

AFSL: 247 404

22nd March 2010

(02) 9222 9111

Anthony Hargreaves

Corporate Advisor

ahargreaves@mpsecurities.com.au

COMPANY DETAILS

PO Box 4435

Manuka, ACT 2603

Email: tim.hirst@auslicense.com

Source: AusLicense

BOARD AND MANAGEMENT

Mr Ian Mutton	Non-Exec. Chairman
Prof. Tim Hirst	Managing Director
Dr Matt Harris	Executive Director
Mr Tony Romagnino	Executive Director
Dr Jeremy Chrisp	Executive Director

Source: AusLicense

ADVISORS

Mr Rob McInnes	Spruson & Ferguson
Mr Philip Mendes	Innovation Law
Anne-Marie Perret	Ernst & Young
Mr Uwe Boettcher	Boettcher Law

Source: AusLicense

Did you know?

For every US\$100 million spent by Australian universities and research agencies*:

- 13 license deals are executed
- only 1 spin-off company is formed

Did you know?

License deals are the big “unsung” opportunity for value creation?

Did you know?

As a private investor it is impossible to invest in this asset class.

You need to know?

That AusLicense intends to change this.

*Source: Commercialisation Metrics Report, 2005-2007, (2008) Knowledge Commercialisation Australia, Inc

Source: AusLicense

AusLicense Ltd

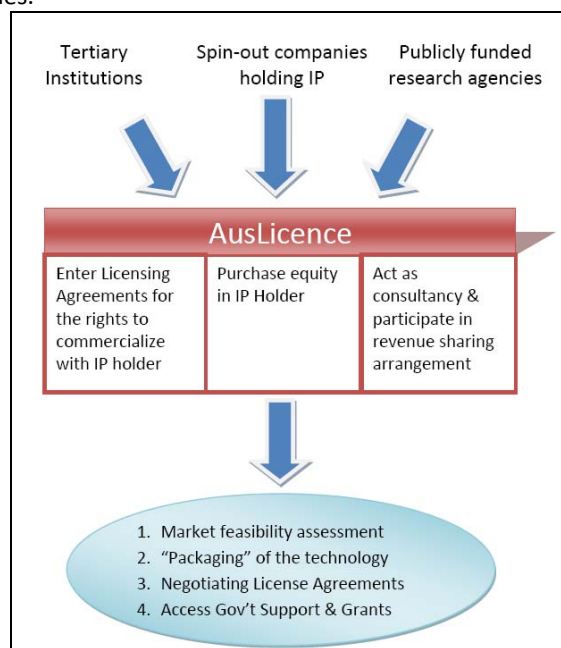
unlocking Australian innovation

- **Australia’s universities and research organisations are constantly making globally important discoveries**
- **A significant number of these innovative discoveries are locked within research organisations for lack of commercialisation**
- **AusLicense will identify important innovations that are rich in intellectual property (IP), manage the commercialisation process and bring projects to market**
- **Shareholders in AusLicense will gain access to license income from upfront fees, milestone payments and royalties from projects managed by AusLicense**
- **AusLicense will provide investors with an annuity-style return in the form of annual dividends**

From the Black Box Flight Recorder to Google Maps, Australia’s innovation system is transforming the world we live in. Merck&Co.’s anti-cancer vaccine (Gardasil®), GSK’s flu treatment (Relenza®) and Cochlear’s Bionic Ear are but a handful of medical technologies that were born of Aussie talent. By mining Australian innovation, AusLicense will capture such talent and capitalize on future returns.

AusLicense has positioned itself at the interface between research organisations (universities, technology transfer offices and early stage spin-out companies) and major global enterprises seeking to license new innovations. The initial investment in AusLicense will be used to identify and support around 30 innovative biomedical technologies sourced from a number of Australian universities, research organisations and start-up enterprises.

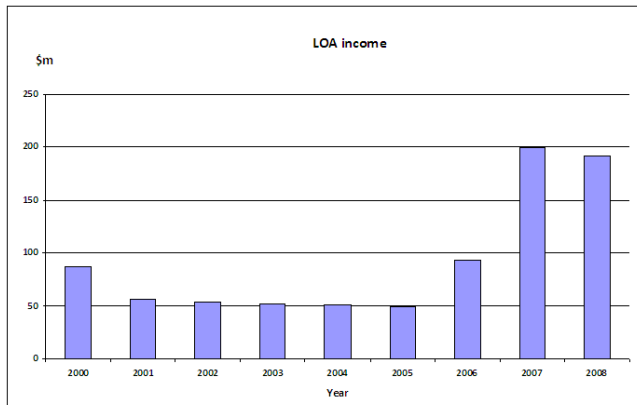
These 30 projects will be developed into a “licensing package” suitable for executing income-generating license deals with global companies.



Investment Review

Innovations from Australia's universities and publicly-funded research organisations have yielded major breakthroughs in biotechnology and health care.

The financial returns received by these organisations in 2008 from License, Option and Assignment (LOA) income alone was \$188.5M*.



