

Biotech Capital (BTC) - ASX Announcement

28 November 2017

Chairman's Address to Shareholders

Ladies and gentlemen,

Over the last 12 months we have continued to make good progress in a number of important areas. I would like to provide a brief review and update of the business.

In February we completed a \$2.4 million dollar capital raise priced at 11 cents per share, which enabled the company to make certain key personnel appointments and to proceed more aggressively with some of our growth plans. As part of the share placement we welcomed two new institutional shareholders and NAOS Asset management is now our second largest shareholder. We acknowledge and thank them for their support and belief in the company's long-term prospects.

The Board recognises the tremendous potential value that the Pooled Development Fund status confers. I can confirm that our investment plan is fully compliant with PDF requirements and that the Board will take all reasonable steps to maintain this.

Our Biointelect business is an advisory consulting firm in Sydney. Following its acquisition in April 2016 we have invested in additional staff, marketing, business development, software systems and services expansion. The business delivered good revenue growth for the 12-months ending 30 June 2017. The first few months of the current financial year has proven more challenging than expected and the anticipated return on the additional investment and new services has not been achieved. Management and the Board are presently reviewing the strategy and settings within this business as well as the financial outlook through to 30 June 2018.

Bio101 is a provider of accounting, tax and company secretarial services to private, public and listed life science companies. This business was a start-up in June 2016 and since early 2017 has managed to deliver a modest monthly profit. The Bio101 team is steadily adding new clients, building a strong profile and reputation in the life science sector for providing quality, cost-effective services, all the while recording high levels of client satisfaction.

In May, our in-licensing business Biolmpact entered into an exclusive agreement with RLS Global in Sweden securing the rights to a novel wound care product ChloraSolv. We view this as an exciting and unique opportunity. We expect that ChloraSolv will be granted European CE approval mid-2018, after which we will apply for marketing approval with the Australian TGA. In September we extended our partnership with RLS Global by including two specialist dental products, CariSolv and PeriSolv. These are both classified as medical devices and we are working to make them available in Australia during the first half of 2018.

In September we established a new company BTC Speciality Health, which has since been registered with the TGA and which will assume operational responsibilities for the commercialisation of our partner's products.

In recent months our in-licensing activities have successfully identified a number of unique product opportunities in the US and Europe and we are presently in discussion with a range of parties to secure the rights to these speciality products on acceptable commercial terms.

One of the items of business today is to seek shareholder approval to change the company's name from Biotech Capital to BTC health. We believe that this is an important change, which combined with a refresh of our corporate materials, will serve to better position and communicate the strategic direction of BTC health to our partners, customers and shareholders.

We have a reasonable expectation that our in-licensing activities will continue to provide steady access to a pipeline of novel and commercially valuable products, however at a corporate level we remain very active in exploring potential strategic alliances, as well as identifying product and whole company acquisitions that could potentially deliver the rapid increase in operational capabilities, scale and the step-wise growth that we desire.

I look forward to providing further updates to shareholders as may be appropriate.

In concluding I wish to thank our BTC team, our Board and our many shareholders, who share a vision and belief that together we can build an Australian company that in time will come to make a real impact in the healthcare sector.

Thank you.



Dr. Richard Treagus
Executive Chairman

Forward-looking Statements

This ASX-announcement contains forward-looking statements that are subject to risks and uncertainties. Such statements involve known and unknown risks and important factors that may cause the actual results, performance or achievements of Biotech Capital to be materially different from the statements in this announcement.