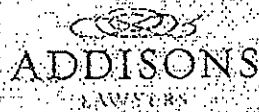


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Deed of Company Arrangement

Fermiscan Holdings Limited (Administrator Appointed) ACN 000 689 725

Giles Geoffrey Woodgate



Level 12
60 Carrington Street
SYDNEY NSW 2000
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Tel: (02) 8915 1000
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409795_1.DOC

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Deed of Company Arrangement

Date: 8 MARCH 2010

Parties

- (1) Ferriscan Holdings Limited (Administrator Appointed)
(ACN 000 689 725)
Address
(the Company)
- (2) Giles Geoffrey Woodgate
Address: Level 8, 6 - 10 O'Connell Street,
Sydney NSW 2000
(the Deed Administrator)

Recitals

- A. The Deed Administrator is the voluntary administrator of the Company by reason of an appointment by the Company on 18 November 2009 pursuant to Section 436A of the Act.
- B. At a meeting convened on 10 December 2009 and reconvened on 16 February 2010 pursuant to Section 439A of the Act, the Company's creditors resolved that the Company execute a deed of company arrangement, and that the Deed Administrator be the administrator of the Deed.
- C. The object of this Deed is to:
- maximise the prospect of Creditors receiving a dividend that exceeds the dividend they would receive if the Company were wound up; and
 - maintain the potential for the Company to be re-listed on the Australian Stock Exchange.

Operative Parts

1. Defined terms and interpretation

1.1 Defined terms

Act means the Corporations Act 2001.

Admitted Claim means a Claim the proof of debt for which has been accepted by the Deed Administrator as entitling the claimant to share in the Deed Fund in accordance with clause 6.

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ASIC means the Australian Securities and Investments Commission.

Claim means a debt payable by, or a claim against the Company (present or future, certain or contingent, liquidated or unliquidated, ascertained or sounding only in damages) being a debt or claim due or which may become due as a result of anything done or omitted by or on behalf of the Company on or before 18 November 2009.

Commencement Date means the date of execution of the Deed.

Court means the Federal Court of Australia or the Supreme Court of New South Wales.

Creditor means any person who has a Claim.

Deed means this Deed of Company Arrangement as varied from time to time.

Deed Administrator means Giles Geoffrey Woodgate.

Deed Fund means the Fund to be administered by the Deed Administrator pursuant to clause 5.

Deed Period means the period from the Commencement Date to the earlier of any date on which the Deed terminates in accordance with clause 10.

Directors means the directors from time to time of the Company.

Employees mean all or any of the employees or former employees of the Company.

Fermiscan means Fermiscan Pty Ltd (in liquidation) ACN 110 718 931.

GST means any Goods and Services Tax payable.

Participating Creditors means the Creditors who are admitted to proof under clause 12.

Property means any legal or equitable estate or interest of the Company (whether vested or contingent) in real or personal property of any description and includes a thing in action, interests in contracts, any trade marks in the name of the Company, all debtors, stock, materials, work in progress, goods, contractual rights and any unpaid capital of the Company.

Regulations means the Corporations Regulations 2001 made under the Act.

Related Body Corporate has the same meaning as set out in Section 9 of the Act.

Schedule 8A means Schedule 8A to the Regulations to the Act.

Third Party means the person to advance monies to the Company, by receipt by the Deed Administrator, in accordance with clause 5.

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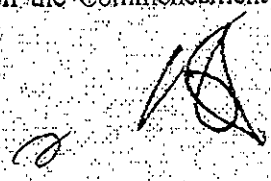
1.2 In this Deed unless the contrary intention appears:

- (a) A reference to this Deed or another instrument includes any variation or replacement of them;
- (b) A reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (c) The singular includes the plural and vice versa;
- (d) The masculine includes the feminine and neuter; the feminine includes the masculine and neuter; the neuter includes the masculine and feminine;
- (e) The word "person" includes a firm, a body corporate, an unincorporated association or an authority;
- (f) A reference to a person includes a reference to the person's executors, successors, substitutes (including, without limitation, a person taking by novation) and assignees;
- (g) If any covenant in this Deed, or part of any covenant in this Deed, is held for any reason to be invalid it may be severed from this Deed without affecting the validity of the balance of this Deed;
- (h) An agreement, representation or warranty on the part of or in favour of two or more persons binds, is for the benefit of them jointly and severally;
- (i) A reference to any thing (including, without limitation, any amount) is a reference to the whole or any part of it and a reference to a group of persons is a reference to any one or more of them;
- (j) A reference to all parties, clauses, exhibits, annexures or schedules shall, unless otherwise provided, be to the parties, clauses, exhibits, annexures or schedules of or to this Deed;
- (k) A term defined and explained in the Act is used in this Deed with its defined or explained meaning; and
- (l) This Deed shall be interpreted in accordance with the laws applying from time to time in New South Wales and any legal action to be taken by any party to the Deed or pursuant to the Deed shall be taken in the Court at Sydney.

