



Investor Roadshow

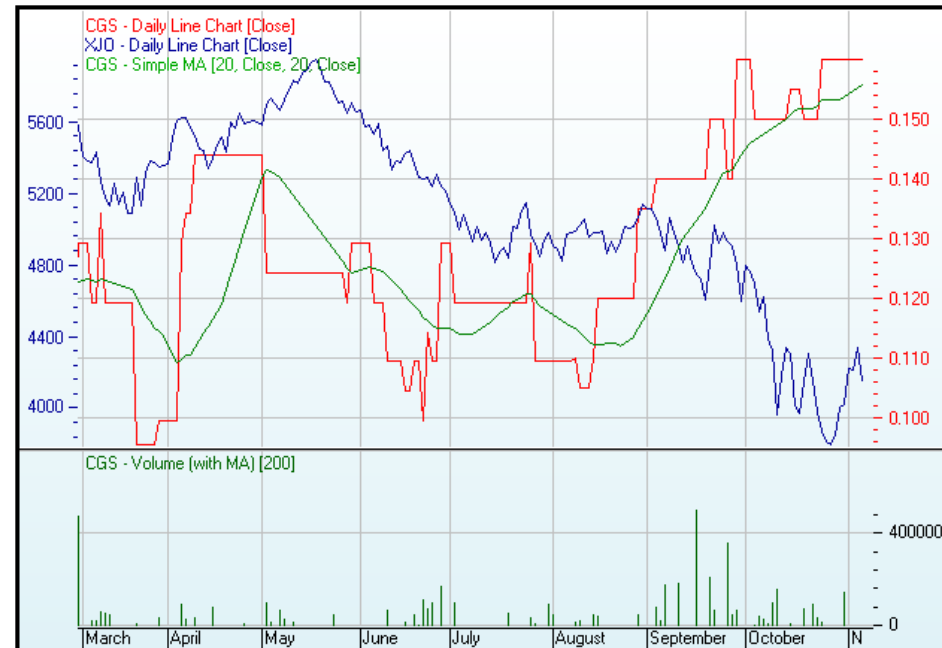
November 2008

Overview

CogState (ASX: CGS) is a health services and equipment company that provides cognition testing technology to pharmaceutical companies undertaking clinical trials

Share price	\$0.16
Market cap (as at 7/11/08)	\$10.5m
Cash (as at 31/10/08) (excluding debtors \$0.98m)	\$2.95m
52 week high	\$0.16
52 week low	\$0.06

Major Shareholders	Shares	Held (%)
MF Custodians Ltd	10,736,799	16.36
United BioSource Corporation	10,290,840	15.68
GBS Venture Management	9,137,535	13.92
Asia Union Investments	4,404,045	6.71
ANZ Nominees Ltd	3,381,709	5.15
TOP 20 TOTAL	52,708,880	80.30



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CogState's core business model - explained

- Provides cognition testing to the global pharmaceutical industry within the clinical trial process (recently estimated by Bioshares to be \$190m p.a.)
- Cognition testing used in many clinical trials for drugs designed to work on central nervous system diseases and disorders – looking for both:
 - improvement (thinking more clearly); and
 - absence of decline (no side effects)
- Approved CNS drugs (est. market worth of US\$77.3b in 2007) and in-development drugs represent one of the fastest growing markets for pharmaceutical companies
- CNS disorders contribute up to 35% of disease burden in major pharma markets
- 12 major pharma companies: ~163 ongoing trials within CNS portfolio at various stages of development (Phase 1- Phase 3)

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CogState's core business model - explained

Market Size – available figures

820 drug trials currently registered with the National Institutes of Health in the USA for CNS diseases and disorders:

