



ASX Announcement

Melbourne, Tuesday 25th August 2009

CogState Business Update: Robust Sales Outlook

Highlights:

- \$5.9 million sales prospects currently outstanding
- \$3.8 million in contracted future revenue
- \$1.06 million contracts signed since 1 July 2009

CogState (ASX: CGS) today released its Annual Report and related disclosures in respect of the fiscal year ended 30 June 2009. As previously announced the results show a strong maiden Net Profit After Tax of \$1.4 million, from total revenue of \$8.6 million. Revenue increased by 120% from last year.

Business Update

Central to CogState's growth has been the increasing migration towards computerised cognitive testing, away from the traditional paper and pencil method. CogState reports that current trading conditions are very encouraging with a recent increase in the amount of sales opportunities in the clinical trials area.

CogState also reported that its clinical trials business will continue to be the primary driver of profit for the company throughout the 2010 financial year.

CogState currently has 16 proposals outstanding with customers with a combined value in excess of \$5.9 million. Contract negotiations in respect of many of those proposals are well advanced and the company expects that a good percentage will be signed within the coming 6-8 weeks.

Aside from the outstanding proposals, CogState currently has sales contracts in place that will generate \$3.8 million of revenue in future periods. Of that revenue, in excess of \$2.6 million is expected to be recognised during the year to 30 June 2010.

CogState has signed sales contracts with a combined value of \$1.06 million since 1 July 2009. While the value of contracts signed since 1 July is less than at the same time last year, the prior year figures were impacted by the \$1.2 million phase III contract signed in August 2008. The large increase in the total value of proposals outstanding (\$5.9 million currently, compared to \$2.5 million at this time last year) indicates that any difference in the value of contracts signed should be a timing issue only.

All figures are stated in Australian dollars.



Annual General Meeting Date

In accordance with ASX Listing Rule 3.13.1, the Company also wishes to advise that its Annual General Meeting will be held on Wednesday, 21 October 2009 at 1.00pm. Further meeting details will be provided in due course.

About CogState

CogState Ltd (ASX: CGS) specialises in the development and commercialisation of rapid, computerised tests of cognition (brain function). The tests are sold to pharmaceutical, biotechnology, nutraceutical and functional food companies to quantify the effect of drugs or other interventions on human subjects participating in clinical trials.

Since sales into the clinical trials market began in 2004, CogState has secured agreements with organisations including Pfizer, AstraZeneca, GlaxoSmithKline, Merck, Johnson & Johnson, Novartis, Lundbeck, Dainippon Sumitomo, Otsuka, Servier, along with a number of other organisations. For additional information:

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