
ASX Announcement and Media Release

24 December, 2004

SciGen Limited

Shreya investment and Capital Raising

SciGen Limited ["SciGen" or the "Company"] has previously advised the market that it has been in negotiations with Shreya Group ["Shreya"] regarding a potential investment into the Company. This proposed transaction was to be linked with an entitlements offer to all existing shareholders.

The Company announced in early December to the market that additional terms raised by Shreya had been the subject of further negotiation between the parties.

SciGen has now received advice from Shreya that agreement cannot be reached on these terms and as such they have advised that the proposed investment by Shreya will not proceed. It should be made clear that the decision to conclude the negotiations was made on the basis of not being able to agree these additional, non-financial terms [including board representation and board composition], and was not based on any matter or issue discovered or raised under any due diligence process on SciGen.

It is the Company's intention still to proceed with a capital raising in the second half of the current financial year. SciGen is pursuing other opportunities for partners to participate in any such capital raising.

The Company's other agreements with Shreya remain on foot and are progressing. The commercialization agreement for SciGen's products in India has been implemented as demonstrated by the launch and commencement of commercial insulin sales of recombinant human insulin in India in the last weeks. As for the Contract Manufacturing Agreement with Shreya Biotech, this agreement also remains firmly on foot, with construction of the manufacturing facility for SciGen's products well underway. The construction is due to be concluded in the first few months of calendar year 2006. Various validation and regulatory processes are required to be conducted once physical construction is complete. It is still

anticipated that commercial production will commence early in the first half of FY2006. SciGen will progress the regulatory issues involving the change of manufacturing site as soon as practicable once product batches are available from the plant.

About SciGen

SciGen Ltd is a biopharmaceutical company essentially involved in commercialising later stage research. It co-develops and markets genetically engineered biopharmaceutical products for human healthcare. SciGen focuses in the areas of gastroenterology, endocrinology and immunology. Its product portfolio includes vaccines and therapeutics.

SciGen acquires rights to manufacture, distribute and market biopharmaceutical products under exclusive licensing arrangements. SciGen's portfolio currently includes proprietary biotechnology-derived products, and biogeneric products, which can allow for faster entry into the market, as biogeneric products have undergone much of the clinical development and trials required to bring new drugs to market. This minimises the risks associated with early stage product development. SciGen currently undertakes R&D activities in collaboration with strategic partners and institutions.

SciGen's competitive advantage is in identifying research with commercial potential at an early stage to which it adds its expertise in gaining regulatory approval and bringing products to market

SciGen is a Singaporean biotechnology company, established in 1988 and listed on the Australian Stock Exchange (ASX code SIE). SciGen is headquartered in Singapore, with offices also in Australia, USA, Korea, Vietnam, Hong Kong and Philippines and partners in India, China, Indonesia, Israel, Poland and the Netherlands.

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