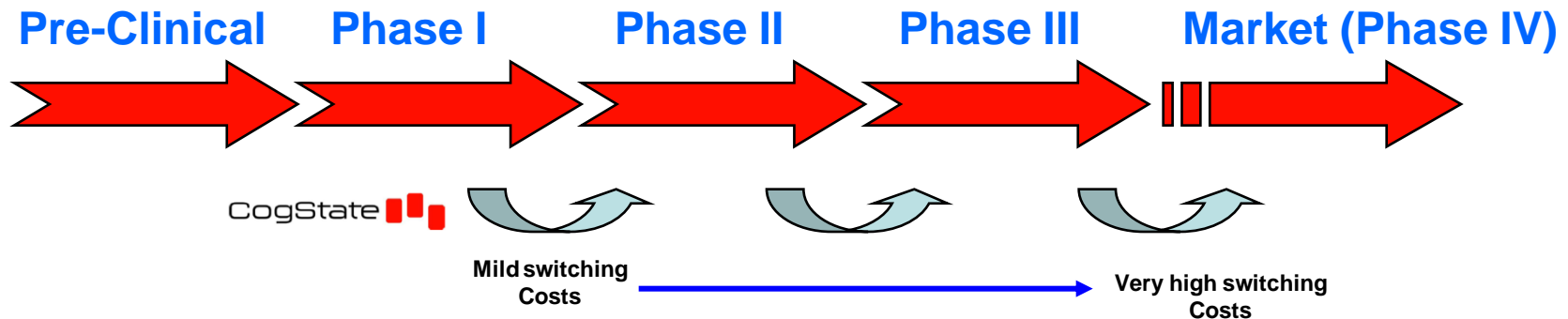
Disease	Phase I	Phase II	Phase III	Phase IV
Alzheimer's Disease	29	36	21	22
Schizophrenia	17	55	59	86
Depression	18	86	62	104
Insomnia	2	8	17	15
ADHD	1	14	16	35
Traumatic Brain Injury	10	30	42	35

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Why CogState is growing so rapidly

- Pharma model now focuses heavily on the sales and marketing of their products – outsourcing clinical development
- 3rd parties (CROs or other service providers such as CogState) are engaged to implement and execute clinical trials
- Increasing investment in R&D as significant drugs come off patent
- CogState is embedded in clinical trial process – high switching costs

Typical Pathway In Drug Development

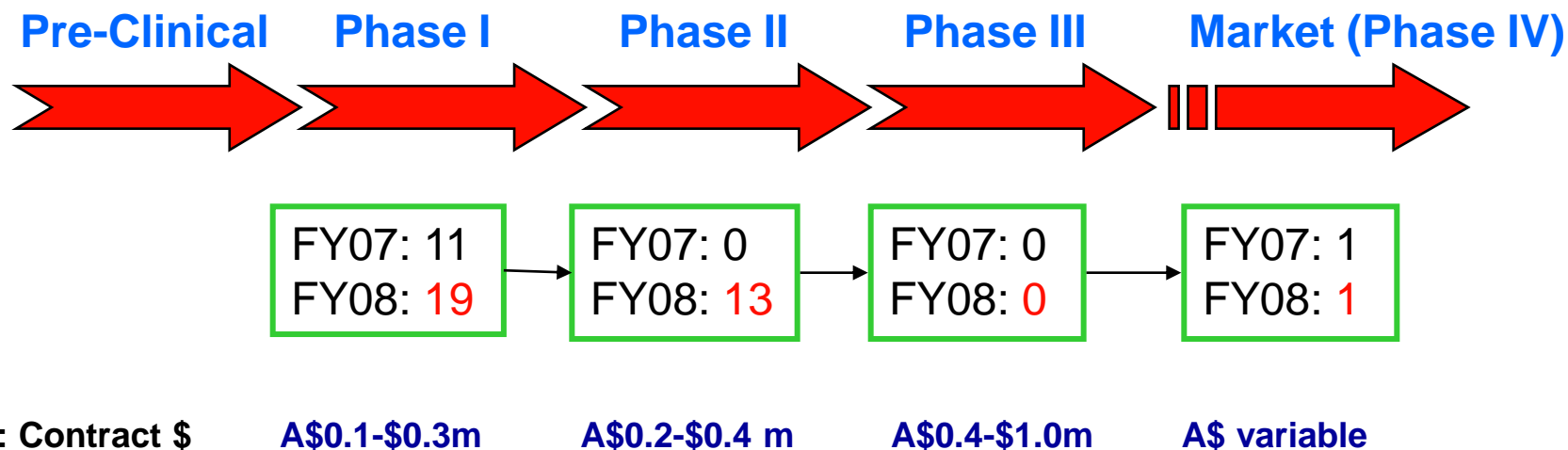


HIGH COST BARRIERS TO CHANGE

Higher revenue with later stage contracts

- CogState is winning an increasing number of higher value, later stage contracts
 - 13 phase II contracts signed during FY08 (FY07 = nil)
 - 37 contracts signed FY08 (FY07 = 17)

Winning an increasing number of later stage contracts



Market dynamics & the CogState advantage

- CogState provides rapid computerised testing batteries - < 15 mins
- Datapoint® – real time information etc to clients
- Top Down business model – prove capability for new customers via Phase 1 trials – allows for other Phase 1, and new Phase 2 before switching costs prohibitive
- Strong repeat business, highlights delivery and execution

