

26 November 2018

Announcements

National Stock Exchange of Australia
PO Box 283
Newcastle NSW 2300

Market Announcement – 2018 Annual General Meeting Chairman Opening Address

A copy of opening address which being presented by Dr George Syrmalis (Chair and CEO of iQnovate) is attached. The opening address is being presented at 10:00am on 26 November 2018, at the Annual General Meeting of iQnovate Limited, which is being held at the Grace Hotel, Sydney.



Sincerely

Gerardo Incollingo
Company Secretary

Chairman's opening address

iQnovate Limited (**iQnovate**) is a bioscience asset manager, it has excellent organic intellectual property asset management and cross-border arbitrage capability. This enables iQnovate to conceptualize, source, validate and commercialize bioscience assets that have extraordinary and potentially disruptive outcomes, thus advancing human health.

During the year 2018 iQnovate has experienced significant growth in all asset management activities and its subsidiary commercial and scientific affairs activities as performed Clinical Research Corporation Pty Ltd (**CRC**) and Farmaforce Limited (**FarmaForce**).

iQnovate's financial metrics have improved from the previous year:

- its revenue increased 1% to \$4.73m;
- its cash balance increased to \$1.42m from \$0.3m; and
- the market capitalization of the company as of 20/11/2018 is **AUD\$68.82** million.

My focus in this year's operational review will be more about the development programs the company is running than the subsidiary entities which are consolidated into this report.

iQnovate's revenue is generated through three separate streams – commercial sales, capital gains, and research and development

2018 Tactical Milestones

- iQnovate, through its subsidiary holding companies, continued to invest in the ongoing research and development program of the biosensor and its potential different diagnostic applications.
- The glucose biosensor project has now achieved the ultimate technical development milestone as originally planned by the Newcastle University research team and will move that project onto its confirmatory stage.
- Initiated three pilot diagnostic test programs to detect and quantitate prostate specific antigen, luteinizing hormone, and the peanut kernel allergen.
- In October 2017, the company launched Bio Diagnostics MENA Pty Ltd ('MENA' being the acronym for 'Middle East and North Africa') to commercialize the biosensor in the MENA region.

- The Chinese Biosensor patent was granted in July 2018.
- In August 2018, the company launched BiosensX Inc. to commercialize the biosensor in the Japan Pacific region, including Australia.
- In August 2018, iQnovate also announced its proposal to redomicile to the United States of America by way of a Scheme of Arrangement between iQnovate and The iQ Group Global Inc and list on NASDAQ pending shareholder and regulatory approvals. The Scheme of Arrangement announcement with the updated timeline has been communicated to the markets and is available online.

In respect of iQnovate's following subsidiaries:

Farmaforce Limited (ASX: FFC)

- FarmaForce's continued its growth exceeding \$7 million AUD in revenue and is forecasted to continue growing.
- Once again, FarmaForce's Vanguard sales team won 'Sales Team of the Year' at the 2018 Prime Awards.
- FarmaForce's efforts have not gone unrecognized, with 'morningstar.com.au' (one of Australia's leading sources for news and research on investing) reporting that the 'fair value' for each FarmaForce share is considered to be \$0.19 (as at 02:00, 17 November 2018).

Clinical Research Corporation Pty Ltd

Realized significant growth leveraging on projects with multinational biopharma and medical device companies.