



H E X I M A

Address to the Hexima Limited AGM

*Presented by Mr Dan O'Brien, CEO
and Professor Adrienne Clarke, CSO*

30 November 2007

Agenda

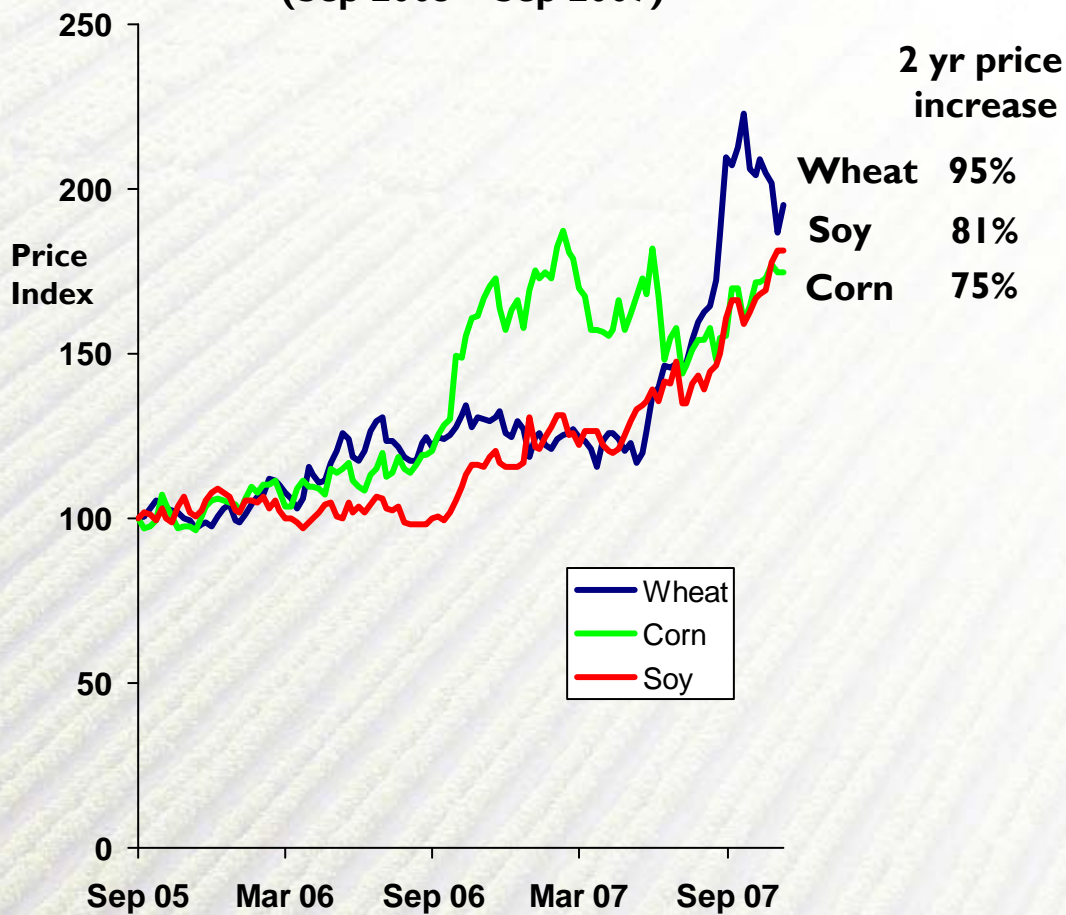
- ◆ **Hexima is targeting a large and growing market**
- ◆ **Hexima continues to make positive progress with it's technology**
- ◆ **The company is implementing a clear business plan**

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- ◆ **Hexima is targeting a large and growing market**
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Increased demand for agricultural products for food and fuel has led to a significant increase in commodity prices

**World Commodity Prices
(Sep 2005 – Sep 2007)**



Forces impacting agricultural demand

Population growth

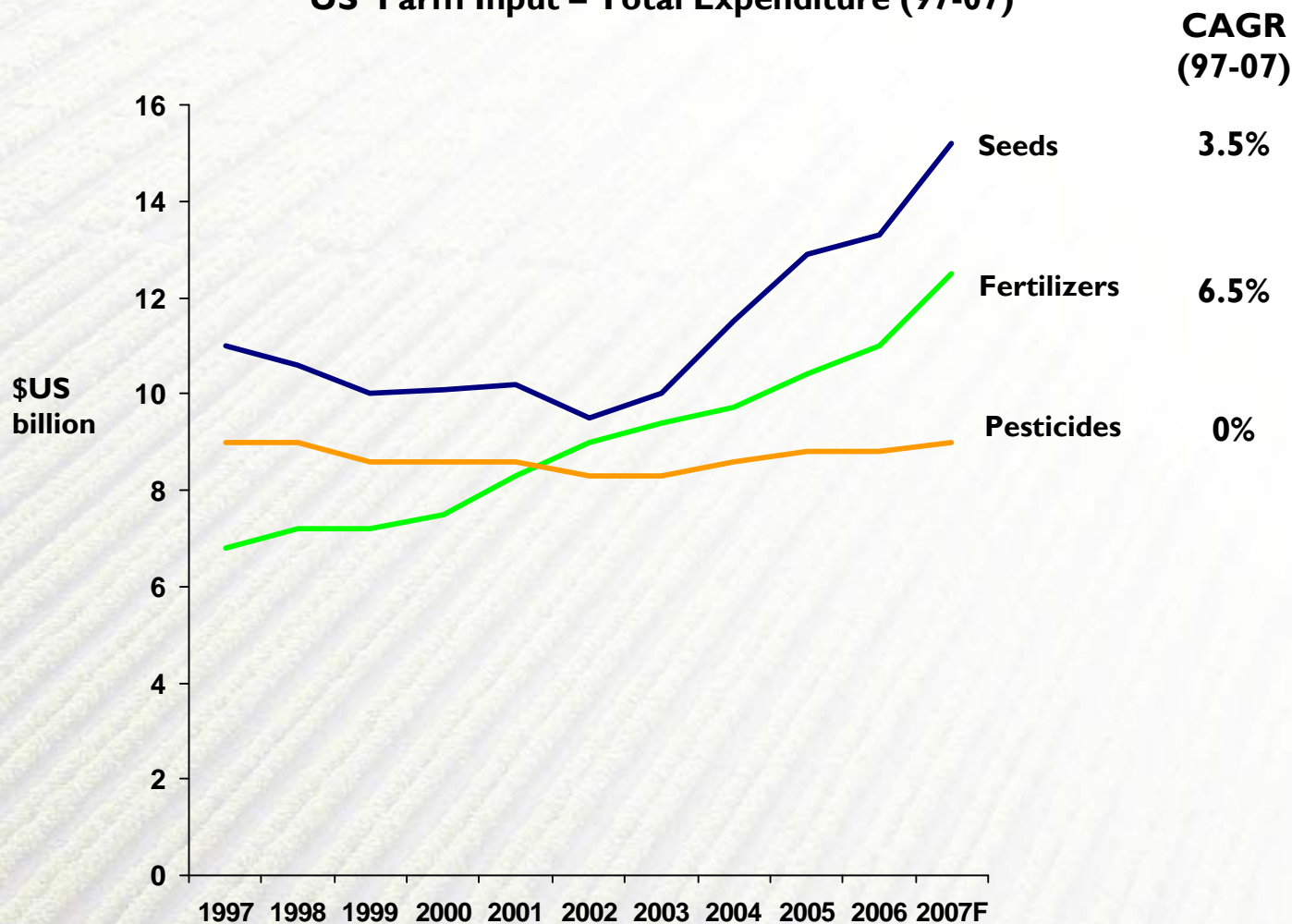
Increased affluence

Land & water scarcity

Bio-fuels

With the substantial increase in the value of agricultural commodities, farmers will pay more for increased productivity

