

ASX and Media Release
30 November 2015

**Chairman's address to Annual General Meeting
30 November 2015**

Ladies and Gentlemen, welcome to the 31st Annual General Meeting of Circadian Technologies Limited.

My name is Dominique Fisher and I am the Chairman of Circadian.

May I introduce the Directors of the Company:

- Tina McMeckan, Non-executive Director, Chair of Audit & Risk Committee;
- Russell Howard, Non-executive Director; and
- Megan Baldwin, CEO and Managing Director.

I also introduce the Company's auditor Sam Vorweg of Deloitte, Renee Doyle and James Hutton of Minter Ellison Lawyers, Anton Whitehead, Bell Potter our Corporate Adviser and our company secretary and CFO, Mike Tonroe.

I also wish to acknowledge and welcome Mr Leon Serry founder of Circadian 31 years ago and its CEO for many years.

A quorum being present, I now declare the meeting open.

After 10 years as your Chairman I am very pleased to report on another year of significant achievements for the company. Twelve months ago we announced our successful capital raising of \$17.4M to fund our OPT-302 program for the treatment of wet age-related macular degeneration (or wet AMD). Since that time, we have significantly advanced the program, having met a number of development milestones including the completion of IND enabling safety toxicology studies to support our Phase 1/2A clinical trial and the manufacture of clinical grade drug product that meets specifications for clinical use.

In June we announced the US Food and Drug Administration (the FDA) had approved our Investigational New Drug (IND) application and in July initiated a Phase 1/2A clinical trial of our lead drug OPT-302 in the US. Initial results from that study are anticipated by April 2016.

We are enthusiastic regarding the potential for OPT-302 to improve the outcomes for patients with wet AMD, a debilitating eye disease of the back of the eye for which there remains a significant unmet medical need and large market opportunity.

The company is in great shape. Our very strong cash position gives the company sufficient reserves to advance OPT-302 not only through the Phase 1/2A clinical trial, but also through a larger Phase 2B clinical study as well.

In addition to the advancement of our development program, we have continued to refine our corporate structure to reflect our focus on ophthalmology.

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We are in the process of restructuring the Circadian Group including the deregistration of several of our wholly-owned subsidiaries which will further provide efficiencies in our accounting and reporting processes. Linked to this is the proposal to adopt Opthea as the company's name, which is subject to shareholder approval at this AGM. Our corporate identity will more closely align to our strategic focus on ophthalmology.

Included in the corporate restructure is the consolidation of our non-core assets into a single subsidiary and our divestment of our holding in Syngene Limited, our 52% subsidiary. Last week at the company's AGM, Syngene's shareholders voted to conclude its activities by a solvent members' voluntary liquidation, a process which will see pro-rata allocation of remaining capital in the company returned to shareholders. This will return approximately \$200k to Circadian.

As we move toward 2016, I have every confidence that we will reach our development milestones and execute on our plans to simplify our corporate structure.

I am proud of the achievements the company has made during my tenure as Chair of Circadian and proud of the team work that has been undertaken with my fellow directors in order to secure the strong position the company is in today.

Supporting a biotech company as an investor and as a director for that matter, is not for the faint hearted. The development cycles are long and very expensive, the path to success may well be clear but the timing and likely outcomes unknown; shareholders are often impatient and, time is always against you.

Not all of the decisions your board has taken, although taken in the best interests of all shareholders, have been welcomed by some shareholders. The creation of the subsidiary companies as a method to pinpoint value and test the market's appetite for different parts of the business; the major capital raise undertaken last year; and, now the selection and appointment of directors have been points of contention.

Let me deal with each one –

(1) the creation of the subsidiary companies was a specific approach designed to provide both internal and external transparency on the key assets of the business to determine where to place focus and funding.

I take full responsibility for this decision and had I had my time again I would have made exactly the same decision. At the time the company had healthy internal debate on focus and IP value. In the absence of a clear way forward, this structure forced value and IP to be allocated, programme funding to be justified and scientific rationale to be separately tested in the market.