Computerised Cognition Testing – 3 Major Players



Est. 1994
Private, UK based
CANTAB testing battery



Est. 1986
Industry leader
Private, UK based



+



**UBC Deal
provides
unparalleled
scale for global
trials**

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United BioSource Corp. (UBC) Partnership

- UBC agreement signed July 2008

- Initial 15% holding in CogState from private placement and underwriting of Rights Issue
- Allows CogState to build a comprehensive service offering, especially for larger Phase II and III studies
- Working with over 100 companies currently

- Unmatched operational capabilities in international multi-centre clinical trials

- Allows CogState to grow market share while maintaining cost control
- CogState and UBC have started pitching for later phase trials together
- First jointly run trial has begun (Phase I study)

- Provides CogState with critical mass

- US\$153m in funds
- 1200 employees

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Focus on growth

- Growing market for computerised cognitive technology in clinical trial – move away from traditional ‘paper and pencil’ method

- Growth in revenue:

- 114% growth in the number of pharma company customers
- 61% revenue growth for FY08
- A\$0.5m positive cash flow from operations for H2 FY08
- 162% growth in the value of contracts signed during FY08 (A\$5m)

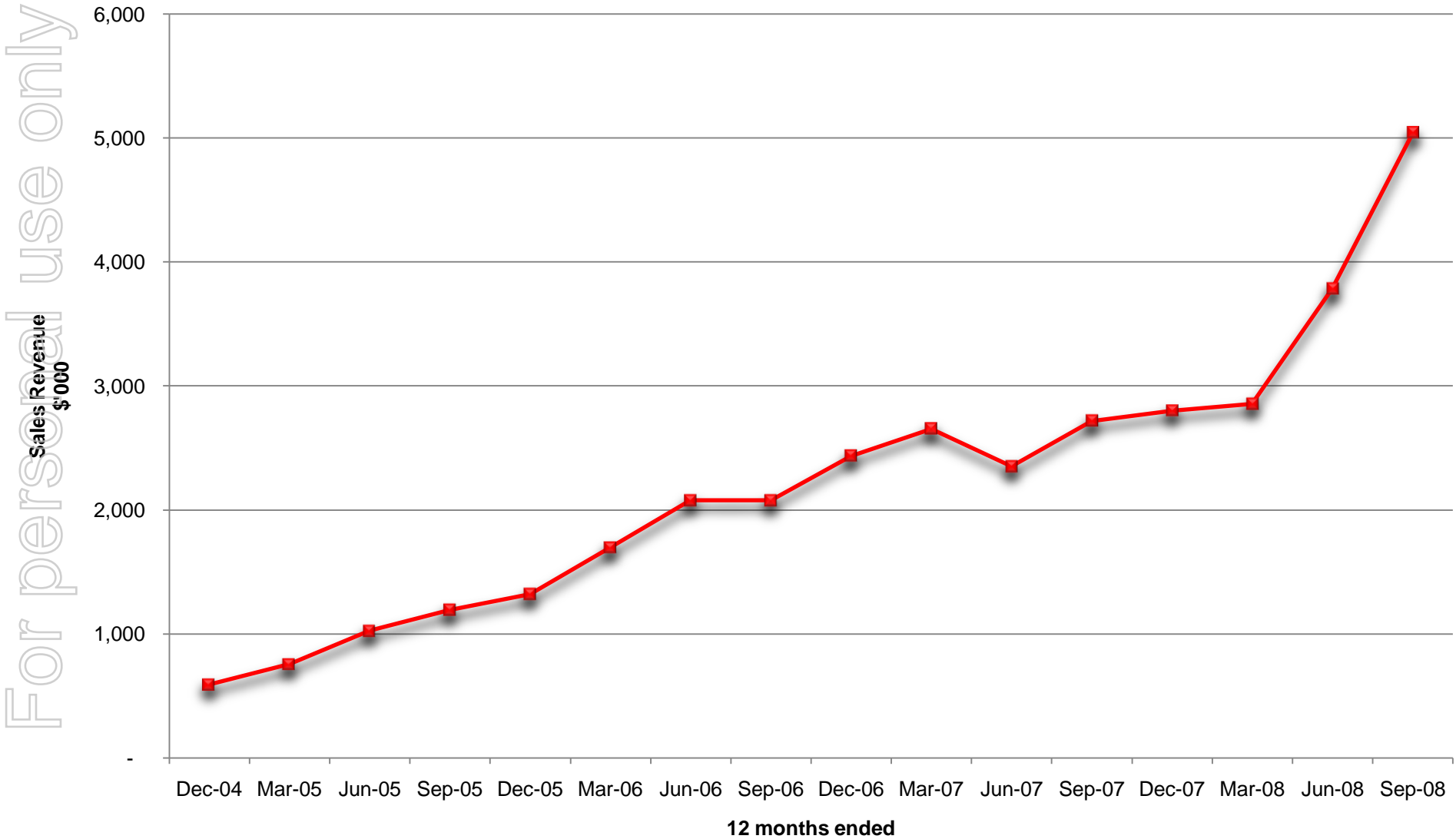
- Increase in senior science / sales staff

