



SCIGEN TO ACQUIRE SHREYA BIOTECH

Singapore and Australia. Monday 5th June 2006. SciGen Limited (“**SciGen**”) has concluded a share purchase agreement (the “**Agreement**”) with the Indian-based Shreya Biotech Private Limited (“**Shreya**”) and with Shreya’s shareholders (the “**Shareholders**”).

Pursuant to the Agreement, the Shareholders have agreed to sell Shreya shares representing 100% of its share capital (the “**Shares**”) to SciGen, and SciGen has agreed to purchase the Shares in return for:

- making available a loan of USD7,497,778.00 to Shreya towards the repayment of the credit facilities and loans taken by Shreya (including the loans extended to Shreya by the Shareholders);
- the payment of INR100,000.00 to the Shareholders

Should SciGen fail to act upon its undertakings to provide the aforementioned funds, the Shareholders will be entitled to terminate the Agreement, and SciGen will be obligated to pay them a contractual penalty of USD1,000,000.

The agreement was concluded on the condition precedent that the Shareholders and Shreya perform the following obligations:

- (i) obtain all corporate and administrative consents, as well as take any and all actions necessary to give effect to the conclusion of the agreement and to the final close of the transaction;
- (ii) obtain consent of Maharashtra Industrial Development Corporation (or procure a confirmation that such consent is not required);
- (iii) obtain consent of Shreya’s creditor banks;
- (iv) renew Shreya’s permit to conduct production activity;
- (v) conduct a legal, economic and technical due diligence of Shreya, as well as obtain favourable results of such due diligence process;
- (vi) terminate all agreements concluded by Shreya or its affiliates with their respective officers, directors and the Shareholders;
- (vii) obtain confirmation that on the final transaction closing date, Shreya’s status and financial situation have not changed to a material extent, and
- (viii) satisfy other reasonable requests submitted by SciGen necessary to effect a final close of the transaction.

If the conditions listed above have not been satisfied within 45 days from the Agreement conclusion date, SciGen will be entitled to terminate the Agreement.

In the event of the Shareholders' default under the Agreement, SciGen will be entitled to terminate the Agreement and demand that any of the Shareholders and Shreya pay a contractual penalty of USD2,000,000.00 or the equivalent of the amounts provided to Shreya by SciGen pursuant to the Agreement.

The final closing of the transaction and the transfer of the Shares to SciGen will occur not later than 90 days following the execution of the Agreement.

The facility located in Pune, India will have sufficient capacity to produce all of SciGen requirements for its product for the next decade and will serve as a back-up facility for the facility in Israel that is being constructed. It will also have spare capacity to serve as a contract manufacturing facility for third parties. This facility will have bacterial fermentation and mammalian cell culture and research & development capabilities.

About SciGen

SciGen Ltd is a biopharmaceutical company involved in commercializing later stage research. It co-develops and markets 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 allow for faster entry into the market, as biogeneric products have undergone much of the clinical development and trials required to bring drugs to market. This minimizes 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 in Australia, USA, Korea, Vietnam, Hong Kong, and Philippines and partners in India, China, Indonesia, Israel, Poland, Austria and the Netherlands.

Further information:

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