderly manner with proceeds being returned to shareholders, the Company has disposed of its investment in Neurodiscovery Limited. In July 2012, the company disposed of its holding in Generic Health Pty Ltd. As a result of these disposals the company declared a dividend of 1c, which was paid on 12 November 2012.

**Sensear**

BTC continues to hold its stake in Sensear following the inability to secure an exit at an appropriate valuation. Sensear continues to grow revenues through the sale of its innovative technology allowing for speech communication in noisy environments. In particular, the relatively new "Intrinsically Safe" or "IS" product line has been well received by customers. The IS certification allows the product to be used in environments where there is a risk of explosion such as in the oil & gas industry.

The company has successfully grown its business in a variety of sectors in a range of geographic markets with the North American market being a highlight. In fact, Frost & Sullivan, the world's leading analyst for Personal Protective Equipment (PPE), has recognised this with Sensear being the only Product Excellence Award presented in 2012 across all PPE.

Whilst sales volumes are growing, the ability to finance the company's growth remains a consistent challenge. Through the support of the company's major shareholder Sensear has secured the necessary working capital to allow the company to execute its business plan. BTC did not participate in this fresh capital raising and given the terms of this raising included options to participating investors the Board of BTC have resolved to lower the carrying value of the holding by the implied value of the options.

Sensear is continually reviewing its business plan to ensure the best organisational structure is in place to maximise potential for generating returns to shareholders. This includes a number of advanced negotiations on the manufacture and sale of Sensear OEM products to global industry leaders with safety or communications related products. These OEM's provide Sensear with greater reach and the prospect of advanced growth via the sale of product through differing channels to market.

**Biocomm**

The liquidator of Biocomm has informed us that the proceeds of liquidation should be distributed around 23 November 2012.

**Outlook**

BTC will pursue appropriate opportunities to dispose of its shareholding in Sensear subject to the ability to realise appropriate value. The Company has initiated a share sale facility for shareholders with less than \$500 worth of shares as at 25 October 2012 with stockbrokers Taylor Collison and will not have to pay commissions. Those shareholders who do not elect to retain their shares, will receive 3.1 cents per share on 14 December 2012.

The directors will continue to seek new opportunities for the Company which may be outside of biotechnology and life science investments. At this stage, it is unclear which direction the Company may end up moving into but in any case shareholders will be provided with the opportunity to review and approve any new opportunity the Board resolves to pursue.

### **Directors**

My fellow directors and I would like to extend our sincere thanks to Kathryn Greiner, for the time and effort she has put into the Company for the last 7 years. I would also like to welcome Edward Taylor to the board.

**Alastair Davidson**

Chairman