



Chairman's Address to Shareholders

Ladies and gentlemen,

Over the last 12 months the team at BTC health has maintained a strong focus on three areas which we consider important elements underpinning our growth plans:

- establishing a broader set of organizational capabilities
- building a strong pipeline of medical product opportunities
- evaluating and negotiating potentially transformative acquisition opportunities.

At a group level we have kept a disciplined approach in respect of expenditure and we reported a net cash position of \$2m at the end of October.

The Board recognises the significant potential value that the Pooled Development Fund (PDF) 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.

Bio101, which provides accounting, tax and company administration services continued to grow its client base and service offering during the year. I am pleased to report that the business consistently performed ahead of expectations and as such we increased the fair value of this investment by \$144,900. This positive trend has continued in the early part of the current financial year and in order to capitalize on this momentum we recently appointed another Chartered Accountant, Hamish George to the team. It is worth mentioning that the Bio101 team has provided invaluable support to the BTC health group in respect of our opportunity evaluation and our detailed due diligence activities.

BiolImpact is our investee company tasked with acquiring intellectual property rights to novel pharmaceutical products and medical devices from a range of third parties around the world. We have made good progress in recent months in terms of building a strong and exciting pipeline of new opportunities. And we were pleased to have announced earlier this week our exclusive license agreement with Camurus AB in Sweden, for the rights to episil® oral liquid for the treatment of oral mucositis. This unique product is a class 1 medical device which we plan to launch through the major cancer centers in Australia in 1H2019.

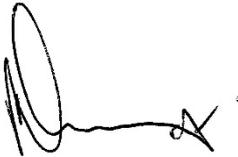
BTC Speciality Health was established during the year as the operating entity responsible for the commercialization of our in-licensed products. Chlorasolv®, a novel wound care gel which we licensed from RLS Global in 2017 is expected to receive CE approval in coming months, following which we will file for marketing approval with the TGA and work towards a potential product launch in 2H2019.

In June we launched two specialized dental products, CariSolv® and PeriSolv®. The initial off take in Victoria has been slower than expected and the team is currently pursuing additional listings with dental distributors in South Australia and New South Wales.

At a corporate level we are very active in pursuing potential strategic alliances and acquisitions that could deliver a rapid increase in operational capabilities, scale and the step-wise growth that we are seeking. It is typical for such discussions to be subject to confidentiality provisions and we look forward to providing more detailed information to shareholders as appropriate.

In concluding I wish to thank the BTC health team, our Board and our many shareholders, who together have recognised the tremendous potential value of the Pooled Development Fund as a vehicle to invest and support growth within the medical and healthcare sectors.

Thank you.

A handwritten signature in black ink, appearing to read 'Richard Treagus', with a stylized flourish at the end.

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 BTC health to be materially different from the statements in this announcement.