US Farm Input – Total Expenditure (97-07)



HEXIMA IS TARGETING A LARGE AND GROWING MARKET

The increase in seed prices is due to the increasing number of Traits that farmers will purchase

Example US Corn Seed Purchase

Bag of high quality
Corn seed



High Quality Germplasm
=\$100/ha

Insect Resistance =\$75/ha

Herbicide Tolerance
=\$25/ha

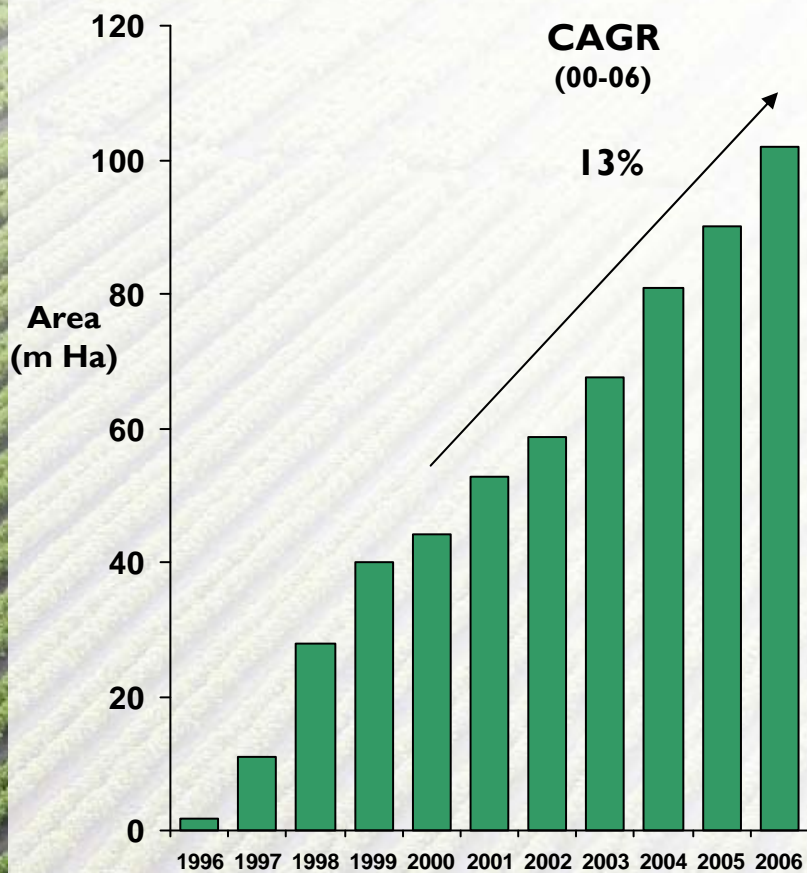
**Total Cost
to Farmer:
=\$200 / ha**

Note: Excludes the linked Herbicide Cost – seed & trait value only
Source: Pioneer, Monsanto, Reuters, U of Missouri, USDA

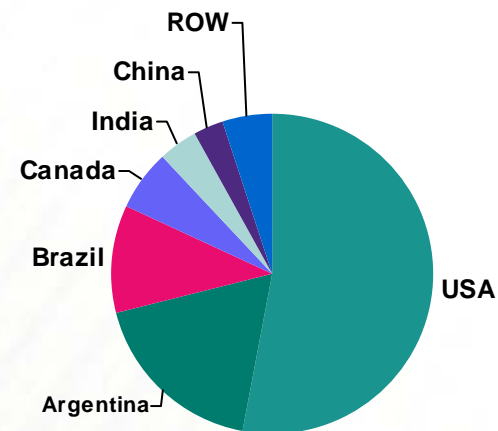
HEXIMA IS TARGETING A LARGE AND GROWING MARKET

The global area of biotech crops has risen rapidly, indicating farmers' willingness to pay for value-creating Traits

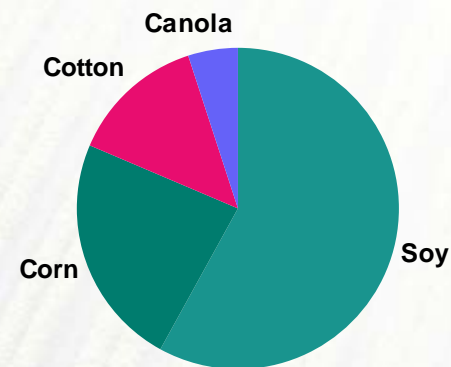
Global Biotech Crop Area (1996-2006)



Ag-Biotech crop area by country (2006)