*Source: Commercialisation Metrics Survey Report, KCA Inc 2008

Although universities are improving in this area AusLicense has identified that one of the major obstacles experienced by universities is the lack of commercial experience and access to networks with global pharmaceutical and technology companies as well as a surprising inability to invest directly in the licensing process. It is this gap that AusLicense aims to fill and benefit from, on behalf of all shareholders.

AusLicense initially intends to operate across high growth, high value markets for Australian biotechnology, medical technology and healthcare, including pharmaceuticals, materials, devices and bio/health related IT, and other selected cross-disciplinary areas such as bio-energy.

By utilizing the management team's contacts and relationships with Australia's universities, business development managers in global companies and government agencies, AusLicense will assist with;

- (i) a market feasibility assessment
- (ii) "packaging" of the technology
- (iii) making strategic investments
- (ii) negotiating licensing agreements, and
- (iv) accessing government support schemes for innovation.

The company will negotiate a sizable revenue-share agreement for each project. This will result in AusLicense holding a significant stake in all returns a project receives over the long term. AusLicense intends to distribute the majority of these returns to its shareholders as an annual annuity dividend.

Adjacent are some of the projects AusLicense is currently considering as investment prospects.

1. A vaccine for preventing asthma

Allergic airways diseases (AAD) and asthma might be reduced by the widespread use of a pneumococcal vaccine, which was originally designed to prevent bacterial pneumonia. Researchers at a NSW-based university, have revealed that asthma can be prevented in an animal model of ADD by nasal administration of the pneumococcal vaccine. The estimated market for asthma prevention treatments by 2011 is \$20 billion p.a. [Source: *US Allergy Prescription Market Overview, 2004, Frost and Sullivan*].

2. Nano-particles for use in biomedicine

A nano-particle technology, based on an engineered protein scaffold, has been invented by a Sydney biotechnology company. Such protein nano-particles have wide-ranging applications in biomedicine, diagnostics and pharmaceutical manufacturing.

3. Heart rate monitor for elite and recreational athletes

Leading exercise science researchers in South Australia have developed an algorithm that enables existing heart rate monitors to provide information on fitness levels and the state of recovery of elite and recreational athletes. A heart rate monitor embedded with this algorithm will assist in training and competition preparation by reducing the risk of training-induced injuries.

4. An anti-inflammatory herbal extract

A plant extract, used in traditional medicine in northern Queensland for managing pain has been found to have anti-inflammatory properties. This project provides a naturopathic or homeopathic opportunity for the complementary and herbal medicines market.

5. Herbal extract with skin regenerative properties

A plant extract from the Cook Islands has been found to have wound healing and skin regenerative properties, offering the prospect of development of a complementary medicine for treatment of skin disorders and cosmetic applications.

6. Diamond laser in brain and ophthalmic surgery

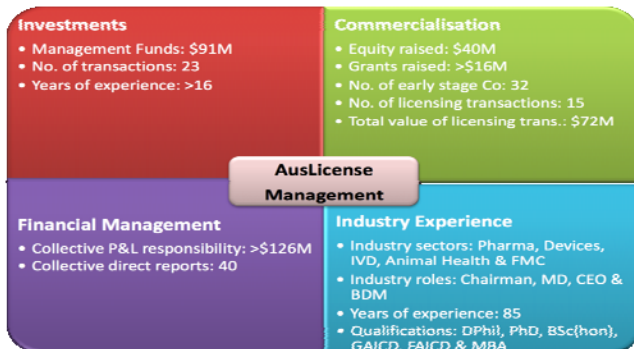
Synthetic diamonds developed by a Sydney-based university can now be grown using a method called chemical vapour deposition (CVD). These diamonds can transmit heat and light effectively making them ideal for the creation of powerful lasers suited for brain and ophthalmic applications.

7. A novel detection system for infectious pathogens

A Sydney-based university has developed a method for detecting single organisms that utilises a fluorescent compound and a time-gated luminescence (TGL) device. This has already demonstrated great promise for a range of biomedical applications, including identification of infectious pathogens.

Management Team and Company Board

The company's management team has extensive experience appropriate to assessing the merits of scientific innovation and bringing projects to commercial markets.



Mr Ian Mutton – Non-Executive Chairman

Ian is Chairman or non-Executive Director of a number of listed and unlisted minerals, finance and technology companies. Ian is a lawyer by trade, with a background in competition law, product liability law and corporate governance.

Professor Tim Hirst – Managing Director

Tim was Deputy Vice-Chancellor for Research & Innovation at The University of Sydney and for the past three years was the CEO of ANU Connect Ventures, a Canberra-based Venture Capital Fund. He has served on the boards of numerous early-stage technology companies and is currently Executive Chairman of Gamma Vaccines Pty Ltd.

Dr Matt Harris – Executive Director

Matt is a Director and co-founder of TM Ventures, a boutique consulting firm focused on international marketing of Australian innovation. From 2003-2006 Matt was a member of the Pharmaceutical sub-committee of the Australian Drug Evaluation Committee. He was also previously the CEO of Gateway Capital.

Mr Tony Romagnino – Executive Director

Tony is a Director and co-founder of TM Ventures. He has held directorships in two Australian biotechnology start-ups, was General Manager of one Australian biotechnology start-up, was founder of two North American consultancies and was the General Manager of Technology Commercialization at NewSouth Innovations, UNSW.

