



SciGen Limited
ARBN 101 318 852

Notice of Annual General Meeting

NOTICE OF THE ANNUAL GENERAL MEETING TO BE HELD AT 9.30 A.M. SINGAPORE TIME (12.30 P.M. AEST) AT 152 BEACH ROAD, #26-05/08 GATEWAY EAST, SINGAPORE 189721 ON 1 JUNE 2007.

- (i) TO BE VALID PROXY FORMS – FOR CUFS – FOR USE AT THIS MEETING MUST BE COMPLETED AND RETURNED TO THE COMPANY'S SHARE REGISTRY, COMPUTERSHARE INVESTOR SERVICES PTY LIMITED NO LATER THAN 5.00 P.M. SINGAPORE TIME (8.00 P.M. AEST) ON 25 MAY 2007 FOR SHAREHOLDERS.

- (ii) TO BE VALID PROXY FORMS – FOR SHARES – FOR USE AT THIS MEETING MUST BE COMPLETED AND RETURNED TO THE COMPANY'S SHARE REGISTRY, COMPUTERSHARE INVESTOR SERVICES PTY LIMITED NO LATER THAN 9.30 A.M. SINGAPORE TIME (12.30 P.M. AEST) ON 30 MAY 2007 FOR SHAREHOLDERS.

Notice is hereby given that the Annual General Meeting of the Shareholders of SciGen Ltd ARBN 101 318 852 (the “**Company**”) will be held at 152 Beach Road, #26-05/08 Gateway East, Singapore 189721 on 1 June 2007 at 9.30 a.m. Singapore time (12.30 p.m. AEST) to transact the following business:

BUSINESS**1. Adoption of the Audited Accounts – 31 December 2006**

To consider and, if thought fit, pass the following ordinary resolution:

Resolution 1:

That the audited accounts of the Company and the Company’s controlled entities including the reports of the Directors and of the Auditors for the half year ended 31 December 2006 be approved and adopted by the Shareholders.

2. Retirement and Appointment of Directors

To consider and, if thought fit, pass the following ordinary resolutions:

Resolution 2:

- (1) That Mr Ryszard Krauze who retires from his office as a Director by rotation in accordance with Article 6.1(f) of the Company’s Constitution and ASX Listing Rule 14.4 and, being eligible, offers himself for re-election, is re-elected as a Director.

Resolution 3:

- (2) That Mr Kenneth Gross who retires from his office as a Director in accordance with Section 153(6) of the Companies (Amendment) Act 2004 of the Republic of Singapore and, being eligible, offers himself for re-election, is re-elected as a Director.

Resolution 4:

- (3) That Mr Paul Freiman who retires from his office as a Director in accordance with Section 153(6) of the Companies (Amendment) Act 2004 of the Republic of Singapore and, being eligible, offers himself for re-election, is re-elected as a Director.

Resolution 5:

- (4) That Mr Saul Mashaal who retires from his office as a Director in accordance with Section 153(6) of the Companies (Amendment) Act 2004 of the Republic of Singapore and, being eligible, offers himself for re-election, is re-elected as a Director.

3. Re-Appointment of Auditors - KPMG

Resolution 6:

To consider and, if thought fit, pass the following ordinary resolution:

That, in accordance with Section 205(2) of the Companies Act (Cap. 50) of the Republic of Singapore, KPMG is reappointed as the auditors of the Company and that the Directors be authorised to fix the auditor's remuneration.

4. Directors Remuneration – 31 December 2006

Resolution 7:

To consider and, if thought fit, pass the following ordinary resolution:

That in accordance with Article 6.3(a) of the Constitution, the remuneration of the Directors for the half year ended 31 December 2006 as shown in the Audited Accounts referred to in Resolution 1 is approved.

5. Authority to Allot and Issue shares

Resolution 8:

To consider and, if thought fit, pass the following ordinary resolution:

That pursuant to Section 161 of the Companies (Amendment) Act 2004 of the Republic of Singapore, the Directors be and are hereby authorised, subject to the unanimous approval of the Board, to allot and issue shares or any other form of security in the capital of the Company to any person on such terms and conditions and with such rights or restrictions and for such purposes as the Directors may, in their absolute discretion, think fit, and that such authority, unless revoked or varied by the Shareholders in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting is required by law to be held, whichever is the earlier to occur.