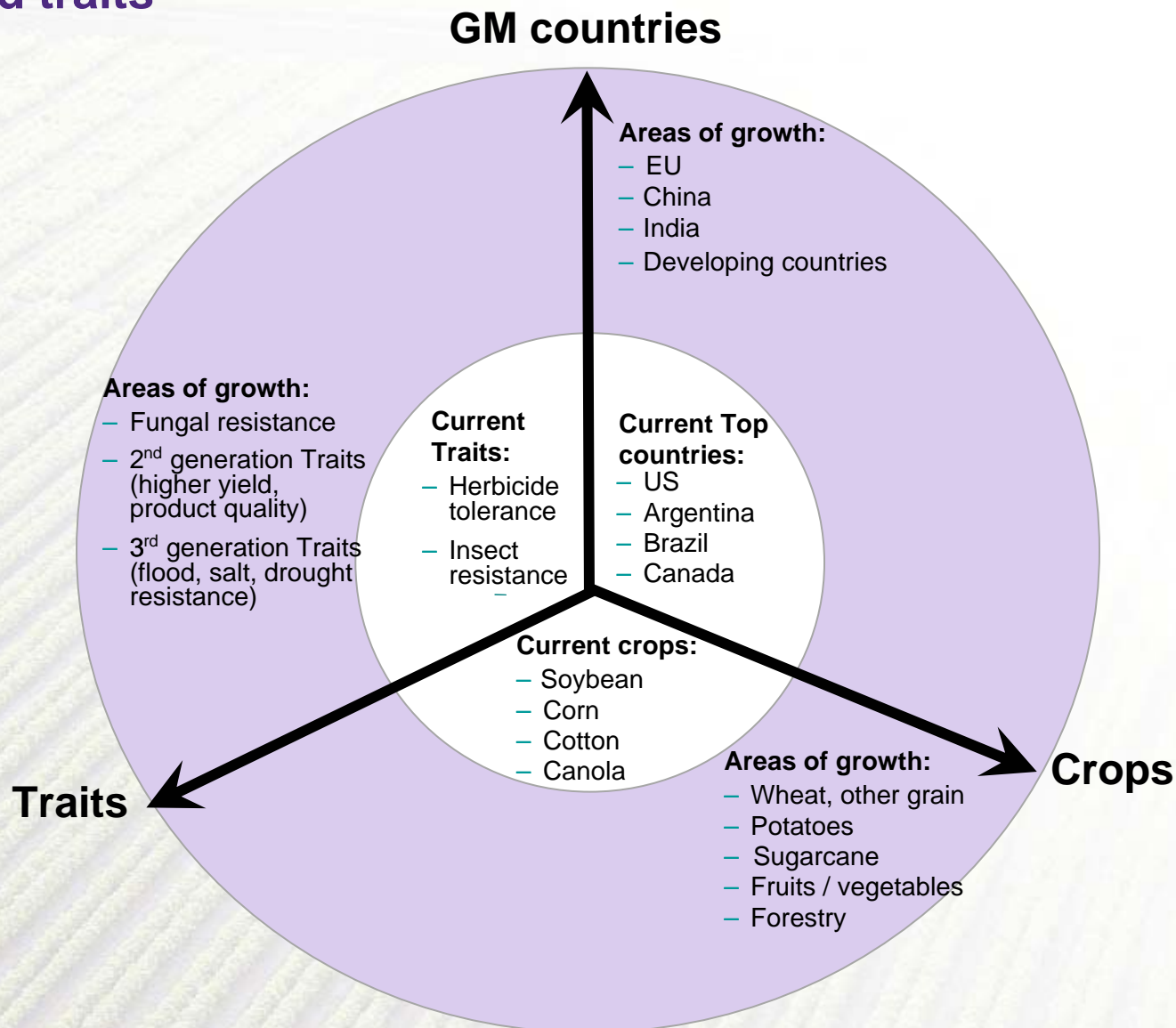


Ag-Biotech crop area by crop (2006)

