



ASX Announcement

Melbourne, 23 October 2008

Chairman's address at Annual General Meeting of Shareholders

Chairman's Address

I would now like to make some brief comments in respect of the CogState business strategy. After that, our CEO, Brad O'Connor will provide a more detailed business update. We will then move to the matters that have been presented to shareholders for their consideration at today's meeting.

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The 2008 financial year was a year of excellent growth for CogState. Our results for the year showed a 61% growth in revenue for the year and, importantly, we recorded a positive cash flow result for the last two quarters of the year.

The revenue growth was driven by an even more impressive growth in the value of contracts signed during the year. CogState recorded 162% growth in the value of contracts signed, which equated to just over A\$5m of contracts signed in respect of 37 clinical trials.

Due to the high value of contracts signed throughout the year, we started the FY09 year with almost A\$2m of revenue locked in from existing contracts, with A\$1.6m of that income expected to be recognised in FY09.

Importantly, CogState expanded into more lucrative, later phase clinical trials during the FY08 year. During the year we signed 13 contracts for phase II studies, which compared to none in the previous year.

CogState continued to expand its customer base during the year and by 30 June was working in over 150 sites throughout the world.

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A key change at CogState during the 2008 financial year was a dramatic increase in sales resources. We added to our team Dr John Harrison, an incredibly well qualified scientist and key opinion leader in his own right, with extensive contacts within current and potential pharmaceutical company customers. David Darby was also relieved of other internal responsibilities to allow him to focus full time on his senior science / sales role.

I will now hand over the Brad for his presentation, which will update you on our results for the September quarter and give you some insight into the 2009 financial year. However, before I do, I would like to take this opportunity to thank all the CogState management and staff for their hard work and dedication over the last 12 months.

I will now hand over to Brad for his CEO presentation.”

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