2. Deed Administrator

2.1 The Deed Administrator shall be the administrator of this Deed.

2.2 This Deed will become a Deed of Company Arrangement on the Commencement Date.



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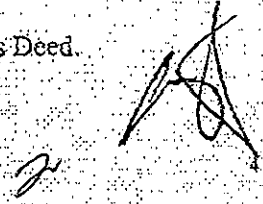
2.3 This Deed will operate throughout the Deed Period.

3. Powers and Duties of Deed Administrator

- 3.1 The Deed Administrator must administer this Deed, and for that purpose has the functions, powers, duties and discretions confirmed on him by this Deed, the Act and Schedule 8A (except as limited or excluded by any provision of this Deed) and he also has power to appoint and remove Directors.
- 3.2 During the Deed Period, unless the Deed Administrator otherwise determines, control, management, supervision and administration of the Company's business and affairs on a day to day basis is returned to the Directors.
- 3.3 During the Deed Period, the Deed Administrator shall have all rights, powers, privileges and authorities of the Directors, including those specified in clause 2 of Schedule 8A, in relation to the Deed Fund, to the exclusion of the Directors, members or any other person.
- 3.4 The Deed Administrator shall have the power to delegate the performance of any of his functions, powers and discretions.
-

4. Directors

- 4.1 The Directors must, subject to this Deed, remain in office and retain their functions and powers throughout the Deed Period, except:
- (a) As provided by clause 5 of this Deed, in relation to the Deed Fund; and
 - (b) Subject to the powers granted to the Deed Administrator by this Deed.
- 4.2 The Directors and each other officer of the Company must:
- (a) attend on the Deed Administrator as requested;
 - (b) on request, give the Deed Administrator all information known to them about the Company's business, property, affairs and financial circumstances;
 - (c) maintain the Company's books and records in accordance with the Act;
 - (d) do all things necessary to maintain the Company's ability to re-list at the Australian Stock Exchange including paying any listing fees;
 - (e) attend all meetings of the Creditors; and
 - (f) do whatever the Deed Administrator reasonably requires the Directors to do,
- to administer this Deed or fulfil the arrangements effected by this Deed.



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5. Deed Fund

- 5.1 On the Commencement Date, a Deed Fund will be established which will initially comprise the proceeds of all realisations of Property made by the Deed Administrator in his capacity as a voluntary administrator of the Company.
- 5.2 On and from the Commencement Date the Deed Administrator shall proceed to realise and convert into money all readily realisable Property of the Company for the benefit of creditors and shall pay the proceeds of realisation of that Property into the Deed Fund.
- 5.3 The Deed Administrator may demand that the Third Party pay to the Deed Administrator, for the benefit of Creditors, within seven days of service of that demand, \$100,000.00 which is to comprise part of the Deed Fund and is to enable Creditors to be paid in full their Admitted Claims in accordance with clause 6, if there is otherwise a shortfall in the Deed Fund to do so, to the extent of that shortfall, and thereafter the Deed Administrator shall remit any balance sum remaining from the payment made by the Third Party to any individual and non-Related Body Corporate ordinary unsecured creditor of Fermiscan but not including Dr Veronica James, to the extent that any payment to those creditors of Fermiscan shall not result in those creditors receiving more than 100 cents per dollar of indebtedness owing to each of them by Fermiscan. If as a result of the payment of \$100,000.00, any individual and non-Related Body Corporate creditors, other than Dr Veronica James, are paid 100 cents per dollar of indebtedness any balance sum remaining from the payment of \$100,000.00 shall be returned to the Third Party by the Deed Administrator.
- 5.4 The payment to be made by the Third Party as set out in paragraph 5.3 above is not a loan by the Third Party to the Company, and the Company is under no obligation to repay that sum to the Third Party.
- 5.5 If the Third Party does not pay the monies to the Company as required by clause 5.3, the Deed Administrator may seek to procure, as soon as reasonably practicable, the sale of the Company's public company "shell" so as to have the Company relisted on the Australian Stock Exchange; or seek to procure a placement of fresh shares in the Company by a capital raising, and he shall do all things necessary for either of those events to occur, including but not limited to, convening a meeting of Creditors to consider resolving, inter alia, to terminate or vary this Deed.