6. Issue and Allotment of Options

To consider and, if thought fit, pass the following ordinary resolution:

Resolution 9:

- (1) That for the purposes of ASX Listing Rule 10.11 and for all other purposes, the grant to Mr Paul Freiman of 1,000,000 options to subscribe for shares in the Company, on the terms set out in the Explanatory Statement, be approved.

Resolution 10:

- (2) That for the purposes of ASX Listing Rule 10.11 and for all other purposes, the grant to Mr Kenneth Gross of 1,000,000 options to subscribe for shares in the Company, on the terms set out in the Explanatory Statement, be approved.

Resolution 11:

- (3) That for the purposes of ASX Listing Rule 10.11 and for all other purposes, the grant to Mr Ryszard K Krauze of 1,000,000 options to subscribe for shares in the Company, on the terms set out in the Explanatory Statement, be approved.

Resolution 12:

- (4) That for the purposes of ASX Listing Rule 10.11 and for all other purposes, the grant to Mr Adam Wilczega of 1,000,000 options to subscribe for shares in the Company, on the terms set out in the Explanatory Statement, be approved.

Resolution 13:

- (5) That for the purposes of ASX Listing Rule 10.11 and for all other purposes, the grant to Dr Marian Gorecki of 1,000,000 options to subscribe for shares in the Company, on the terms set out in the Explanatory Statement, be approved.

Resolution 14:

- (6) That for the purposes of ASX Listing Rule 10.11 and for all other purposes, the grant to Mr David Mashaal of 5,000,000 options to subscribe for shares in the Company, on the terms set out in the Explanatory Statement, be approved.

7. Approval of Employee Share Option Plan

Resolution 15:

To consider and, if thought fit, pass the following ordinary resolution:

That for the purposes of ASX Listing Rule 7.2 Exception 9(b) and for all other purposes, the issue of securities under the terms of the Employee Share Option Plan (**ESOP**) and the terms of the ESOP, as detailed in the Explanatory Statement, are approved.

8. Other Business

To consider any other business that may be properly brought before the meeting in accordance with the Company's Constitution.

Definitions

All capitalised terms used in this Notice of Annual General Meeting, unless the context otherwise requires, have the meaning set out in the Glossary of this Notice of Annual General Meeting.

By order of the board

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the end.

Director

Dated: 28 April 2007

Shareholders are encouraged to attend and vote at the Meeting. If a Shareholder is unable or does not wish to attend, the Directors urge the Shareholder to vote or direct voting by completing and returning the enclosed Proxy Form.

A CUFS holder is entitled to direct voting of the underlying Shares but cannot vote personally at the Meeting unless the CUFS holder converts the CUFS into underlying Shares in sufficient time before the Meeting. A CUFS holder may direct the depository nominee, CHES Depositary Nominees Pty Limited (ACN 071 346 506) (**CDN**), on how it should vote with respect to the Resolutions by completing and returning the enclosed CUFS Voting Instruction Form.

1. Shareholders

1.1 Right to appoint: Each Shareholder entitled to vote at the Meeting has the right to appoint a proxy to attend and vote for the Shareholder at the Meeting. To appoint a proxy, use the Proxy Form sent out with this Notice.

A proxy or attorney is not entitled to vote while the Shareholder appointing them is present at the meeting.

1.2 Who may be a proxy: A Shareholder can appoint anyone to be their proxy. A proxy need not be a Shareholder. The proxy appointed can be described in the Proxy Form by an office held eg. "*Chair of the Meeting*".

1.3 Two proxies: A Shareholder, who is entitled to 2 or more votes at the Meeting, may appoint 2 proxies. Where 2 proxies are appointed:

- (1) a separate Proxy Form should be used to appoint each proxy; and
- (2) the Proxy Form may specify the proportion, or the number, of votes that each proxy may exercise, and if it does not do so each proxy may exercise half of the votes.

1.4 Signature(s) of individuals: In the case of Shareholders who are individuals, the Proxy Form must be signed if the Shares are held:

- (1) by one person, by that Shareholder; or
- (2) in joint names, by any one of them.

