

3rd October 2012

Market Announcement

Iqnovate Ltd instruments to trade on OTC Pink Marketplace in USA

IQnovate Limited (NSX: IQN) announced today that it has entered into an agreement with Viriathus Capital LLC to create an ADR (American Depositary Receipt) for IQNovate Ltd which will be quoted on the initial tiered OTC Pink Marketplace of the OTC Markets Group Inc. in New York, U.S.A.

Who is the OTC Markets Group Inc (www.otcqx.com)?

OTC Markets Group Inc operates the world's largest equity Over the Counter marketplace platform with nearly 10,000 securities. In 2011 more than US\$229 billion of dollar volume was traded in OTC securities on the major tiered OTCQX Market and initial tiered OTC Pink Marketplace

Amongst the companies trading on the major OTCQX Market Tier are large cap international issuers such as Allianz, AXA, BASF, Canadian Oil Sands, Danone, Marks and Spencer, Roche, and Yamaha.

What are American Depositary Receipts (ADR)?

ADR's are financial instruments issued by US Banks representing a specified number of shares of a non-US company. The ADR's may be traded in the US financial markets such as OTC Pink Marketplace. Accordingly US investor demand for Iqnovate Ltd ADR's will translate to demand for the equivalent amount of Iqnovate Ltd shares on the NSX.

Why is Iqnovate Ltd seeking to list on the OTC Pink Marketplace?

IQN is seeking to list on the OTC Pink Marketplace as part of the global strategy to gain accesses to United States based investors, and continues to be governed by the reporting requirements on one exchange being the NSX.

George Syrmalis, IQnovate's Executive Chairman and CEO, said: "The cross listing on the OTC markets will create a share of voice for IQN with the American investors and further fortify its position with Australian investors".

IQNovate launched on the National Stock Exchange of Australia (NSX) in December last year, and quickly became one of the star IPOs of 2011 when its shares - issued at 20c each – rose strongly to sell at a peak of \$1.50.

More details about the quotation of the security on the OTC Pink Marketplace and the proposed timetable will be released in due course.

Spiro Sakiris

Company Secretary

IQnovate Limited is a contract medical affairs organisation and scientific service provider to the biopharmaceutical industry. The company also extends a premium advisory service to institutional capital investors on biotech investment strategy. Its clients are pharmaceutical, biotechnology, medical device, financial institutions and academic and government organisations. IQnovate focuses on every segment of the drug life cycle, from preclinical-clinical, product pre-launches, right through to RRC (registration, reimbursement and commercialisation) bridging science with business.