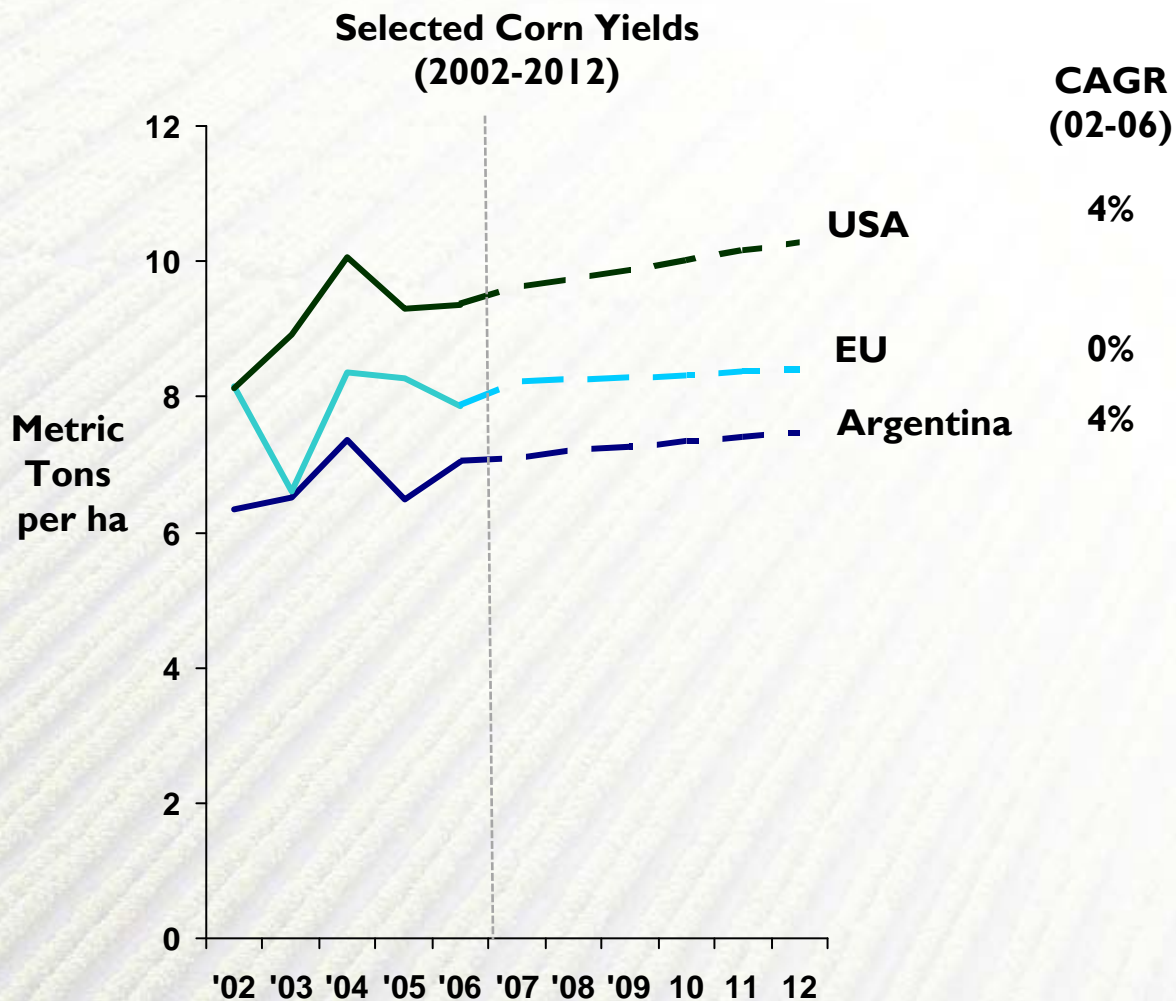


HEXIMA IS TARGETING A LARGE AND GROWING MARKET

GM technology will also expand to other countries, crops and traits

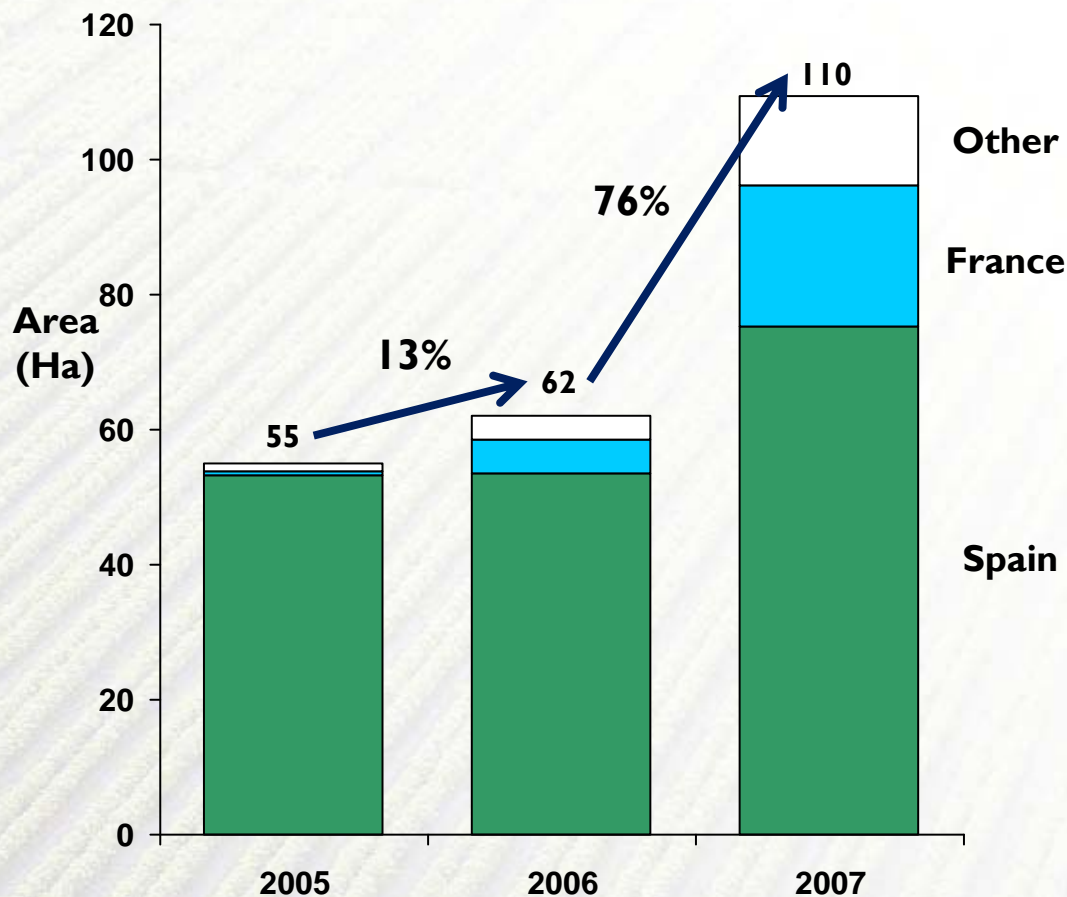


Without access to GM technology, EU yields have stagnated compared to the two largest GM adopters, the US and Argentina



As a result, Europe was slow to adopt GM. The GM planted area is currently small, but growth is accelerating

EU 25 GM Crop Area
(2005-2007)



Australian farmers celebrate the lifting of moratoria

Without GM technology, Australian canola growers were facing:

- **Lower yields than their competitors**
- **No premium for their exported non-GM canola**
- **Restricted use of modern low-tillage management techniques**
- **Competition from imported GM canola**
- **Lack of R&D expenditure**

“In Canada, average canola yields have increased by 27% since 1996. Over the same period, Australian yields have stagnated or even declined.”

Dr Rob Norton, The University of Melbourne

Agenda

- ◆ Hexima is targeting a large and growing market
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Hexima's technologies – an overview

| | |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Insect resistance technology | <ul style="list-style-type: none">• Proteinase Inhibitor (PI) technology• Provides crops with insect resistance by inhibiting the capacity of insects to digest proteins |
| Fungal resistance technology | <ul style="list-style-type: none">• Defensin technology• Provides crops with resistance to several fungal pathogens |
| Gene delivery technology | <ul style="list-style-type: none">• Multi-Gene Expression Vehicle (MGEV)• Molecular tool which facilitates the transfer of multiple genes into a plant in a single event |
| Early stage technology | <ul style="list-style-type: none">• Other technologies being developed include:<ul style="list-style-type: none">– Cyclotide technology– Cotton plant transformation technology |

Hexima's technologies are covered by a series of more than 50 awarded & pending patents

Hexima and its technology

- ◆ Research & Development contracted to The University of Melbourne and La Trobe University.



La Trobe University – Biochemistry Dept

- ◆ **Professor Marilyn Anderson**
Senior Vice President – Research & Discovery



- ◆ **Leader - Insect Protection**
 - Dr Kerry Dunse



- ◆ **Leader - Pathogen Protection**
 - Dr Fung Lay



The University of Melbourne – School of Botany

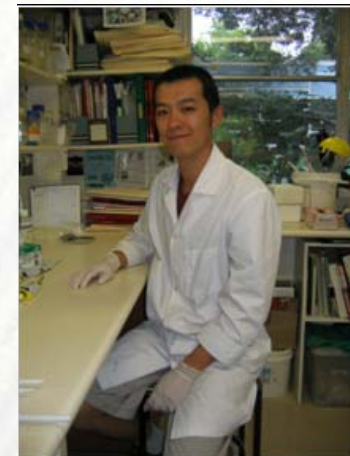
- ◆ **Dr Robyn Heath**
Senior Vice President - Development



- ◆ **Glasshouse Manager**
 - Mr Bruce McGinness



- ◆ **Leader – Molecular Biology**
 - Dr Simon Poon

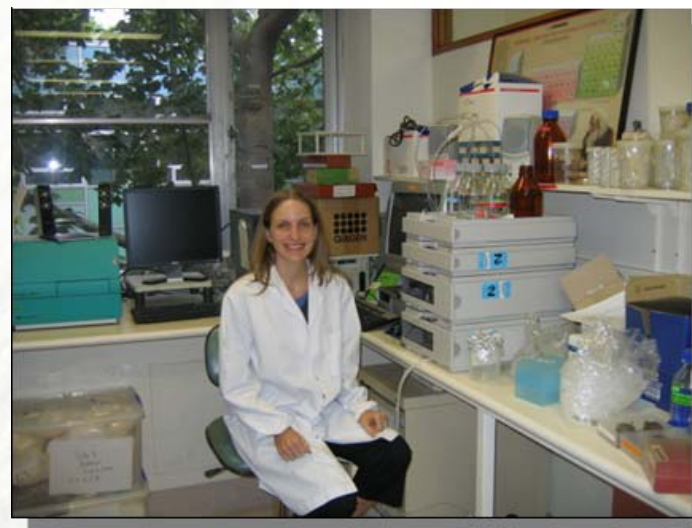


The University of Melbourne – School of Botany

- ◆ Field Trial Manager
 - Dr Jillian Hinch



- ◆ Regulatory & Compliance Manager
 - Dr Yolanda Gaspar



The University of Melbourne – School of Botany

- ◆ Intellectual Property Director
 - Dr Susanna Herd
- ◆ Intellectual Property Manager
 - Ms Heather Garton



- ◆ Managing portfolio in collaboration with patent attorneys:
 - Davies Collison Cave (Australia)
 - Greenlee Winner & Sullivan (USA)