Ceres Oncology Pty Ltd and Opthea Pty Ltd were created – giving the market a chance to see oncology and ophthalmology alongside of each other. The result was that the market overwhelmingly supported Opthea and all but demanded we focus exclusively on this side of the business.

A new CEO of the company emerged out of this process. Megan Baldwin, who has been an employee of Circadian for over 7 years, with 5 of those years as the Head of Pre-Clinical R&D with the majority of her time leading the oncology pre-clinical development for VGX 100, 200 and 300. Megan was appointed CEO of Opthea Pty Ltd in December 2012 where she led the pre-clinical activities for VGX-300 for wet AMD now known as OPT-302.

This appointment and structure not only provided an opportunity for the market to form views on the assets, but it was also an opportunity for the Board to test Megan's ability to run a company as CEO.

Being CEO of Opthea Pty Ltd, managing a company budget, exposing her to leading analyst and investor presentations, business development requirements, contract management, and being held directly accountable to the Board for the performance of the company she lead, enabled Megan to begin the next step up in her own professional development.

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Megan demonstrated she was capable of performing this role with the support of a strong board. I as Chairman and the non-executive directors then determined to appoint Megan into the role of CEO & Managing Director of Circadian in February, 2014. Whilst all of us in business always has something more to learn, Megan has shown significant development in her short time in the role.

(2) Having determined internally that Opthea was the superior asset held by Circadian and that Megan Baldwin should run the business – the program needed funding. Circadian had attempted to raise capital selling a mixed portfolio approach – the market would not buy the story. The consistent feedback was that there was greater appetite for investment in ophthalmology and a simple story and less for our oncology and diagnostic assets such as CUP.

Another tough decision had to be made. Despite the very significant investment of millions of dollars in the pre-clinical development of the oncology assets, we had to make a choice.

The board unanimously determined that ophthalmology would be the core focus and that all other parts of the business, including oncology would be required to be defined and treated as non-core assets.

Bell Potter was appointed in late 2014 with a single focus story – ophthalmology - and we successfully raised \$17.4m. The only disappointing element of this great story was that of the limit of capital that could be raised domestically.

Our preference was to ensure that all shareholders, especially those long standing shareholders, were able to participate in a Rights Issue, and that the Placement build would start in Australia seeking a cornerstone investor. This support was not forthcoming in Australia so we were forced to seek this from the US, Europe and Israel.

It is worth noting that our largest shareholder (by far) is a US shareholder and our second largest shareholder is a US shareholder.

(3) The appointment of Directors to the company has been an area of contention. On the one hand we had some shareholders who conveyed their view that the board should be kept to a minimum pending the Phase 1 Trial results whereas on the other hand other shareholders conveyed their view that they sought the appointment of a substantially larger board immediately.

The existing board chose to be prudent and had been contemplating and pursuing board renewal for more than 18 months commencing with the appointment of Dr Russell Howard. In 2015 I had indicated to the non-executive Directors that I would not re-nominate as I thought that after 10 years as Chair of Circadian the board should consider the appointment of a new Chairman. My view was that the replacement Chairman should be appointed to the board so that there would be an orderly transition from the end of today's AGM following my retirement. That Chairman would then be in a position to determine and positively address the recomposition of the board in light of the outcome of the Phase 1 Trial results in early 2016.

I reluctantly nominated to facilitate more time to reach agreement both as to the board renewal process and personnel. As this has proven impossible today I have withdrawn my nomination for re-election and will retire at the end of this AGM. Tina McMeckan and Russell Howard have also determined to resign effective from the end of the AGM.

At our board meeting this morning two persons were appointed effective at the end of the AGM.

Accordingly, from today the board will be comprised of:

Mr Geoffrey Kempler, Executive Chairman of Prana Biotechnologies and Mr Michael Sistenich Head of Corporate Development at Nohla Therapeutics Inc (who you will recall until very recently was an employee of Bell Potter and assisted Circadian in the capital raise) and Dr Megan Baldwin as CEO and Managing Director.