1.5 Signatures on behalf of companies: In the case of Shareholders which are companies, the Proxy Form must be signed:

- (1) if it has a sole director who is also sole secretary, by that director (and stating that fact next to or under the signature on the Proxy Form); or
- (2) in the case of any other company, by 2 directors or by a director and secretary.

The use of the common seal of the company on the Proxy Form is optional.

1.6 **Lodgement place and deadline:** Proxy Forms must be received with the original or a certified copy of the authority under which the Proxy Form is signed (if the Proxy Form is signed by an attorney or other representative):

(1) by post or facsimile to the Company's Share Registry at:

- (i) Computershare Investor Services Pty Limited
GPO Box 1326
Adelaide SA 5001
Australia
Fax: +61 8 8236 2305

OR

- (ii) Computershare Investor Services Pty Limited
Level 5, 115 Grenfell Street
Adelaide SA 5000
Australia

OR

(2) by delivery to the Principal Registered Office of the Company in Australia being:

- Suite 1, 13B Narabang Way
Belrose
New South Wales 2085
Australia
Attention: Company Secretary

by no later than 9.30 am Singapore time (12.30 pm AEST) on 30 May 2007.

2. **CUFS holders**

2.1 **General:** Each CUFS holder is not entitled to attend and personally vote on a show of hands at the Meeting. However, the CUFS holder may direct CDN on how it should vote with respect to the Resolutions. The Company is required to provide to all CUFS holders with the Notice of the Annual General Meeting which includes a CUFS Voting Instruction Form permitting the CUFS holder to direct CDN to cast proxy votes in the manner directed by the CUFS holder.

The Company will permit CUFS holders to attend the Meeting as a visitor.

2.2 **Right to appoint:** Each CUFS holder has the right to direct CDN on how to vote for the CUFS holder at the Meeting. To direct CDN as to how to vote on the Resolutions, a CUFS holder must duly complete and lodge the CUFS Voting Instruction Form sent out with this Notice.

CDN will vote in accordance with the duly completed and lodged CUFS Voting Instruction Form, even if any CUFS holder appointing it is present at the Meeting as a visitor.

2.3 **Who may be appointed:** A CUFS holder can only direct CDN on how to vote on the Resolutions.

2.4 **Signature(s) of individuals:** In the case of CUFS holders who are individuals, the CUFS Voting Instruction Form must be signed if the CUFS are held:

- (1) by one person, by that CUFS holder; or
- (2) in joint names, by any one of them.

2.5 **Signatures on behalf of companies:** In the case of CUFS holders which are companies, the CUFS Voting Instruction Form must be signed:

- (1) if it has a sole director who is also sole secretary, by that director (and stating that fact next to or under the signature on the Proxy Form); or
- (2) in the case of any other company, by 2 directors or by a director and secretary.

The use of the common seal of the company on the CUFS Voting Instruction Form is optional.

2.6 **Lodgement place and deadline:** Duly completed and signed CUFS Voting Instruction Forms must be received with the original or a certified copy of the authority under which the CUFS Voting Instruction Form is signed (if the CUFS Voting Instruction Form is signed by an attorney or other representative):

(1) by post, delivery or facsimile to the Company's Share Registry at:

- (i) Computershare Investor Services Pty Limited
GPO Box 1326
Adelaide South Australia 5001, Australia
Fax: +61 8 8236 2305

OR

- (ii) Computershare Investor Services Pty Limited
Level 5, 115 Grenfell Street
Adelaide SA 5000
Australia

OR

(2) by delivery to the Principal Registered Office of the Company in Australia being:

Suite 1, 13B Narabang Way
Belrose
New South Wales 2085
Australia

Attention: Company Secretary

by no later than 5.00 pm Singapore time (8.00 pm AEST) on 25 May 2007.

NB: To all CUFS holders:

To obtain a free copy of CHESSE Depository Nominees' Financial Services Guide, or any Supplementary Financial Services Guide, go to www.asx.com.au/cdis or phone 1300 300 2790 to have one sent to you.

