

ADDRESS BY THE CHAIRMAN TO PEPLIN'S AGM

28 September 2004

Welcome to this 2004 AGM of Peplin Biotech Ltd. I am Cherrell Hirst and I am proud to be the Chair of your Board of Directors.

I would like to introduce to you my fellow Directors and the members of the Executive. As you will know from the Annual Report and from our market communications there have been some changes both to the Board and Executive since our last AGM so it is a particular pleasure to especially welcome our new Directors Michael Spooner and Gary Pace, and Phil Baker our CFO.

I would like my first introduction to be of Dr Jim Alyward – inventor, founder, and major shareholder. Jim has been an Executive Director since listing and has for that same period of time been Director of Research on the Executive. Jim has decided to stand down as a Director but we are all extremely pleased that he has decided to continue with Peplin in an innovation research role – and he will tell you a little more about that later. This is therefore Jim Alyward's last AGM as a Director and I want to thank him for his enormous contribution from day 1 – and of course as the inventor from well before day 1. We will miss you at Board meetings Jim but we are delighted that we are able to continue to work together to seek to further expand Peplin's pipeline with exciting new discoveries.

Next - MR WAYNE GOSS – Wayne has had many careers in all of which he has made great contributions and his directorship of Peplin is no different. Wayne has been with Peplin since Listing and chairs the Audit Committee and is a member of the Performance and Remuneration Committee.

MR MICHAEL SPOONER - Welcome to Michael who joined the Board in February 2004 as a non-executive director. Michael has had a distinguished career in financial services and consulting and achieved great success as CEO of Ventracor. Michael brings a wealth of experience as a successful businessman and CEO and we are very pleased to have him in the team.

DR GARY PACE – It was clear to us and probably to all of you that our board lacked specific industry skills especially in the commercialisation area and hence our invitation to Gary to join the Board in June 2004. Gary's immense experience in the industry in multiple roles in Australia and in the USA for over 20 years fills that gap and brings to Peplin the wisdom of experience and a wealth of valuable networks. Welcome Gary.

At this point I would like to acknowledge the great contribution of MR BRETT HEADING who was a director from soon after listing until 30th June 2004. Brett graciously offered to stand aside to make way for Gary Pace. We miss Brett's commitment expertise and his clear strategic thinking but we retain a relationship with him as our legal advisor. Thank you BRETT.

I would also like to acknowledge the presence here today of our Auditors Johnston Rorke – Ross Walker is here and willing to answer any questions you might have of him. Also I want to acknowledge many of our key stakeholders who have joined us here today and thank them for coming.

So to the year of 2004. It has been an excellent year with so much achieved – it seems more like a few years not just one. I want to attempt to summarise the overall picture of progress in the eleven months since our last AGM.

New people, clear strategy, expanded pipeline of products, and new name. These all go together and together they sum up the year.

New people - Michael Aldridge became CEO a week or so before the AGM last year. Together with Phil Baker our new CFO, and Peter Welburn who has been with us since 2001 Michael has forged a very strong and capable leadership team managing the people and the business of Peplin. Let me introduce them.

MICHAEL ALDRIDGE Managing Director – Michael has continued the great work initiated by Garry Redlich, Peplin's foundation Managing Director. He brings to Peplin a high level of strategic thinking around biotechnology/pharmaceutical company development as well as serious investment banking experience in the USA and UK. Michael has done a remarkable job in his first year at Peplin as our forthcoming presentation of the year will demonstrate. We are fortunate indeed to have him as leader of the team and from my special perspective as Chair I cannot speak highly enough of his ability, knowledge and leadership.

DR PETER WELBURN – Director of Drug Development. Peter has done and continues to do a fantastic job overseeing our development programs. He is our key linkage with Allergan and supervises all our preclinical and impending clinical development programs and the preparation of our IND filings which is a huge and critically important workload.

MR PHIL BAKER – CFO and Company Secretary. Phil joined us in December 2003 following the resignation of David Craig for health reasons. Phil has had extensive experience in senior executive leadership positions in large companies. We are absolutely delighted that he decided to join us here in a small company with its different challenges and demands. Phil's commitment and determination as well as his knowledge and experience is serving us extremely well.

These dedicated individuals together with the other members of Peplin's staff whom Michael will introduce shortly make a great team; and it is team work which is fundamental to generating success. The Board together with the Michael, and all the staff are working together extremely well for Peplin. I can only commend them and Michael and thank them on your behalf for the great job they are doing.

In addition to these core people there are our many contractors and consultants, some new, some continuing, spread around the world. Keeping all these world class organisations and individuals focussed and delivering their important contributions on time and in the appropriate way is no small task – to say nothing of selecting the people best able to provide the specific services at the outset. You will hear mention of these people and their work in the presentation today and they are all mentioned in the Annual Report. I would like to pay tribute to their different contributions to our goals throughout the year – they make up the global Peplin team.

Clear Strategy

As a company such as this moves down the growth pathway from very, very early stage to product development, its business becomes more complex, its strategic options increase and the need for a clear strategy becomes more and more critical. Thus early in the year under Michael's leadership and with encouragement and involvement from the Board we spent some months focussing on strategy – which compounds, how delivered, for what applications, along which development pathway and how far along? With the strategy developed, agreed to, articulated and

communicated we set about delivering results and Michael will expand on that delivery in detail. Suffice for me to say that we now have

- PEP 005 for topical use filed with the FDA and in clinical trials to treat two different forms of skin cancer
- two more with completely different product applications well down their development pathway for two quite distinct and important diseases
- and at the same time research programs are continuing to generate other compounds for development.

This constitutes a huge advance on where we were last year although I would like to point out that the foresight of the team in paralleling much of the pre-clinical work that is the simultaneous pre-clinical development of PEP 005 for topical intra-lesional and intravenous delivery was brilliant and has saved a great deal of time in the development pathway of other PEP 005 applications and will do so for future applications. I think it is Peter we have to thank predominately for this insightful and effective strategy.

New vision - and new name. These go hand in hand. In defining our strategy we have clarified our focus as product development rather than compound identification with early licensing – that is we want to develop our patent protected molecules into products and advance them towards market. Whilst pursuing co-development and co-promotional structures with leading international pharmaceutical companies. This we know will bring far greater value to our shareholders and more satisfaction to us. Our new mission statement which you will find on the inside cover of our Annual Report and which we developed together during this year says it all

Peplin is dedicated to the discovery and development of prescription therapeutic products which enable people with cancer and other disease with limited therapeutic options to live healthier happier and longer lives.

And to communicate this change – to project our image as a fully integrated drug development company in the field of cancer and to brand ourselves accordingly to you our shareholders, to the market, to all our stakeholders and to the world more generally we believe it appropriate to change our name. No drastic change – just to drop the word “biotech” and to have as our name “PEPLIN LTD” to emphasise the point that we are an integrated drug development company not a biotechnology company. We have also added an appropriate tag line – *Pharmaceuticals for Life* to emphasise our mission of enhancing the lives of those with cancer through our products.

My thanks go to all who have during this year helped to make our goals a reality, especially our MD, Michael Aldridge, my fellow directors and all the people of Peplin Biotech Ltd. You are a great team to work with. To all of you our shareholders, thank you for your ongoing support and understanding – we want to continue our relationship with you and look forward to having you alongside us as we meet the challenges and celebrate the success of the coming years – and most of all to know that we are working together for the great goal of seeking to enhance the lives of those who will face the diagnosis of cancer and all that means in the years to come.

Thank you.

Cherrell Hirst