I have asked Mr Kempler and he has agreed to be Acting Chairman effective as of the end of the AGM until such time as the new Board can meet and determine the selection of Chairman.

As this is my last AGM indeed my last meeting of Circadian I wish to recognise and thank a number of people.

I take great satisfaction from the facts that, in my time as Chair of Circadian the Board has always upheld and applied the highest standards of integrity and corporate governance and there has never been an instance in which my fellow non-executive Directors have done anything other than to work hard and diligently with the benefit of all shareholders as their sole focus. I want to take this opportunity to especially thank Tina and Russell for their attention to detail and their selfless dedication to advancing the success of the company.

I can only hope that the outstanding quality of my colleagues will always be available to the company's shareholders and that shareholders will positively hold the new Board and management to those values.

To the Executive Team - Mike Tonroe as Company Secretary and CFO, Mike has been a pillar of strength and guidance and a strong pair of safe hands. Richard Chadwick, Head of Intellectual Property, Ian Leitch, Director of Clinical Research; Mike Gerometta Head of CMC Development, Melinda Lowe, Project Manager, Angus Tester, Senior Research Scientist and Naomi Woodman make up the small but dedicated team led by Megan Baldwin. A very big thank you also to Annie Lee also for her important contribution in her role as Finance and Operations Manager.

To Minters – in particular Don Clarke (who himself was a dedicated Director of Circadian for a number of years), James Hutton and Renee Doyle thank you for all your wise counsel; and to Anton Whitehead of Bell Potter for taking us on and recognising the opportunity in Circadian. And to Sam Vorweg and the team at Deloitte who have been exemplary in their role as the company's Auditor.

Finally, thank you - to you – our shareholders – for your patience and belief in our company.

The CEO Presentation has been tabled this year and copies of it are available at the back of the room and of course on the ASX website and the Circadian website.

If you have any questions please do not hesitate to ask Megan Baldwin after the completion of the meeting.

Dominique Fisher
Chairman

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About Circadian Technologies Limited

Circadian (ASX:CIR; OTCQX:CKDXY) is a biologics drug developer focusing on ophthalmic disease therapies. It controls exclusive worldwide rights to a significant intellectual property portfolio around Vascular Endothelial Growth Factor (VEGF)-C, VEGF-D and VEGFR-3. The applications for the VEGF technology, which functions in regulating blood and lymphatic vessel growth, are substantial and broad. Circadian's internal product development programs are primarily focused on developing OPT-302 (formerly VGX-300, soluble VEGFR-3) for 'back of the eye' disease such as wet age-related macular degeneration (wet AMD).

Inherent risks of Investment in Biotechnology Companies

There are a number of inherent risks associated with the development of pharmaceutical products to a marketable stage. The lengthy clinical trial process is designed to assess the safety and efficacy of a drug prior to commercialisation and a significant proportion of drugs fail one or both of these criteria. Other risks include uncertainty of patent protection and proprietary rights, whether patent applications and issued patents will offer adequate protection to enable product development, the obtaining of necessary drug regulatory authority approvals and difficulties caused by the rapid advancements in technology. Companies such as Circadian are dependent on the success of their research and development projects and on the ability to attract funding to support these activities. Investment in research and development projects cannot be assessed on the same fundamentals as trading and manufacturing enterprises. Thus investment in companies specialising in drug development must be regarded as highly speculative. Circadian strongly recommends that professional investment advice be sought prior to such investments.

Forward-looking statements

Certain statements in this ASX announcement may contain forward-looking statements regarding Company business and the therapeutic and commercial potential of its technologies and products in development. Any statement describing Company goals, expectations, intentions or beliefs is a forward-looking statement and should be considered an at-risk statement. Such statements are subject to certain risks and uncertainties, particularly those risks or uncertainties inherent in the process of developing technology and in the process of discovering, developing and commercialising drugs that can be proven to be safe and effective for use as human therapeutics, and in the endeavour of building a business around such products and services. Circadian undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise. Actual results could differ materially from those discussed in this ASX announcement.

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