3. Corporate Representatives

- 3.1 A body corporate may appoint an individual to act as its representative to exercise any of the powers the body may exercise at meetings of a company's shareholders. Unless otherwise stated, the corporate representative may exercise all of the powers the appointing body can exercise. The certificate evidencing the appointment of a corporate representative (or a photocopy or facsimile of it) must be received by the Company at Suite 1, 13B Narabang Way, Belrose, New South Wales 2085 or by facsimile on +61 2 9234 1777 by no later than 5.00 pm Singapore time (8.00 pm AEST) on 30 May 2007 or produced when registering at the Meeting.

4. Determination of Voting Entitlements

- 4.1 The Company has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the Register of Shareholders at 5.00 pm Singapore time (8.00 pm AEST) on 30 May 2007.

5. Voting Exclusion

- 5.1 In accordance with the ASX Listing Rules, the Company will disregard a vote on:

- (1) Resolution 7 by any director of the Company and any of his associates;
- (2) Resolution 9 by or on behalf of Mr Paul Freiman and any of his associates;
- (3) Resolution 10 by or on behalf of Mr Kenneth Gross and any of his associates;
- (4) Resolution 11 by or on behalf of Mr Ryszard K Krauze and any of his associates;
- (5) Resolution 12 by or on behalf of Mr Adam Wilczega and any of his associates;
- (6) Resolution 13 by or on behalf of Dr Marian Gorecki and any of his associates;
- (7) Resolution 14 by or on behalf of Mr David Mashaal and any of his associates; and
- (8) Resolution 15 by any director of the Company and any of his associates;

- 5.2 However, the Company need not disregard a vote if:

- (1) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (2) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

1. Introduction

- 1.1 This Section 3 is included in, and forms part of, the Notice of Annual General Meeting dated 28 April 2007 and should be read together with the Notice of Annual General Meeting.
- 1.2 This explanatory statement contains an explanation of, and information on, the Resolutions to be put to Shareholders and considered at the Annual General Meeting set out in the accompanying Notice of Annual General Meeting to assist Shareholders on their decision on how they wish to vote on the Resolutions.
- 1.3 Shareholders should read this explanatory statement in full together with the accompanying Notice of Annual General Meeting.
- 1.4 If you are in doubt about the action you should or should not take in relation to the Resolutions, you should consult your financial or other professional adviser.
- 1.5 Words and expressions used in the Notice of Annual General Meeting and in this explanatory statement are defined in the Glossary.

2. Resolution 1 - Adoption of Audited Accounts – 31 December 2006

- 2.1 The audited accounts of the Company and the Company's controlled entities, including the reports of the Directors and of the Auditors for the half year ended 31 December 2006 are to be tabled at the meeting.
- 2.2 Resolution 1 is for Shareholders to formally approve and adopt these financial statements and reports.

3. Resolution 2 – Re-election of Mr Ryszard Krauze

- 3.1 Article 6.1(f) of the Constitution requires that at each annual general meeting of the Company, one third of the Directors for the time being must retire from office. The managing director and directors appointed to fill casual vacancies or appointed as additional Directors (holding office until the next annual general meeting) are not to be taken into account.
- 3.2 Article 6.1(i) of the Constitution provides that retiring Directors are eligible for re-election.
- 3.3 In accordance with Article 6.1(f) of the Constitution, Mr Ryszard Krauze retires from office and, being eligible, offers himself for re-election as a Director.

3.4 Mr Ryszard Krauze is the Chairman of the Supervisory Board of Bioton S.A., SciGen's strategic partner, a Polish company being one of the largest biotechnological companies in Central and Eastern Europe and one of the few producers of recombinant human insulin in the world. Bioton is listed in the Warsaw Stock Exchange and Mr Krauze, through his company "Prokom Investments", is the main shareholder in Bioton. Mr Krauze is also the founder, key shareholder and president of Prokom Software, the largest IT group in Central and Eastern Europe employing over 4,300 people. Ten years after its establishment in 1987, Prokom Software became the first Polish IT Company to be launched on the London and the Warsaw Stock Exchanges. Today, the Prokom Software Group comprises fifteen companies, all leaders in their respective IT fields on the Polish market. Mr Krauze is also the president and owner of Prokom Investments. The business activity of this company is essentially modelled on a private equity fund with a portfolio in a wide range of strategic sectors, as well as significant real estate holdings. Prokom Investments carries out in Poland's capital city Warsaw, the most modern, unique and large-scale construction project in Central Europe with total value exceeding USD1.3 billion.