Dr Jeremy Chrisp – Executive Director

Jeremy is founder of BSI Management Pty Ltd, management consulting company specialising in commercialisation in the Australian biotechnology industry and has been CEO of Medsaic Pty Ltd, a spin-out company from The University of Sydney. Jeremy is currently an Investment Manager at ANU Connect Ventures, a Director of BSI Management and a Partner at Biomedical Strategy Consultants.

AusLicense' Advisors

AusLicense has assembled an expert group of advisors to assist the Company in its various business activities. These advisors include:

Mr Rob McInnes

Rob McInnes is the Principle of Spruson & Ferguson and past President of the Licensing Executive Society of Australia and New Zealand. He has over 20 years' experience in the management, commercialisation and enforcement of intellectual property rights.

Ms Anne-Marie Perret

Anne-Marie Perret is the Executive Director for Tax Services at Ernst & Young. Her specialties include the R&D Tax Concession and GST. She was involved in stakeholder meetings for the Federal Government's Cutler Review of Innovation.

Mr Philip Mendes

Philip Mendes is the Principal at Innovation Law, a boutique law firm specialising exclusively in the area of commercialising intellectual property. He has led the negotiation of major international licensing deals and collaborations, including the licensing of Gardasil.

Mr Uwe Boettcher

Uwe Boettcher is the Principal of Boettcher Law and the founder of Manuka Corporate, a corporate advisory firm specialising in corporate matters, including start up companies, venture capital, business structures and mergers & acquisitions.

Long Term Strategy

AusLicense aims to build the market cap of the company while delivering a long-term annuity stream that pays dividends to investors. The company aims to pursue either a:

1. Trade sale of the Company's rights to future license revenues;
2. Listing of AusLicense on a public exchange; or
3. Retaining AusLicense as a provider of long term annuities.

AusLicense' Mission

AusLicense will select technologies for investment, provide business support and achieve licensing arrangements with commercial partners. Through this the company will receive upfront fees, milestone payments and royalties from global companies. This will result in an on-going annuity stream of dividends for shareholders.

MANAGEMENT

Barry Dawes

Managing Director

bdawes@mpsecurities.com.au

RESEARCH

Howard Humphreys

Research Assistant

humphreys@mpsecurities.com.au

CORPORATE

Anthony Hargreaves

Corporate Advisor

ahargreaves@mpsecurities.com.au

David Grimes

Authorised Representative

dgrimes@mpsecurities.com.au

Stephen Wee

Authorised Representative

swee@mpsecurities.com.au

Tim Allen

Authorised Representative

tallen@mpsecurities.com.au

RETAIL DEALING

Anthony Hung

Client Advisor

ahung@mpsecurities.com.au

Edwin Fernandes

Client Advisor

efernandes@mpsecurities.com.au

Ryan Hoffman

Client Advisor

rhoffman@mpsecurities.com.au

Jonathan Howe

Client Advisor

jhowe@mpsecurities.com.au

Andrew McLeod

Client Advisor

amceod@mpsecurities.com.au

Nick Levy-Schmidt

Client Advisor

nschmidt@mpsecurities.com.au

The Company is making an Excluded Offer without Disclosure for up to 5 million shares at \$1.00 to raise \$5,000,000

Capital Structure

Type of Security	Min A\$3m	Max A\$5m
Founders' Ordinary Shares	302,000	302,000
Ordinary Shares allotted to MPS	75,000	150,000
New Ordinary Shares	3,000,000	5,000,000
Total Ordinary Shares*	3,377,000	5,452,000

*Only ordinary shares have dividend entitlements

The Directors will also be offered Preference Shares that convert into ordinary shares as various milestones are achieved, as follows:

Preference Shares and Milestones

No. of ordinary shares that the securities convert into:	Convertible Upon AusLicense receiving:
Class A	600,000
Class B	600,000
Class C	600,000
Class D	600,000

Class E Preference Shares convert upon AusLicense listing on the ASX. The Class E Preference Shares convert into 5% of the ordinary shares on issue at the time of listing.

Capital Structure – Options*

Type of Security	Min A\$3m	Max A\$5m
MPS Options	75,000	225,000

*See disclosure below

As part of the placement fee MPS will be issued options in AusLicense, depending on the amount raised, that have an exercise price of A\$1.00.

General Securities – Advice Warning

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Disclosure

Martin Place Securities Pty Ltd and its associates declare that as of Monday 18 January 2010, they may have a relevant interest in the securities recommended herein, in particular:

- The author of this investment research does not have a relevant interest in the securities mentioned in this report. This position may change at any time.
- Martin Place Securities Pty Ltd is the lead broker to AusLicense Ltd's current capital raising and will earn brokerage and other fees as result of this transaction.
- As part of the placement fee MPS will be issued options in AusLicense, depending on the amount raised, that have an exercise price of A\$1.00.
- The Directors of Martin Place Securities Pty Ltd may hold securities in AusLicense Pty Ltd. This position can change at any time.