



11 September 2009

Companies Announcements Office
Australian Securities Exchange Limited
10th Floor, 20 Bond Street
SYDNEY NSW 2000

ADVENT INVESTMENT OPPORTUNITY

BioPharmica Limited (ASX: BPH) is pleased to announce that it has been offered an exclusive option to invest in Advent Energy Limited (“Advent”). The option gives BPH the opportunity to acquire between 9.7% and 19.4% of Advent’s share capital at 50c per share which is consistent with the Talbot Group Holdings investment. The investment will be subject to shareholder approval which will be sought at the 2009 Annual General Meeting which is anticipated to be held on the 11th November 2009.

To assist with the proposed investment in Advent, BPH intends to undertake a placement of BPH shares to sophisticated and institutional investors to raise approximately \$20M before costs. Completion of the placement will be subject to approval by BPH shareholders, which is proposed to be sought at the 2009 Annual General Meeting.

The Proposed New Investment

Advent is an unlisted oil and gas exploration company based in Perth, Western Australia. Advent is entering an exciting period of exploration and development, and is seeking equity capital to assist in its exploration objectives. Advent has successfully secured a \$7M conditional funding agreement with Talbot Group Holdings.

Advent holds a portfolio of petroleum exploration and near-term development assets throughout Australia. Its cornerstone project is situated in the offshore Sydney sedimentary Basin, within Petroleum Exploration Permit (PEP) 11. Estimates of the prospective recoverable resources comprised in PEP11, adjacent to the coastline from Wollongong to Newcastle (offshore NSW), are up to 16.3 (P10 or ‘high’) trillion cubic feet of natural gas.

Advent has continually demonstrated positive indications of hydrocarbon accumulation and migration within PEP11.

Advent has projected that field development of the known prospects and leads within PEP11 could generate a NPV₁₀ of over A\$12 billion, assuming exploration success at the P50 level (‘most

BioPharmica Limited ACN 95 912 002

PO Box 317, North Perth, Western Australia 6906

14 View Street, North Perth, Western Australia 6006

admin@biopharmica.com.au www.biopharmica.com.au

T: +61 8 9328 8366 F: +61 8 9328 8733

likely'). Successful exploration and field development of the anticipated volumes of hydrocarbons reported would have a positive impact on New South Wales' and Australia's energy industry.

Continuity of Biotechnology Business

BPH will continue to maintain its interest in Molecular Discovery Systems Pty Ltd, Cortical Dynamics Ltd, Diagnostic Array Systems Pty Ltd and the SERS project, with its investees' biotechnology projects representing BPH's majority investments.

As BPH will not be involved in any of the decisions affecting the ongoing operations of the projects of Advent, the investment will be passive in nature.

Benefits to BPH Shareholders

Through this expansion of BPH's corporate activities shareholders will be given exposure to a resources project at an exciting stage of development. The perceived potential uplift in value warrants this as an outstanding investment opportunity. The investment in Advent presents BPH shareholders with the capacity to reduce investment risk in their shareholding whilst retaining their interest in the core activities and investments of BPH.

The Board of BPH believes that the proposed new investment can be of immense benefit to BPH and its shareholders. The Board fully endorses this investment opportunity and recommends to shareholders their support for this action.

Yours sincerely



David Breeze
Managing Director

About BPH

BioPharmica Limited [ASX: BPH] is an Australian Securities Exchange listed company developing biomedical research and technologies within Australian Universities and hospital institutes. In addition to its in-house drug discovery resources, BioPharmica provides early stage funding and research, project management and commercialisation strategies for proof of concept for a direct collaboration, a spin-out company or to secure a licence, whilst the institutional partner provides the infrastructure and the scientific research collaboration.

Three of BioPharmica's projects have advanced to a stage where discussions have been initiated on commercialisation with domestic and international companies. The most recent development in the anti-mitotic cancer therapeutics area addresses a market valued in excess of one billion dollars (US) per year.

BioPharmica currently partners with several academic institutions including Western Australian Institute for Medical Research (WAIMR), Swinburne University of Technology (SUT) and The Royal Melbourne Institute for Technology (RMIT) University.