Mr Krauze is the vice president of the Confederation of Polish Employers, and since 1994 serves as the honorary Consul for the Republic of Austria. He is also a member of Supervisory Boards of many enterprises within the Prokom Software and the Prokom Investments capital groups.

Mr Krauze is also the initiator and founder of the ATP International Tennis Tournament Idea Prokom Open in Poland and the owner of Poland's master basketball team Prokom Trefl Sopot.

3.5 *The Board (other than Mr Krauze) recommends that shareholders vote in favour of Resolution 2.*

4. Resolution 3 – Re-election of Mr Kenneth Gross

4.1 Under Section 153(2) of the Companies Act, the office of Director occupied by Mr Kenneth Gross becomes vacant at the conclusion of the annual general meeting commencing next after he attains the age of 70 years.

4.2 Mr Gross (CPA, MBA) is currently 77 years of age. Pursuant to Section 153(6) of the Companies Act, Mr Gross may, by an ordinary resolution passed at an annual general meeting of the Company, be re-appointed as a Director. Article 6.1(i) of the Constitution renders Mr Gross eligible for re-election.

4.3 Accordingly, Mr Gross retires as a Director and, being eligible, offers himself for re-election as a Director.

4.4 Mr Gross co-founded Goldmark Plastic Compounds in 1957. That company has since become a major distributor of plastic raw materials within the United States. In addition, Mr Gross holds a number of directorships in various companies involved in chemicals, metals, engineering resins and lubricating oils. Mr Gross is also presently the Chairman and Chief Executive Officer of Goldmark Plastics Inc.

4.5 *The Board (other than Mr Gross) recommends that shareholders vote in favour of Resolution 3.*

5. Resolution 4 – Re-election of Mr Paul Freiman

- 5.1 Under Section 153(2) of the Companies Act, the office of Director occupied by Mr Paul Freiman becomes vacant at the conclusion of the annual general meeting commencing next after he attains the age of 70 years.
- 5.2 Mr Freiman is currently 72 years of age. Pursuant to Section 153(6) of the Companies Act, Mr Freiman may, by an ordinary resolution passed at an annual general meeting of the Company, be re-appointed as a Director. Article 6.1(i) of the Constitution renders Mr Freiman eligible for re-election.
- 5.3 Accordingly, Mr Freiman retires as a Director and, being eligible, offers himself for re-election as a Director.
- 5.4 Mr Freiman joined NTI as a director and was subsequently appointed President and Chief Executive. He is the former chairman and chief executive officer of Syntex Corporation, where he had a long and successful career and was instrumental in the sale of Syntex's lead product, Naprosyn, and was responsible for moving the product to over-the-counter status, marketed by Proctor & Gamble as Aleve.

Mr. Freiman currently serves as Chairman of the board of Penwest Pharmaceutical Co. He serves on the boards of Calypte Biomedical Corporation, NeoPharm Inc., Novabay Pharmaceuticals, Otsuka America Pharmaceuticals, Inc. and SciGen Ltd. He has also been chairman of the Pharmaceutical Manufacturers Association of America (PhRMA) and has also chaired a number of key PhARMA committees. Mr. Freiman is also an advisor to Burrill & Com., a San Francisco merchant bank. Mr. Freiman holds a B.S. degree from Fordham University and an honorary doctorate from the Arnold & Marie Schwartz College of Pharmacy.

- 5.5 *The Board (other than Mr Freiman) recommends that shareholders vote in favour of Resolution 4.*

6. Resolution 5 – Re-election of Mr Saul Mashaal

- 6.1 Under Section 153(2) of the Companies Act, the office of Director occupied by Mr Saul Mashaal becomes vacant at the conclusion of the annual general meeting commencing next after he attains the age of 70 years.
- 6.2 Mr Mashaal is currently 71 years of age. Pursuant to Section 153(6) of the Companies Act, Mr Mashaal may, by an ordinary resolution passed at an annual general meeting of the Company, be re-appointed as a Director. Article 6.1(i) of the Constitution renders Mr Mashaal eligible for re-election.
- 6.3 Accordingly, Mr Mashaal retires as a Director and, being eligible, offers himself for re-election as a Director.