6. Distribution of the Deed Fund

- 6.1 The Deed Administrator may make periodic distributions of the Deed Fund. The timing of such distributions shall be at the Deed Administrator's discretion.

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6.2 Such distributions will be made in the following order of priority:

- (a) Firstly, in payment of all disbursements, trading expenses and other obligations incurred by the Deed Administrator in his capacity as voluntary administrator of the Company, including debts for which he is or was liable for under sections 443A, 444B and/or 443BA of the Act, or otherwise;
- (b) Next, in payment of the remuneration of the Deed Administrator in his capacity as voluntary administrator of the Company at the rates of hourly charges of Woodgate & Co, plus any GST payable;
- (c) Next, in payment to the Deed Administrator for any money comprising disbursements, expenses and obligations incurred by him, pursuant to the Deed and the Act;
- (d) Next, in payment of the remuneration of the Deed Administrator in his capacity as such at the rates of hourly charges of Woodgate & Co, plus any GST payable thereon;
- (e) Next, in payment of any priority creditor falling within sections 556(1)(e)(f)(g) or (h) of the Act (as if references to a winding up were references to a deed of company arrangement);
- (f) Lastly, in payment rateably to the remaining Participating Creditors of the Company in respect of their Admitted Claims.

6.3 Where there have been mutual credits, mutual debts or other mutual dealings between a Company and a Creditor:

- (a) an account is to be taken of what is due from one party to the other in respect of those mutual dealings;
- (b) the sum due from the one party is to be set off against any sum due from the other party; and
- (c) only the balance of the account is a provable claim against the Company, or is payable to the Company, as the case may be.

6.4 A person is not entitled to claim the benefit of a set off under clause 6.3 if, at the time of giving credit to the company, or at the time of receiving credit from the Company, the person had notice of the fact that the Company was insolvent.

7. Moratorium

7.1 From the date of this Deed, neither the Company, nor any other officer or member of the Company, nor any Creditor shall or may:

- (a) apply for an order for the winding-up of the Company;



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- (b) commence or continue with any proceedings against the Company or in relation to any Property of the Company; or
- (c) commence or continue with any enforcement process in relation to the Property of the Company.

8. Release of Company

- 8.1 Upon completion of this Deed by distribution of the Deed Fund, the Company shall be released from all Creditors' claims which are admissible to proof against it.
- 8.2 Creditors must accept their entitlements under this Deed in full satisfaction and complete discharge of all claims as at the Commencement Date and each of them must, if called upon to do so, execute and deliver to the Company such form of release as the Deed Administrators may require.

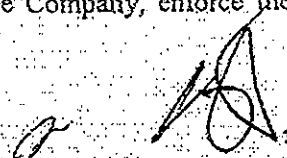
9. Meetings

- 9.1 The Deed Administrator may convene a meeting of Creditors at any time in accordance with Section 445F of the Act, and must convene such a meeting when required to do so under Section 445F(1)(b) of the Act.
- 9.2 The provisions of regulations 5.6.12 to 5.6.36A inclusive of the Regulations apply, with such modifications as are necessary, to meetings of Creditors as if the references to "the liquidator", "the liquidator or provisional liquidator", "the liquidator, provisional liquidator or chair person" or "a liquidator, provisional liquidator or trustee for debenture holders", as the case may be, were references to the Deed Administrators.

10. Termination of the Deed

- 10.1 This Deed shall be terminated upon the earliest occurrence of any of the following:
 - (a) By the making of an order by the Court terminating this Deed pursuant to Section 445D of the Act;
 - (b) By the passing of a resolution by Creditors at a meeting convened by the Deed Administrator pursuant to this Deed, and/or Section 445F of the Act (but subject to the terms of this Deed).

The Deed Administrator may convene a meeting of the Creditors if he considers that the Company has not complied with, or is unlikely to be able to comply with, the terms of this Deed. At this meeting Creditors may resolve to vary the Deed, terminate the Deed and wind up the Company, enforce the



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terms of the Deed by Court action or otherwise, or pass any other proposal permitted by the Act.

