



26 June 2006

Company Announcement Office
Bendigo Stock Exchange
PO Box 191
Flinders Lane, Melbourne
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By email; announcements@bsx.com.au

RE: Announcement by State Development Fund Limited

Please find attached an announcement by State Development to be released to the market.

By order of the Board of Directors

Peter J.Kral
Company Secretary



26 June 2006

AUSPEP TULLAMARINE FACILITY RECEIVES TGA ACCREDITATION

The Chairman of State Development Fund Limited (SDF), Legh Davis, announced today that Auspep has been granted a Good Manufacturing Practice (GMP) Licence from the Therapeutic Goods Administration for its facility in Tullamarine, Victoria. This facility, costing over \$1 million dollars will mean Auspep is the only commercial GMP manufacturer of peptides in Australia.

Mr. Legh Davis said that Auspep will now be able to manufacture peptides for clinical trials and therapeutic use for both domestic and overseas clients. Until now Australian research groups and pharmaceutical companies have been forced to buy clinical grade peptides from foreign sources.

SDF, which owns 76% of Auspep, believes that this certification will provide increased revenue opportunities for Auspep both locally and internationally.

Mr. Davis said that Auspep has already secured a contract from a local customer for GMP produced peptides.

In order to fully exploit the possibilities of the GMP facility, the Board of Auspep along with Managing Director Dr Chris Chandler is currently undertaking an independent review of the company's strategic direction and market focus.

SDF's other investment is a 34.7% interest in the Burnie Airport Corporation (BAC). BAC owns and operates the Burnie Wynyard Airport which also includes land being developed for industrial and residential use. Recently Qantas has advised that it is withdrawing from several regional airports around Australia including Burnie. However Regional Express which also operates to Burnie has indicated that it will increase its Burnie flights to cover the withdrawal of QantasLink. The Burnie City Council, as the major shareholder in BAC is committed to promoting the airport which is an important hub for business and tourism in North West Tasmania.

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