- 6.4 Mr Mashaal is the Chairman, Founder & Chief Executive Officer of SciGen Ltd. A graduate in Pharmacy from the University of Paris (Sorbonne) with a Master Degree in Business Administration from Windsor University. Mr Mashaal has more than 40 years experience in the pharmaceutical industry first in product management with Syntex Corporation (Now Roche) and with 3M Health & Sciences Sector where he had a long and successful career in Clinical Research, International Business Development and in the management of subsidiary companies.

He founded SciGen (formerly SciTech Genetics) in 1998 where he remained as the CEO until September 2001 and reappointed in June 2005.

- 6.5 *The Board (other than Mr Mashaal) recommends that shareholders vote in favour of Resolution 5.*

7. Resolution 6 – Re-Appointment of Auditors

- 7.1 Pursuant to Section 205(2) of the Companies Act, the Company must at each annual general meeting appoint a person or persons to be auditor or auditors of the Company, and any auditor or auditors so appointed must hold office until the conclusion of the next general meeting.

- 7.2 Consequently, KPMG offers itself for re-appointment as the auditors of the Company.

- 7.3 Pursuant to Section 205(16)(a) of the Companies Act, the remuneration of an auditor appointed by the Company at an annual general meeting shall be fixed by the Company in the annual general meeting or, if so authorised by the members at the last preceding annual general meeting, by the directors.

- 7.4 Consequently, the directors can be authorised by the shareholders to fix the remuneration of the auditors for the following year ending 31 December 2007.

- 7.5 *The Board recommends that shareholders vote in favour of Resolution 6.*

8. Resolution 7 – Directors Remuneration – 31 December 2006

- 8.1 Article 6.3(a) of the Constitution provides that each Director is entitled to remuneration out of the funds of the Company as the Directors determine and as approved by the Company in a general meeting.

- 8.2 *The Directors and their associates are excluded from voting on Resolution 7. Accordingly, the Directors make no recommendation in relation to Resolution 7.*

9. Resolution 8 – Authority to Allot and Issue Shares

- 9.1 Under Section 161 of the Companies (Amendment) Act 2004, Singapore, the Directors must seek authority to allot and issue shares or any other form of security in the capital of the Company from the Shareholders.

- 9.2 Resolution 8 will enable the Directors, subject to the unanimous approval of the Board, to allot and issues shares in the capital of the Company as they see fit.

9.3 The allotment and issue of shares in the Company remains subject to applicable requirements under the ASX Listing Rules.

9.4 *The Board recommends that shareholders vote in favour of Resolution 8.*

10. Resolutions 9, 10, 11, 12, 13 and 14 – Issue and Allotment of Options to Messrs P Freiman, K Gross, R Krauze, A Wilczega, M Gorecki and D Mashaal

10.1 Shareholder approval is sought for the grant of Options to each of the Allottees as set out below:

Name	Capacity	Options
Paul Freiman	Non-Executive Director	1,000,000
Kenneth Gross	Non-Executive Director	1,000,000
Ryszard Krauze	Non-Executive Vice-Chairman	1,000,000
Adam Wilczega	Non-Executive Director	1,000,000
Marian Gorecki	Non-Executive Director	1,000,000
David Mashaal	Employee (Related Party)	5,000,000

10.2 Mr David Mashaal is the son of Mr Saul Mashaal, Director, and is therefore considered a related party of the Company for the purposes of the ASX Listing Rules. Under ASX Listing Rule 10.11, the Company must not issue Shares to a related party without shareholder approval.

10.3 The Directors consider the New Options will provide an incentive to the Allottees to improve the Company's performance.

10.4 The New Options will be issued for nil consideration and no funds will be raised from the issue of the New Options. If the New Options are exercised, the funds raised will be used for working capital purposes.