Hexima's technologies – an overview

Insect resistance technology

- Proteinase Inhibitor (PI) technology
- Provides crops with insect resistance by inhibiting the capacity of insects to digest proteins

Fungal resistance technology

- Defensin technology
- Provides crops with resistance to several fungal pathogens

Gene delivery technology

- Multi-Gene Expression Vehicle (MGEV)
- Molecular tool which facilitates the transfer of multiple genes into a plant in a single event

Early stage technology

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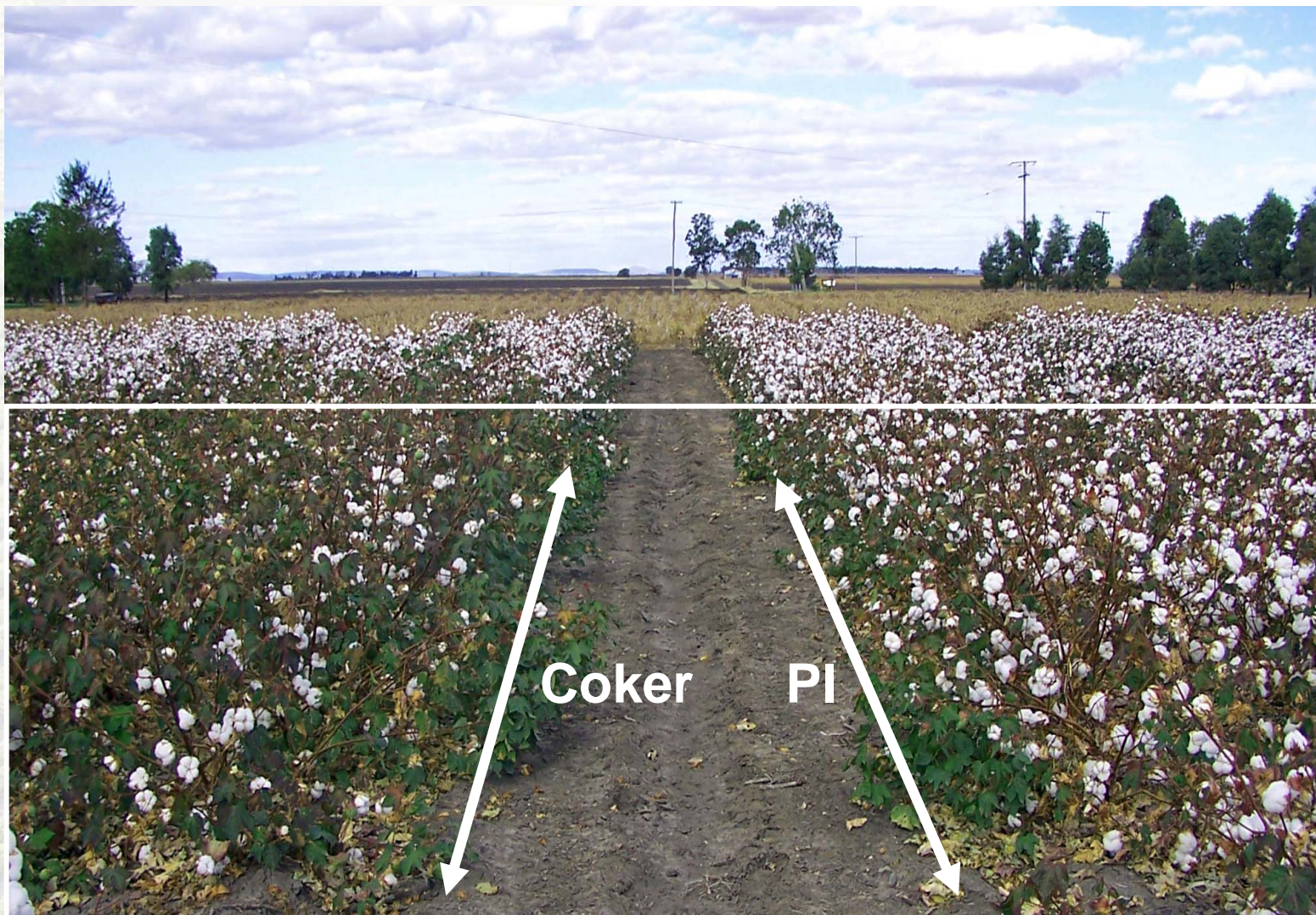
Hexima's insect trial



Hexima's technologies

- ◆ Three field trials of PI in cotton in Queensland 2004-05; 2005-06; 2006-07
- ◆ Largest trial in 2006-07
- ◆ Plants containing technology produced:
 - more bolls per plant
 - matured earlier than plants not containing technology
- ◆ Second generation technology in progress

Hexima's insect trial



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Hexima's fusarium trial



Darling Downs, QLD, January 2007

Hexima's fusarium trial



Hexima's technology – fungal resistance

- ◆ Field trials in Queensland 2006-07 for resistance to Fusarium wilt
 - Defensin technology gave clear advantages to cotton plants
 - Almost three times survival rate compared with plants that lack the defensin gene
 - Surviving plants had more bolls per plant and hence a higher yield per plant

Hexima's technology – fungal resistance

- ◆ Three field trials for resistance to other fungal diseases have been planted in the 2007-08 season.
- ◆ One has been planted in the Namoi Valley in NSW.
- ◆ Two have been planted on the Darling Downs in Queensland.