- (c) By the happening of events which by the terms of paragraph 10.2 of this Deed are expressed to terminate this Deed automatically without recourse to the Court or to a meeting of the Creditors.

10.2 Termination of deed where arrangement achieves purpose

If:

- (a) all assets readily realisable have been realised and converted into money and if the Third Party has paid \$100,000.00 in accordance with clause 5.3, if required to do so; and
- (b) the Deed Administrator has paid all dividends to Admitted Creditors in accordance with the provisions of this Deed, and otherwise complied with its terms,

the Deed Administrator must:

- (c) certify that this Deed has been wholly effectuated by executing a document in the form of ASIC Form 5056; and
- (d) within 28 days of its execution, lodge the document with ASIC,

and execution of this document terminates this Deed at which time full control of the Company and its remaining Property shall revert to the Directors.

11. Date of Admissibility of Claims

Only debts of Participating Creditors payable by, and claims against the Company (present or future, certain or contingent, ascertained or sounding only in damages) being debts or claims the circumstances giving rise to which occurred before 18 November 2009 are admissible to proof against the Company pursuant to this Deed.

12. Participating Creditors

12.1 Claims by Creditors shall be determined in accordance with the following procedures:

- (a) when the Deed Administrator determines he has sufficient monies in the Deed Fund to distribute, he shall send a Notice to each person who appears from the records of the Company to be Creditors having claims within paragraphs 6.2(e), (f) and (g) of this Deed, inviting each of them within 21 days of the date of the publication of the advertisement referred to below, to submit a claim to the Deed Administrator by way of proof of debt specifying in detail

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an actual amount of its, his or her claim against the Company as at 18 November 2009;

- (b) the Deed Administrator, at the time of sending out the Notices referred to in clause 12.1(a) above shall advertise once in a national newspaper circulated daily to the effect that any person claiming to be a creditor as at 18 November 2009, may within 21 days from the date of publication of such advertisement submit a claim to the Deed Administrator by way of proof of debt specifying in detail the nature and amount of its, his or her claim against the Company as at 18 November 2009;
- (c) the Deed Administrator shall adjudicate upon all claims by Creditors and, in any case of difference between their adjudication and the proof of debt by a Creditor submitted pursuant to clause 12.1(a) above shall notify his adjudication to that Creditor at its, his or her address shown on its, his or her proof of debt;
- (d) the Deed Administrator shall settle a list of Participating Creditors and each Creditor who lodges a proof of debt as aforesaid shall be admitted as a Participating Creditor for such sum as the Deed Administrator adjudicates is an Admitted Claim, and after taking account and allowing for the amount of any debt or set-off owing by it, him or her to the Company, as appears to be the balance due to it, him or her. A just estimate shall be made by the Deed Administrator, as far as is possible, of the value of such debts and claims as subject to any contingencies or sounding only in damages or which for some other reason do not bear a certain value;
- (e) notwithstanding the above provisions, the Deed Administrator may compromise or admit the debt or claim of any Participating Creditor (notwithstanding such creditor may not have submitted a proof of debt) in such manner as he, in his absolute and unfettered discretion, thinks fit, whereupon he shall enter the name of such creditor in the amount of its claim upon the list of Participating Creditors in the manner aforesaid.

13. Modifications Of Prescribed Provisions

- 13.1 Except as expressly set out in this Deed to contrary effect, and save for clause 11 which does not apply, Schedule 8A otherwise applies to this Deed.

14. Deed Administrator Agent of the Company

- 14.1 In exercising the powers conferred by this Deed and in carrying out the duties arising under this Deed, the Deed Administrator shall be taken to act as agent for or on behalf of the Company.