10.5 If Resolutions 9, 10, 11, 12, 13 and 14 are passed, the New Options will be issued within 30 days after the date of the Meeting and approval will not be required under ASX Listing Rule 7.1 to exempt the New Options from counting towards the 15% of the issued capital of the Company that can be issued in any 12 month period without shareholder approval.

10.6 The terms of the New Options are summarised below:

- (1) Each New Option entitles the holder to subscribe for and be allotted, credited as fully paid, one Share at the exercise price.
- (2) The exercise price of the New Options will be \$0.075 per D Mashaal Option or Non-Executive Option (as the case may be).

- (3) The New Options will expire:
- (a) on the tenth anniversary of their issue in relation to the D Mashaal Options; and
 - (b) on the fourth anniversary of their issue in relation to the Non-Executive Options;
- or subject to limited exceptions, earlier upon the occurrence of a cessation event such as termination of employment or ceasing to be a director;
- (4) The Non-Executive Options may be exercised in the following tranches:
- (a) 33% of the number of New Options granted will be exercisable on or after the first anniversary of their issue;
 - (b) 33% of the New Options granted will be exercisable on or after the second anniversary of their issue; and
 - (c) 34% of the New Options will be exercisable on or after the third anniversary of their issue;
- (5) The D Mashaal Options are exercisable on issue;
- (6) The holder of a New Option cannot participate in new issues without exercising the New Option;
- (7) If the Company makes a bonus issue of Shares or other securities pro rata to shareholders, the number of Shares which the holder is entitled to receive on exercise of a New Option will be increased by the number of Shares the holder would have received if the New Option had been exercised before the record date for the bonus issue;
- (8) In the event of any reconstruction of the issued capital of the Company, the entitlement to Shares attaching to each New Option will be reconstructed in the same proportion as the issued ordinary capital of the Company is reconstructed;
- (9) The New Options will not be quoted on or by the ASX.

10.7 *Each Director is excluded from voting on the Resolution approving the issue of New Options to him. Each Director recommends that shareholders vote in favour of Resolutions 9,10, 11, 12, 13 and 14 but makes no recommendation in relation to any of those Resolutions from which he is excluded from voting on.*

11. Resolution 15 – Approval of Employee Share Option Plan

- 11.1 The Company proposes to adopt a new Employee Share Option Plan (**ESOP**) pursuant to which it will issue options to subscribe for Shares to employees, in order to provide them with an incentive to perform. A summary of the terms of the ESOP is set out in Schedule 1.
- 11.2 The ESOP will form an important part of a comprehensive remuneration strategy for the Company's employees, aligning their interests with those of shareholders by linking their rewards to the long term success of the Company and its financial performance.

Shareholder approval is sought for the issue of the securities to eligible employees of the Company under the ESOP for the purposes of Exception 9(b) of ASX Listing Rule 7.2. If approval is given, securities issued under the ESOP will be exempt from counting towards the 15% of the issued capital of the Company that can be issued in any 12 month period without shareholder approval under ASX Listing Rule 7.1.

- 11.3 As at the date of the Meeting, no securities will have been issued under the ESOP. The Company will cease to issue options under its existing Employee Share Option Plan.
- 11.4 Copies of the rules of the ESOP are available for inspection at the Company's registered office during business hours, or may be obtained free of charge from the Company at Suite 1, 13B Narabang Way, Belrose, NSW 2085.
- 11.5 *The Directors and their associates are excluded from voting on Resolution 14. Accordingly, the Directors make no recommendation in relation to Resolution 14.*