Hexima's technologies – an overview

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Gene delivery technology

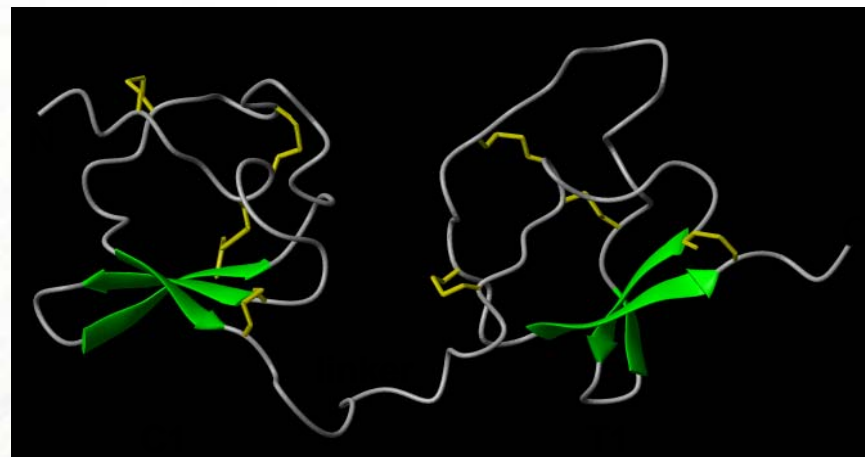
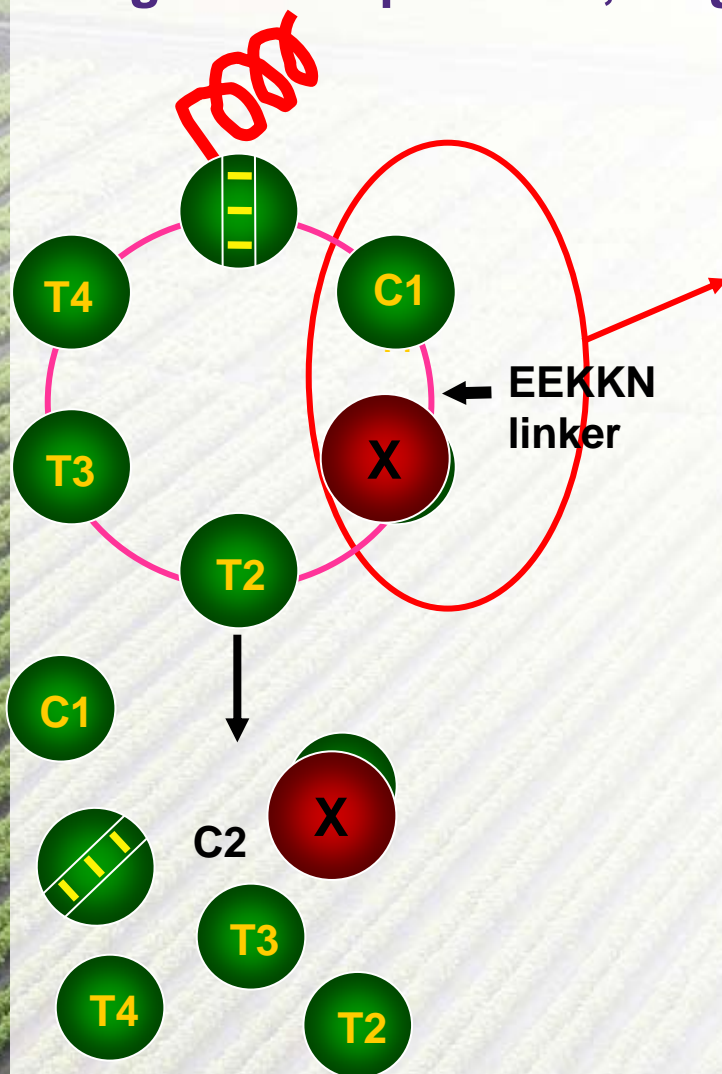
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Mgev: multiple traits, single delivery



- ◆ No interaction between C1 and T1
- ◆ Linker is totally flexible
- ◆ Domain swapping

Our patent portfolio continues to strengthen

- ◆ Eight Patent Families
 - This includes two new applications, lodged during 2007, which are the foundation of two new patent families.

- ◆ 25 Issued Patents

- ◆ 35 Pending Patents

- ◆ Lodged in all key markets

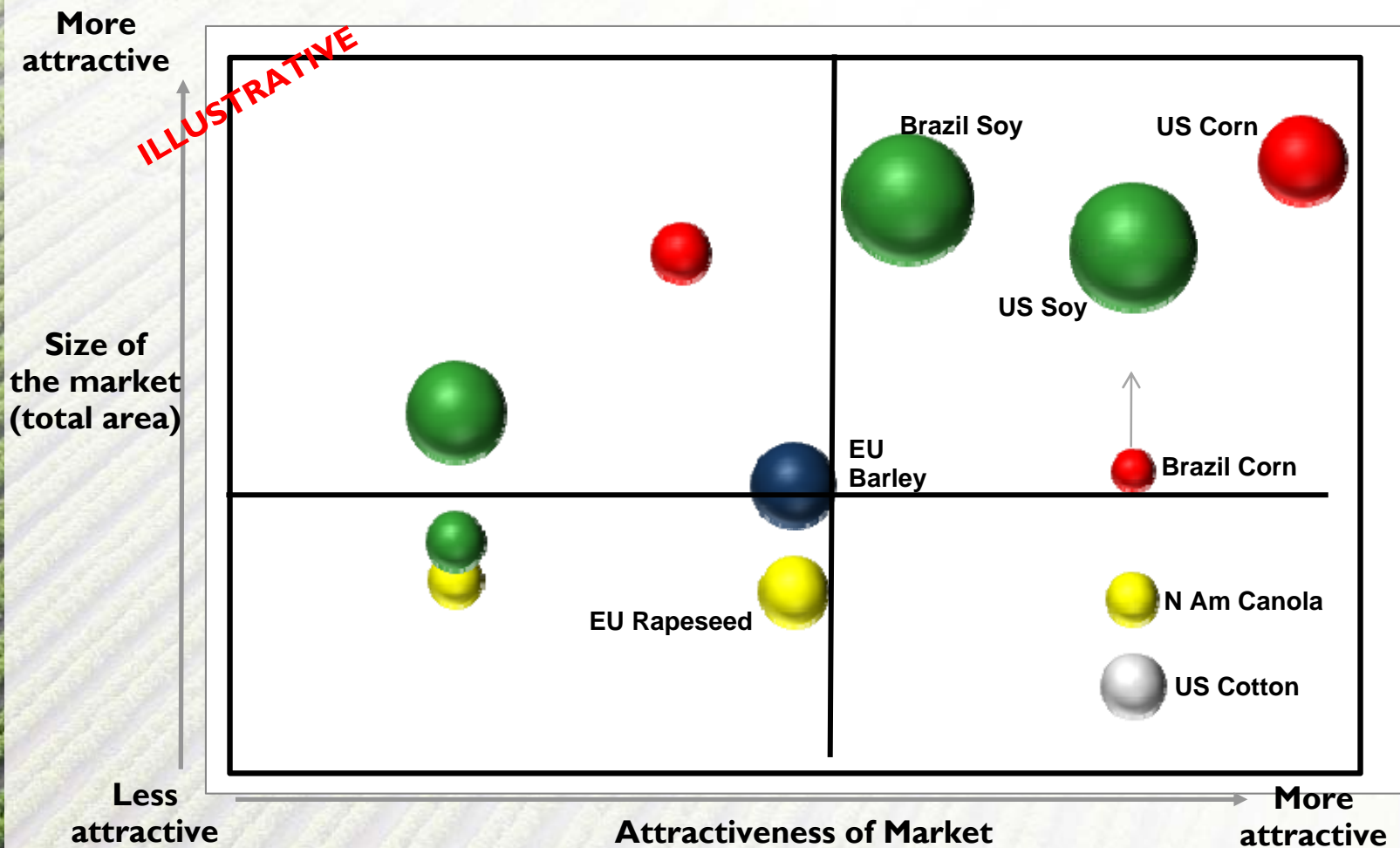
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THE COMPANY IS IMPLEMENTING A CLEAR BUSINESS PLAN

For both Fungal and Insect Resistance Traits, Hexima has identified the US and Brazil as key markets. As the EU adopts GM crops, it will become increasingly attractive