- Dr John Harrison joined in a senior science / sales role in Dec 07
- Dr David Darby, founder, moved into a full time science / sales role

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Clinical trials: building a profitable business

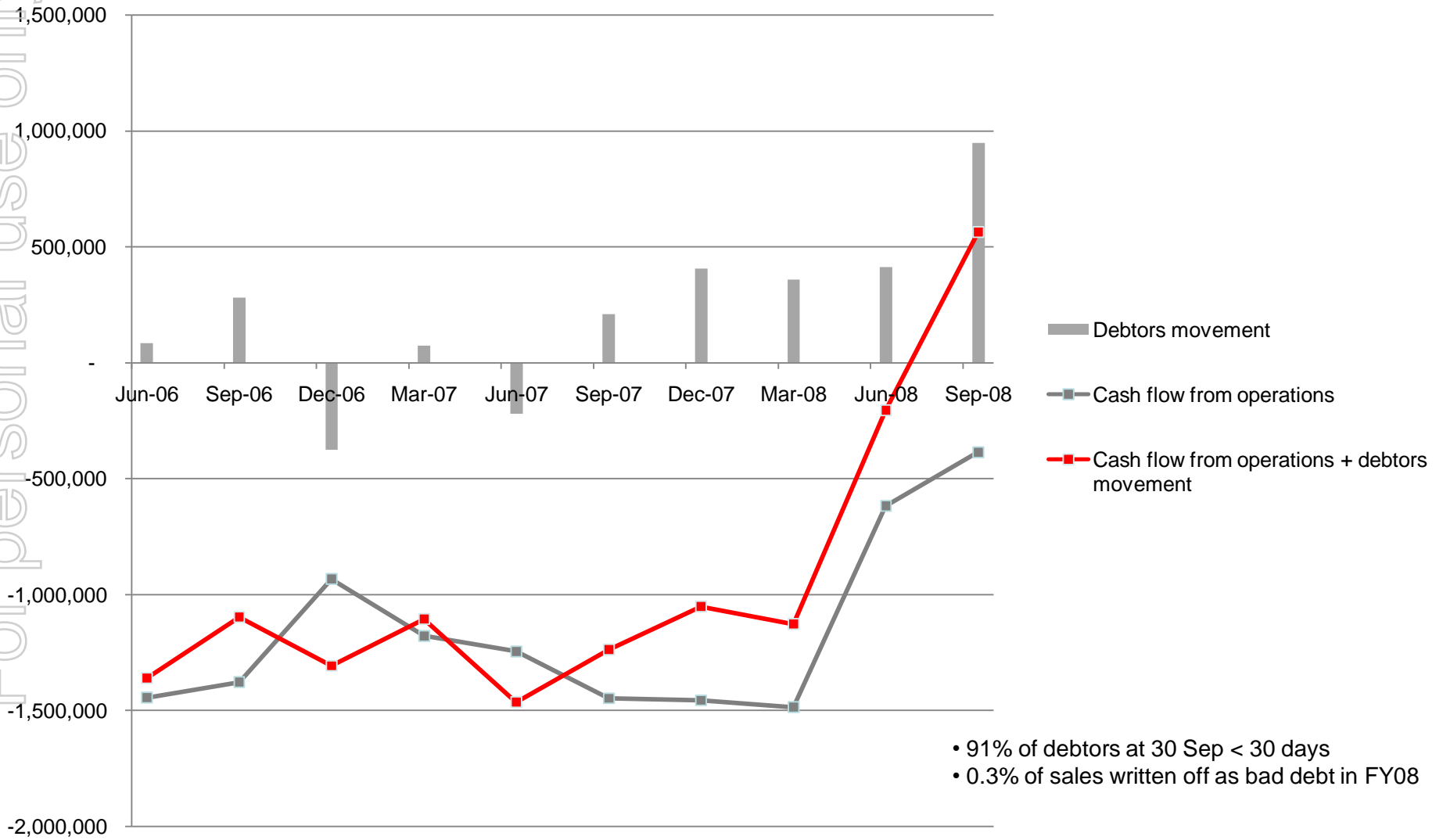
Trailing Twelve Months Sales Revenue



CogState ClinicalTrials: building a profitable business

Trailing Twelve Months Operating Cash Flow

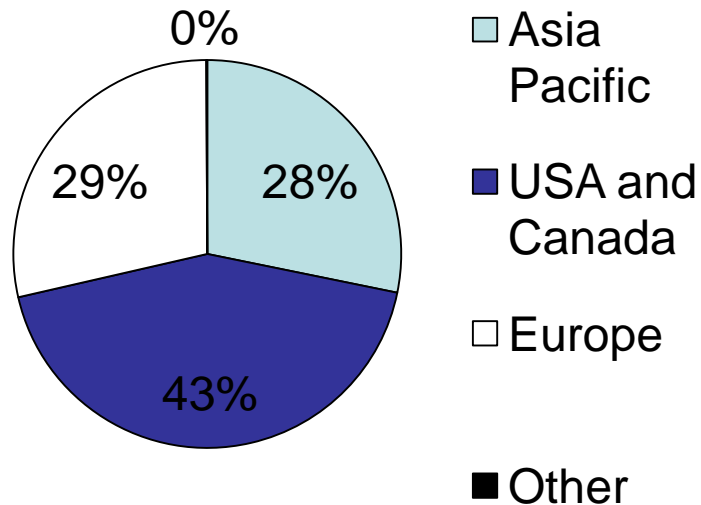
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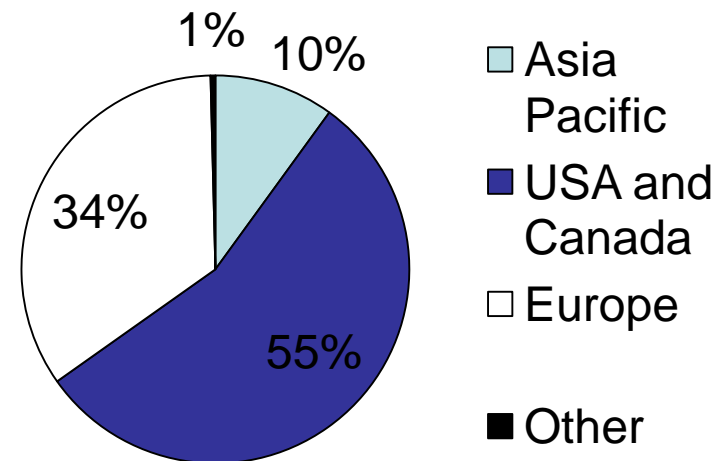
Geographic segments of revenue

- At 30 June 2008, CogState products were operating in over 150 clinical trial sites, in over 30 languages, around the world

Geographic spread of revenue FY07



Geographic spread of revenue FY08



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- Q1 FY09 result – first operating profit
 - A\$1.99m revenue for Q1
 - A\$0.5 million from contracts on hand at 1 July 2008
 - A\$1.5 million from contracts signed during Q1
 - A\$5m revenue for the trailing twelve months
 - A\$0.5m cash inflow from operations for the trailing twelve months
 - This results allows for debtors movements
- Q1 Profit in excess of A\$0.5m
 - Includes \$0.2m gain on foreign exchange movement

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Summary of clinical trial contracts:

- A\$3.5m contracts signed since 1 July 2008 (A\$1 = US\$0.70)
 - Includes A\$1.4m phase III schizophrenia trial
 - 4 x Phase II studies with average value of A\$0.27m

Phase of Trial	FY07	FY08	FY09 Q1
Phase I	11	19	7
Phase II	0	13	4
Phase III	0	0	1
Phase IV	1	1	0
Other	5	4	4
Total	17	37	16

- A\$3.1m under contract to be invoiced at future dates
 - Of total under contract, A\$2.2m expected to be invoiced during the remainder of FY09

Positive outlook

• Profit guidance

- FY09 Q2
 - Sales revenue of at least \$1.5 million
 - At this level, expect operating break even for Q2
- FY09 H1
 - Expect to record first operating profit for the first half
 - At this time, we are not issuing profit guidance for the second half of the financial year

• Defensive outlook given volatile economic conditions

- Customers are big pharma companies
- Provided pharma continues to invest in R&D, minimal impact on CogState's business
- Benefit from falling AUD\$, but note natural hedge with US office and associated US\$ expenses

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