

Chairman's Address
Annual General Meeting
Hexima Limited
11.00am Tuesday 22 November 2011



H E X I M A

(presented by Director, Mr Steven Skala AO, on behalf of Chairman, Mr Ross Dobinson, who was indisposed)

We are pleased to report on the Company's progress with realising the commercial potential of our technologies before returning to the business of the meeting.

In last year's presentation we referred to the key objectives of the Company's Management Team and I would like to refer to that presentation to provide a consistent reporting base.

- We are now three years into a five year exclusive disease resistance gene discovery program for corn and soy. Corn transformation is progressing well and the soy program is being progressed under an amendment to the original agreement with Pioneer, which provides for an additional series of milestones with no diminution in the royalty schedule originally agreed to for both corn and soy. Prof. Anderson will provide a more detailed report on progress with both crops in her presentation.
- Last year we reported that there were promising in vitro results against pathogens of a number of additional crops. The success of these programs has led to the Company entering into a development program with Monsanto for wheat, and we expect to progress an additional development contract on another crop in the near term.
- Last year we announced positive MGEV data generated – both with collaborators and independently. We anticipate announcing an additional commercial contract for MGEV soon.
- Last year we announced that our cancer program ('Balmoral') has achieved positive in vitro results. We anticipate announcing a joint development program for these compounds with an experienced group in the near future.
- As detailed last year, we are on track to achieve royalty streams for disease resistant corn and soy with the first product scheduled for 2019.
- We noted last year that the Company has an ongoing gene discovery program. This has resulted in two patent applications being filed by the Company which will form the basis of the development program for the anti-cancer applications referred to previously.
- We noted last year that the Company has skill sets that are unusual outside of large companies. This has been validated recently through the Company entering into a canola registration program in Australia with Pioneer.

- We noted last year that the Company's insect resistance program was targeting a massive and growing market. We anticipate this will soon be commercially validated recently through the Company entering a significant development program.

Last year we commented on the constraints on our capital base as a consequence of undertaking several years of technology development and the establishment of significant infrastructure. We are pleased to advise that as a consequence of the developments implemented since the last AGM that:

- The current capital base and income stream should fund the Company for approximately 5yrs (c.f., the three years reported last year).
- As noted last year we do not anticipate the need for further equity raisings.
- Royalties from corn and soy are currently scheduled to commence in 2019 but royalties from the commercialisation of MGEV may commence prior to this.
- We have created value for shareholders by revising contractual arrangements and we anticipate further improvements over the next twelve months.
- The Company's cancer program has been externally funded and we are negotiating additional external funding to further this program.
- The Company has reduced expenditure and improved the potential for synergy by negotiating the co-location of the Company's teams at La Trobe University. As advised in our recent shareholder update, this is likely to be completed during 2012.

Finally, we are pleased to advise that the Company has signed a research license and commercial option with Monsanto Company (NYSE:MON).

The license has been granted for anti-fungal research in wheat with a future option for commercialisation pending research results. Fungal disease is a major source of yield losses of major food crops in every continent and causes significant annual losses for wheat growers. Wheat is the world's largest crop by area.

The agreement licenses Hexima's anti-fungal protein technology which has shown initial success in field trials in other crops over multiple seasons.

Though the research is still early, this technology represents one of Hexima's key scientific platforms and has tremendous potential in delivering value to wheat growers worldwide.

This agreement with Monsanto is another important step in commercialising the technology across all major crops globally.

Monsanto's field expertise and market position make it an ideal partner to evaluate and potentially commercialise this anti-fungal technology in wheat.

In summary it has been a productive year for the Company. We are implementing an equity based incentive program to ensure retention and

motivation for key staff. Notwithstanding the Company's delisting key management still perceive equity as being a key performance incentive and the Board views an equity program as being the best form of alignment of the Management Team and Shareholders' interests.

Some of you will be aware that Dr Robyn Heath, one of the Company's founding scientists, is leaving Hexima at the end of the year to pursue other interests. We thank Robyn for her contribution to the Company over many years and wish her well in all her future endeavours.

Finally, I would like to thank all shareholders for their continued support.