Attractiveness of crop and country markets for Hexima Traits



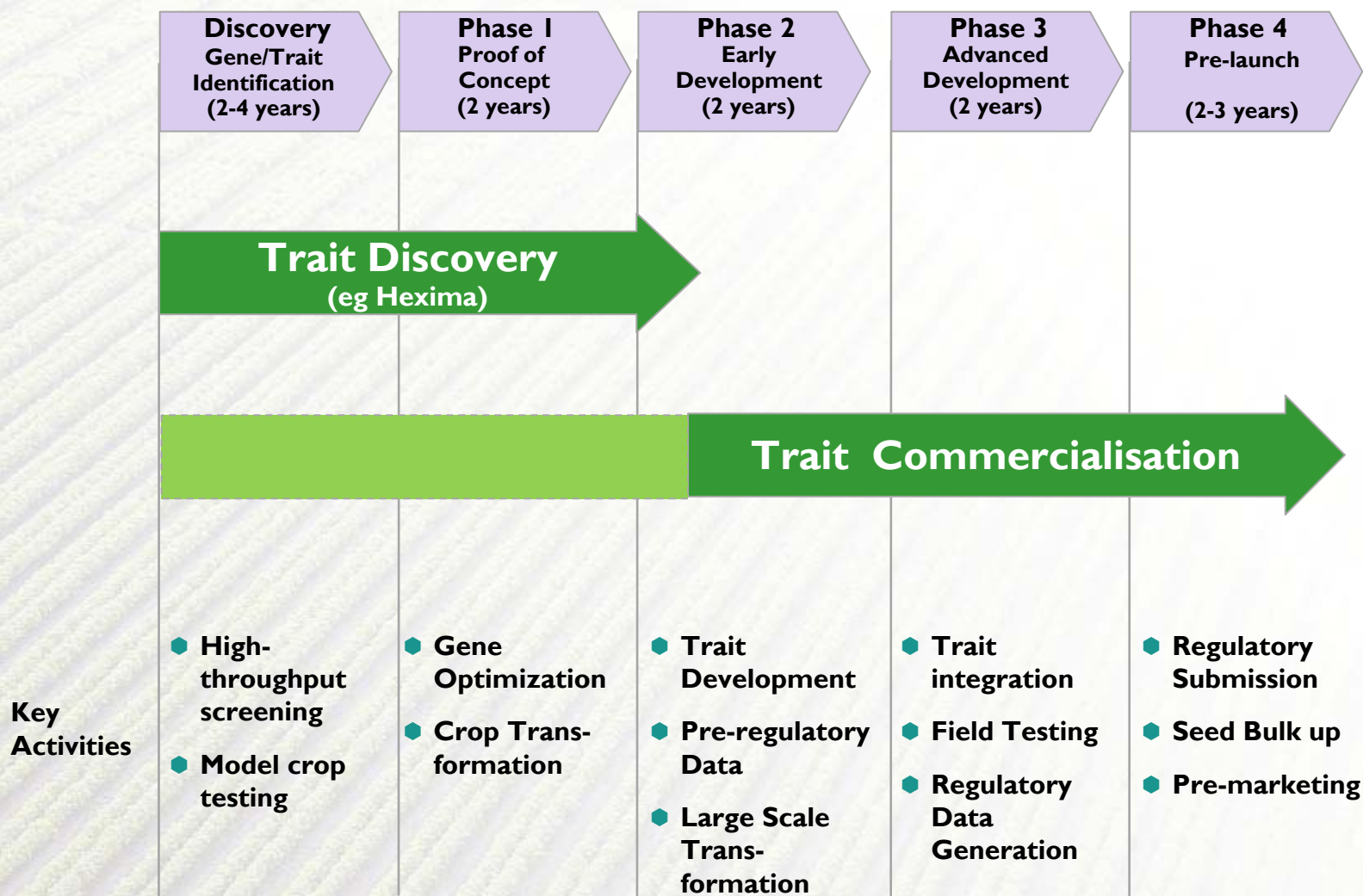
Six global agribusiness groups are the gatekeepers to the ag-biotech market



- Trait Developers are large chemical companies, all with extensive sales of chemicals for agriculture
- Five global agribusiness groups – Monsanto, DuPont / Pioneer, Syngenta, Dow AgroSciences and Bayer - control the global commercial seed production
- Although much smaller than traditional ag-chemical sales, seed and trait sales are growing rapidly

THE COMPANY IS IMPLEMENTING A CLEAR BUSINESS PLAN

Potential partners have different strategies with respect to discovery development and commercialisation



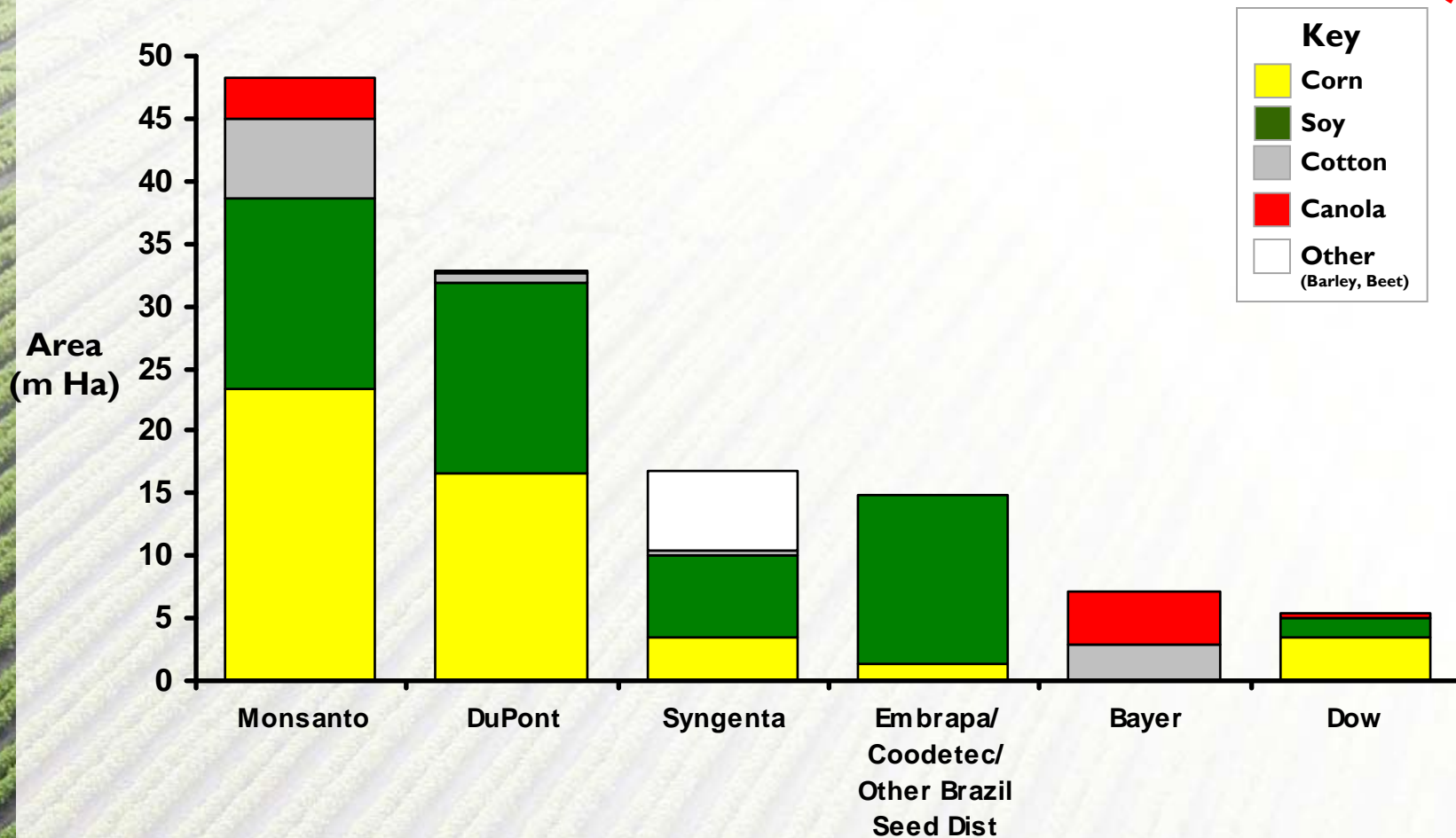
Note: This timeline format is an extension of a shorter timeline developed by McElroy, 2004

