



**Solagran Limited**

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17 August, 2005

### **Company Announcement Product Development and Commercialisation Update**

The Directors of Solagran Limited are pleased to announce that Solagran's Australian manufacturing partner, Cardinal Health Australia, has successfully completed the first manufacturing run of two finished form products containing *Bioeffectives*. This represents a major milestone in the company's *Bioeffectives* commercialisation plan. The products are:

- *Bioeffective R Vegiecaps*, which will be used initially in the Alzheimer's disease clinical trials program. The local Australian trials to be conducted by Swinburne University are planned to begin in September 2005.
- *Bioeffective B Twistoffs*, which will provide a convenient delivery mechanism for the topically applied sports recovery product currently being used by players of the St Kilda Football Club as they approach the 2005 AFL final series.

#### ***Bioeffective R Vegetable Caps***

As announced by the Company on 20 June 2005, Swinburne University of Technology Centre for Neuropsychology will undertake an independent clinical study of neuro-cognitive, mood and brain EEG effects of 90 day administration of *Bioeffective R* to 120 healthy participants aged 60-85.

The capsulated finished form was developed with the aim of providing a simple solution to dosing and compliance requirements for patients with Alzheimer's disease and other cognitive disorders.

This delivery system is ideally suited for applications and trials in other disease areas including liver disease.

As Solagran plans to distribute the product globally, the animal-free capsules can be used by people of any religion.



**Photo 1.** *Bioeffective R Vegiecaps*

## ***Bioeffective B Twistoffs***

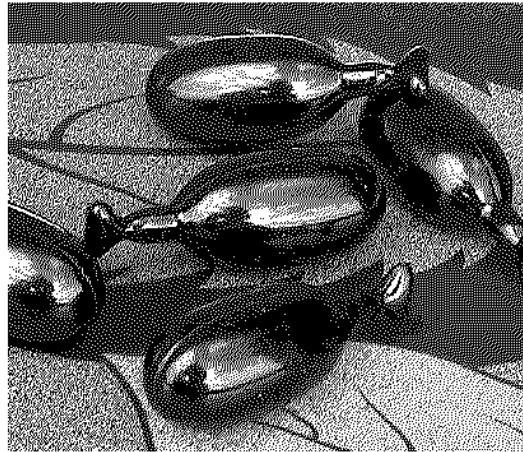
Throughout the 2005 season, the St Kilda Football Club has been using *Bioeffective B* topically, to accelerate recovery after matches, enabling players to return to the field faster and contributing to the team's current success. The feedback from players and coaching staff in relation to the use of *Bioeffective B*, and the personal involvement of Solagran's Chairman, Dr Vagif Sultanov, has been very positive.

The newly manufactured disposable *Twistoffs* shown in Photo 2 provide a much more convenient and portable delivery mechanism than has been available to date.

Following the success of *Bioeffective B* at St Kilda, other professional sporting bodies have expressed interest in this product.

Plans are in place to launch *Bioeffective B Twistoffs* in Australia by the end of 2005, and in selected other countries in 2006.

Both of these finished form products have been manufactured at Cardinal Australia's GMP certified facilities in Braeside, under the Agreement announced by Solagran in November 2004. As part of this agreement, Cardinal can introduce marketing partners for the finished form products.



**Photo 2.** *Bioeffective B Twistoffs*

Peter Stedwell  
Director  
On behalf of the Board of Directors

## ***Solagran Limited***

*Solagran Limited is an Australian company founded in 1995 with the objective of commercialising the results of a research and development program that commenced in Russia in the 1930s, and which has continued, uninterrupted, until the present day. The focus of the research program has been the extraction and utilisation of the "live elements" of tree foliage. Solagran has collectively trademarked these substances using the term Bioeffectives®.*

*Solagran's technology permits it to obtain many different Bioeffectives from tree and plant sources. One of the highest value Bioeffectives is a class of organic substances known as polyphenols. Polyphenols are naturally occurring precursors of dolichol, which is found in all of the vital organs of the human body, and which plays an essential role in cell metabolism and in supporting the immune system.*

*Solagran has committed significant resources to the development and testing of Bioeffective R – a Bioeffective comprising polyphenols. Experimental and trials results show that Bioeffective R has a very positive effect on damaged liver cells.*