

21st May 2015

Announcements

National Stock Exchange of Australia

PO Box 283

NEWCASTLE NSW 2300

Market Announcement – Listing of Wholly Owned Subsidiary

The Directors of iQnovate Limited (NSX:IQN) (the Company) are pleased to announce that the Board has resolved to float its wholly owned clinical research and development subsidiary, Clinical Research Corporation (CRC), via a new proposed ASX listing. The Company has committed to an IPO of CRC and listing on the ASX by the end of the 1st quarter 2016. Preliminary market research has indicated significant demand for this raising and it is anticipated that the proposed offer will be oversubscribed.

The key details of this proposed new float, which is subject to all necessary approvals being obtained, are as follows:

- Offer to be made via a Prospectus
- Capital Raising – it is proposed to raise at least \$4 million
- iQnovate Ltd shareholders will not be offered a priority entitlement under the offer as the company intends to retain a majority shareholding in CRC
- iQnovate Ltd – the Company's shareholding in CRC will be diluted by the proportion of the offer.

The funds raised will be applied to working capital and the continued development of the CRC business.

iQnovate Limited Chief Executive Officer Dr. George Syrmalis said, "CRC is a life science organisation providing a full suite of end-to-end R&D services to the biopharmaceutical sector. The company's growth since inception has been remarkable and a listing on the ASX will provide a platform for further corporate growth."

About Clinical Research Corporation Pty Ltd

Clinical Research Corporation (CRC) ensures scientific innovation can be realised by helping clients to improve their discovery and development processes, comply with complex sector regulations and strategically execute on commercialisation and investment goals.

For more information, please feel free to contact the iQnovate Investor Relations Team.

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Safe Harbor Statement

Any statements in this press release that relate to the Company's expectations are forward-looking statements, within the meaning of the Private Securities Litigation Reform Act. The Private Securities Litigation Reform Act of 1995 (PSLRA) implemented several significant substantive changes affecting certain cases brought under the federal securities laws, including changes related to pleading, discovery, liability, class representation and awards fees. Since this information may involve risks and uncertainties and are subject to change at any time, the Company's actual results may differ materially from expected results. Additional risks associated with IQnovate's business can be found in its periodic filings with the National Stock Exchange of Australia.

SOURCE IQnovate Limited

IQnovate Ltd is a life science organisation, providing intellectual property asset management services and scientific advice to the global Biopharmaceutical industry.

Whether the asset is a pharmaceutical, medical device, technology platform or a compound in development, IQNovate will effectively manage your asset through its complete life cycle, from clinical trials right through to maturity.

IQNovate clients are pharmaceutical, biotechnology, medical device companies as well as financial institutions, academic and government organisations.