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- 14.2 The Deed Administrator gives no warranty in respect of, and shall be in no way accountable to the creditors for, the trading performance of the Company, if any.
- 14.3 The Deed Administrator will not be personally liable, save for the vitiating events specified in clause 16.1 below, for:
- (a) any claim, debt, liability or other obligations which the Deed Administrator may incur or cause on behalf of the Company in the course of administering this Deed; or
 - (b) any loss or damage caused by any act, default or omission by or on behalf of the Deed Administrator;
 - (c) the performance or purported performance of the Deed Administrator's duties or the exercise or purported exercise of his powers under this Deed.
-

15. Resignation and Replacement of Deed Administrator

- 15.1 If the Deed Administrator wishes to terminate his appointment, he must first convene a meeting of Creditors in accordance with Clause 9 to appoint a replacement Deed Administrator.
-

16. Indemnity

- 16.1 The Company hereby covenants with the Deed Administrator that the Company shall indemnify him out of its property from and against all claims, demands, actions, damages, costs, charges, expenses and liabilities whatsoever that may be brought against, suffered, sustained or incurred by the Deed Administrator arising out of or in connection with the performance of the Deed Administrator's duties and obligations under this Deed provided that nothing herein contained shall be read or construed or shall operate so as to relieve the Deed Administrator from any liability that by law or otherwise would attach to the Deed Administrator in respect of any negligence or intentional default or breach of duty or trust of the Deed Administrator in relation to the Company.

- 16.2 The indemnity under clause 16.1 shall not:

- (a) be affected, limited or prejudiced in any way by any irregularity, defect or invalidity in the appointment of the Deed Administrator, the approval and execution of this Deed or the like, and extends to all actions, suits, proceedings, accounts, liabilities, claims and demands arising in any way out of any defect in the appointment of the Deed Administrator, the approval and execution of this Deed or otherwise; or

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- (b) affect, limit or prejudice all or any rights that the Deed Administrator may have against the Company or any person to be indemnified against the costs, charges, expenses and liabilities incurred by the Deed Administrator in, or incidental to, the exercise or performance of any of the powers or authorities conferred on the Deed Administrator by this Deed or otherwise.
- 16.3 The indemnity under clause 16.1 and the Deed Administrator's lien under clause 17 will be effective as from the Commencement Date and be without limitation as to time for the benefit of the Deed Administrator and any personal legal representatives of the Deed Administrator notwithstanding the removal of the Deed Administrator and the appointment of a new Deed Administrator or the termination of this Deed for any reason.
- 16.4 The Deed Administrator's right of indemnity herein shall have priority over the claims of all Creditors.

17. Deed Administrator's Lien

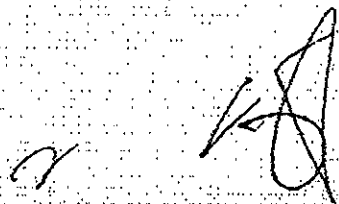
The Deed Administrator shall have a lien over all of the assets of the Company in respect of his entitlements to claim against the Company pursuant to clause 6 (and whether in his capacity as voluntary administrator or Deed Administrator), or pursuant to the indemnity contained in clause 16.

18. Deed Administrator's Remuneration And Expenses

- 18.1 To the extent only that the Deed Fund is inadequate to allow for the payments referred to below, the Company shall pay the Deed Administrator:
- (a) all costs, charges and expenses incurred by the Deed Administrator consequent upon his appointment to that position, including any stamp duty, registration fees, legal costs, and other costs incurred in the execution and exercise of his duties and powers as Deed Administrator;
 - (b) the Deed Administrator's remuneration on the basis of time spent by him, his agents and staff in respect of or arising out of the administration calculated at hourly rates generally charged by Woodgate & Co;
 - (c) all liabilities incurred by the Deed Administrator in the course of the administration of the Deed;
 - (d) all costs, charges and expenses incurred by the Deed Administrator in respect of all actions, suits, proceedings, accounts, claims and demands arising out of the administration which may be commenced or made on the Deed Administrator by any person;
 - (e) any GST on any of the above.

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18.2 To the extent allowed by the Act, and for the purpose of satisfying any claim made by the Administrator upon the Company pursuant to clause 18.1, the Administrator shall have recourse to all of the assets of the Company.

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Executed as a deed

Executed by Fermiscan Holdings)
Limited (Administrator Appointed))
ACN 000 689 725 in accordance with)
Section 127 of the Corporations Act 2001)
(Cth)

Signature of authorised person

Signature of authorised person

Director

Secretary

Office held

Office held

Name of authorised person
(BLOCK LETTERS)

Name of authorised person
(BLOCK LETTERS)

Signed, Sealed and Delivered by Giles)
Geoffrey Woodgate in the presence of)

Giles Geoffrey Woodgate

Giles Geoffrey Woodgate

Signature of Witness

RICHARD JAMES ROWLEY

Name of Witness
(BLOCK LETTERS)