ASX and Media Release

15 November 2013

Federal Government R&D Tax Incentive – Circadian To Receive Over $2.5m

Circadian Technologies (ASX:CIR; OTCQX:CKDXY) announces that further to its applications under the federal government's R&D Tax Incentive, it expects to receive a total of more than $2.5m as a result of its R&D expenditure in the financial year 2013.

Of this payment, $0.6m relates to refundable tax credits arising from Circadian's non Australian R&D expenditure, and follows the receipt of a successful finding from AusIndustry in relation to the eligibility of Circadian's overseas R&D expenditure.

The successful overseas finding, applies to Circadian's R&D activities undertaken in the 2013 financial year as well as these activities for the 2014 and 2015 financial years.

For the 2014 financial year, Circadian expects to invest around $7.5m in total R&D in support of its oncology and eye disease programs both in Australia and overseas. As a result of the positive ruling on overseas finding, and based on expected R&D spend, Circadian expects to receive a 45% refundable tax credit of an estimated $3.0 million for the 2014 financial year.

Company enquiries

Robert Klupacs
CEO & Managing Director -
Circadian Technologies Limited
Tel: +61 (0) 3 9826 0399 or
robert.klupacs@circadian.com.au

Media enquiries – international

Lauren Glaser
The Trout Group LLC
251 Post Street, Suite 412
San Francisco, CA 94108
Tel +1 215 740 8468
lglaser@troutgroup.com

About Circadian Technologies Limited

Circadian (ASX:CIR; OTCQX:CKDXY)) is a biologics drug developer focusing on cancer, cancer related and ophthalmic disease therapies. It controls exclusive worldwide rights to a significant intellectual property portfolio around Vascular Endothelial Growth Factor (VEGF)-C and –D and VEGFR-3. The applications for the VEGF technology, which functions in regulating blood and lymphatic vessel growth, are substantial and broad. Circadian's internal product development programs are primarily focused on developing VGX-100 (a human antibody against VEGF-C) as a treatment for lymphedema resulting from breast cancer treatment and solid tumours, in particular glioblastoma and colorectal cancer through its subsidiary Ceres Oncology, as well as developing VGX-300 (soluble VEGFR-3) for 'back of the eye' disease such as "wet" Age Related Macular Degeneration through its subsidiary Opthea. Circadian has also licensed rights to some parts of its intellectual property portfolio for the development of other products to ImClone Systems, a wholly-owned subsidiary of Eli Lilly and Company, including the anti-lymphatic antibody-based drug IMC-3C5 targeting VEGFR-3.

Inherent risks of Investment in Biotechnology Companies

There are a number of inherent risks associated with the development of pharmaceutical products to a marketable stage. The lengthy clinical trial process is designed to assess the safety and efficacy of a drug prior to commercialisation and a significant proportion of drugs fail one or both of these criteria. Other risks include uncertainty of patent protection and proprietary rights, whether patent applications and issued patents will offer adequate protection to enable product development, the obtaining of necessary drug regulatory authority approvals and difficulties caused by the rapid advancements in technology. Companies such as Circadian are dependent on the success of their research and development projects and on the ability to attract funding to support these activities. Investment in research and development projects cannot be assessed on the same fundamentals as trading and manufacturing enterprises. Thus investment in companies specialising in drug development must be regarded as highly speculative. Circadian strongly recommends that professional investment advice be sought prior to such investments.

Forward-looking statements

Certain statements in this ASX announcement may contain forward-looking statements regarding Company business and the therapeutic and commercial potential of its technologies and products in development. Any statement describing Company goals, expectations, intentions or beliefs is a forward-looking statement and should be considered an at-risk statement. Such statements are subject to certain risks and uncertainties, particularly those risks or uncertainties inherent in the process of developing technology and in the process of discovering, developing and commercialising drugs that can be proven to be safe and effective for use as human therapeutics, and in the endeavour of building a business around such products and services. Circadian undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events,