1. Definitions

- (1) **AEST** means Australian Eastern Standard Time;
- (2) **ASX** means the Australian Stock Exchange Limited ABN 98 008 624 691;
- (3) **ASX Listing Rules** means the listing rules of the ASX, as amended from time to time;
- (4) **Board** means the board of Directors;
- (5) **CDN** means CHESS Depository Nominees Pty Ltd ACN 071 346 506;
- (6) **Company** means SciGen Ltd ARBN 101 318 852;
- (7) **Companies Act** means the Companies Act (Cap. 50) of the Republic of Singapore;
- (8) **Constitution** means the Articles of Association of the Company, as amended from time to time;
- (9) **CUFS** means CHESS Units of Foreign Securities each of which represents a beneficial holding of an underlying Share;
- (10) **CUFS holder** means a holder of CUFS;
- (11) **CUFS Voting Instruction Form** means the form entitled “CDI Voting Instruction Form” which accompanies this Notice permitting a CUFS holder to direct CDN to cast votes in the manner directed by the CUFS holder;
- (12) **Director** means a director of the Company;
- (13) **D Mashaal Options** means the Options proposed to be issued to Mr David Mashaal;
- (14) **Meeting** means the annual general meeting being convened by the Directors and pursuant to the Notice of Annual General Meeting;
- (15) **New Options** means the Non-Executive Options and the D Mashaal Options;
- (16) **Non-Executive Options** means the Options proposed to be issued to Mr Paul Freiman, Mr Kenneth Gross, Mr Ryszard Krauze, Mr Adam Wilczega and Dr Marian Gorecki;

- (17) **Notice of Annual General Meeting or Notice** means the notice of annual general meeting of the Shareholders dated 28 April 2007;
- (18) **Options** means options to subscribe for Shares;
- (19) **Proxy Form** means the form entitled "Proxy Form" which accompanies this Notice;
- (20) **Resolutions** means the resolutions set out in the Notice of Annual General Meeting and **Resolution** means any one of them;
- (21) **Share** means a fully paid ordinary share in the capital of the Company; and
- (22) **Shareholder** means a holder of a Share.

2. Interpretation

In the Notice of Annual General Meeting and accompanying documents, unless the context otherwise requires:

- (1) Reference to:
- (a) one gender includes the others;
 - (b) the singular includes the plural and the plural includes the singular;
 - (c) a person includes a body corporate;
 - (d) a statute, regulation or provision of a statute or regulation (**Statutory Provision**) includes:
 - (i) that Statutory Provision as amended or re-enacted;
 - (ii) a statute, regulation or provision enacted in replacement of that Statutory Provision; and
 - (iii) another regulation or other statutory instrument made or issued under that Statutory Provision; and
 - (e) money is to Australian dollars, unless otherwise stated.
- (2) "Including" and similar expressions are not words of limitation.
- (3) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.
- (4) Headings and any table of contents or index are for convenience only and do not affect interpretation.

Schedule 1

Summary of Employee Share Option Plan

The Options will have the following terms:

- (5) the Board may, subject to the unanimous approval of the Board, from time to time, determine who is entitled to participate in the ESOP;
- (6) the Board may, in its absolute discretion, impose performance hurdles on the exercise of Options by an optionholder;
- (7) Options issued pursuant to the ESOP shall be issued for nil consideration;
- (8) each Option entitles the registered holder to subscribe for and be allotted 1 fully paid ordinary share in the capital of the Company;
- (9) the Options are not transferable;
- (10) the exercise price of each Option will be such amount as determined by the Board;
- (11) the Company will make an application to ASX for quotation of the Shares issued upon the exercise of an Option within 10 Business Days after issue of those Shares;
- (12) all shares issued upon exercise of the Options will rank pari passu in all respects with the Company's then existing ordinary shares;
- (13) the holder of an Option cannot participate in new issues without exercising the Option;
- (14) if from time to time or prior to the expiry of the Options the Company makes a pro rata offer of shares to the holders of Shares by way of a capitalisation of profits or reserves (**Bonus Offer**), then upon exercise of their Options, an Optionholder will be entitled to have issued to them (in addition to the shares which would otherwise be issued to them upon such exercise) the number of shares of the class which would have been issued to them under that Bonus Offer (**Bonus Shares**) if on the record date for the Bonus Offer they had been registered as the holder of the number of shares of which they would have been registered as holder, if immediately prior to that date, they had duly exercised their Options and the shares the subject of such exercise had been duly allotted and issued to them. The Bonus Shares will be paid up by the Company out of profits or reserves (as the case may be) in the same manner as was applied in relation to the Bonus Offer; and
- (15) in the event of any reorganisation of capital of the Company on or prior to the expiry of the Options, the rights of an Optionholder will be changed to the extent necessary to comply with the applicable ASX Listing Rules in force at the time of the reorganisation.