THE COMPANY IS IMPLEMENTING A CLEAR BUSINESS PLAN

Hexima has active collaborations and ongoing negotiations with several of the six largest seed companies

Estimated Total Crop Seed Sales by Million Ha Sown by Firm (2006)

ESTIMATE



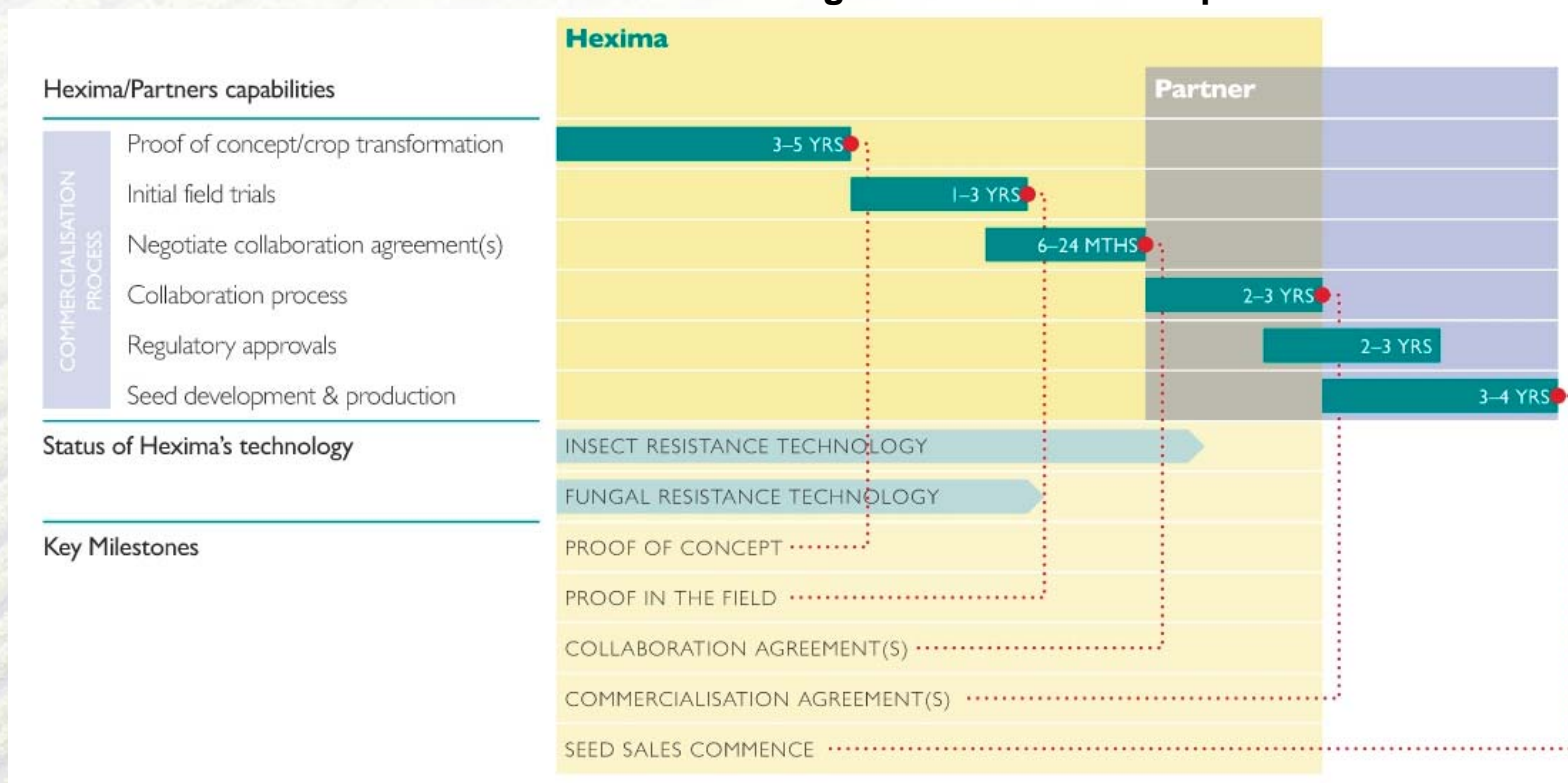
Countries: US, India, China, Brazil, Argentina, EU, Australia, South Africa

Source: Investor Presentations, Analysts Reports, Team estimates

THE COMPANY IS IMPLEMENTING A CLEAR BUSINESS PLAN

Hexima is on track with its published indicative development timeline and is seeking to accelerate where possible

Indicative Insect-resistance & Fungal-resistance development timeline



Announcement expectations

0 - 8 MONTHS

- Achieve collaboration agreement/s for defensin technology
- Results of second field trial of defensin technology in cotton (Australia)
- Initial development of PI and defensin technologies in crops other than cotton

12 - 18 MONTHS

- Results from collaborative development of PI technology in corn
- Interim results from collaborative development of PI technology in cotton
- Collaborative development of defensin technology
- Further development of MGEV with partners

18 - 36 MONTHS

- Execution of commercialisation agreement/s

Strong financial base following our successful IPO

CASH BALANCE

\$38 million

DEBT

Nil

**ANNUAL
INVESTMENT**

\$8 million p.a.

LEVERAGE

- Co-investment by collaboration partners
- Research fees and income
- Government grants

Conclusion

- ◆ **Hexima is targeting a large and growing market**
- ◆ **Hexima continues to make positive progress with it's technology**
- ◆ **The company is implementing a clear business plan**
- ◆ **Following the IPO Hexima has a strong balance sheet to fund operations**
- ◆ **2008: Execution of important collaborative agreements**