

**NOTICE OF ANNUAL GENERAL MEETING
AND EXPLANATORY MEMORANDUM**

BIOPROSPECT LIMITED

ABN 58 008 130 336

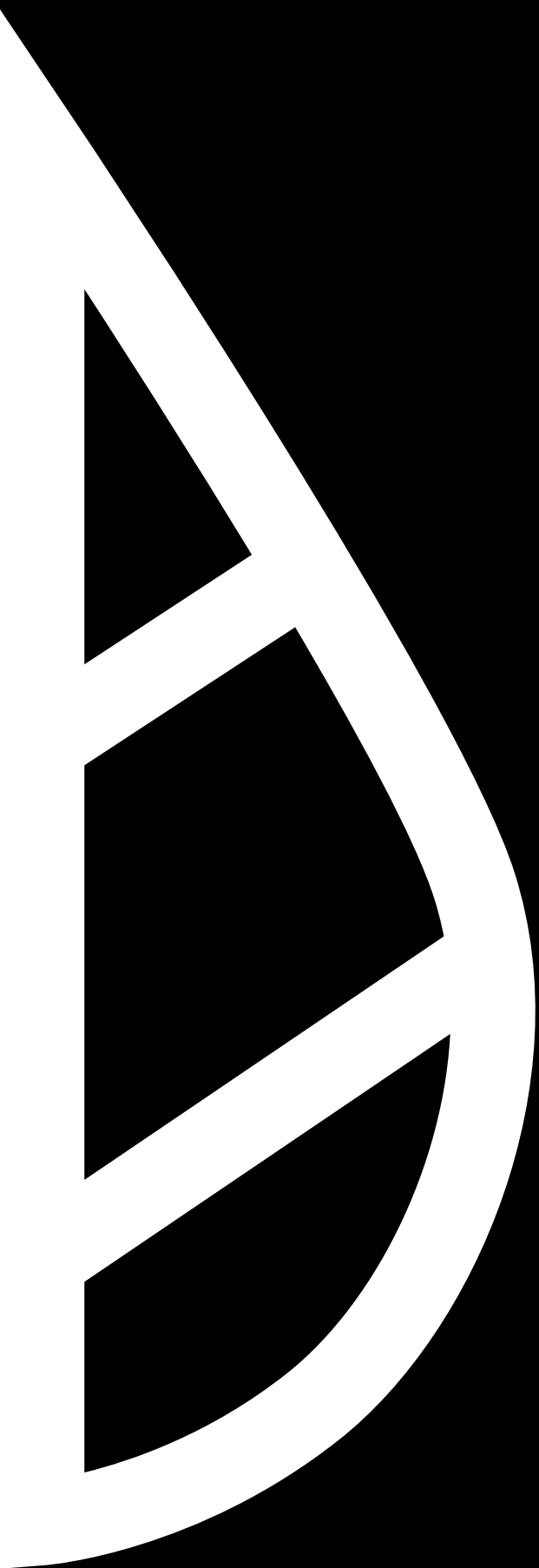
PLACE: Parkview Hotel, Boulevard Room 3
562 St Kilda Road, Melbourne, Victoria

DATE: Monday 29 November 2010
TIME: 2.00 pm

IMPORTANT INFORMATION

This is an important document that should be read in its entirety.
If you do not understand it you should consult your professional advisers without delay





Notice is hereby given that the Annual General Meeting of members of the Company will be held at the Parkview Hotel, Boulevard Room 3, 562 St Kilda Road Melbourne on Monday 29 November 2010 at 2.00 pm.

AGENDA

ORDINARY BUSINESS:

1. Financial Statements and Reports

To receive the Financial Report and the Reports of the Directors and of the Auditor for the financial year ended 30 June 2010.

2. Remuneration Report

To consider, and if thought fit, pass the following resolution as an **ordinary resolution**:

“That the Remuneration Report that forms part of the Directors’ Report for the Company for the financial year ended 30 June 2010 be adopted.”

The Remuneration Report is included in the “Directors’ Report” section of the 2010 Annual Report.

Please note that the vote on this item is advisory only and does not bind the Directors or the Company.

3. Re-election of Directors

To elect a director in accordance with Article 3.3 of the Company’s Constitution:

(a) *Dr Michael Quinlan retires by rotation and offers himself for re-election;*

(Refer to Item 4 of the Explanatory Statement)

4. Ordinary Resolution - Ratification of Issue of Shares

To consider and, if thought fit to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 7,820,000 fully paid ordinary Shares in the capital of the Company at an issue price of \$0.02 each, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”

Voting Exclusion: The Company will disregard any votes cast on the resolution by:

- Any person who participated in the issue; and
- Any associate of that person who participated in the issue.

However, the entity need not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

(Refer to Item 5 of the Explanatory Statement)

5. Ordinary Resolution – Ratification of Issue of Unlisted Options

To consider and, if thought fit to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders ratify the allotment and issue of 7,820,000 Unlisted Options (exercisable at 5 cents on or before 31 December 2013) on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”

Voting Exclusion: The Company will disregard any votes cast on the resolution by:

- Any person who participated in the issue; and
- Any associate of that person who participated in the issue.

However, the entity need not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

(Refer to Item 6 of the Explanatory Statement)



6. Ordinary Resolution - Ratification of Issue of Shares

To consider and, if thought fit to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 74,000,000 fully paid ordinary Shares in the capital of the Company at an issue price of \$0.005 each, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”

Voting Exclusion: The Company will disregard any votes cast on the resolution by:

- Any person who participated in the issue ; and
- Any associate of that person who participated in the issue.

However, the entity need not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

(Refer to Item 7 of the Explanatory Statement)

7. Ordinary Resolution - Ratification of Issue of New Options

To consider and, if thought fit to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 74,000,000 New Options(exercisable at 3 cents on or before 31 December 2013) on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”

Voting Exclusion: The Company will disregard any votes cast on the resolution by:

- Any person who participated in the issue; and
- Any associate of that person who participated in the issue.

However, the entity need not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

(Refer to Item 8 of the Explanatory Statement)

OTHER BUSINESS

To transact any other business which may be brought forward in conformity with the Company's Constitution.

PROXY INSTRUCTIONS

A member who is entitled to vote at a meeting may appoint:

- One proxy if the member is only entitled to one vote; or
- One or two proxies if the member is entitled to more than one vote.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the member's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes in which case any fraction of votes will be disregarded.

The proxy form (and the power of attorney or other authority, if any, under which the proxy is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged at or sent by facsimile transmission to the Company's office at **Suite 6, Level 3, 320 Adelaide Street, Brisbane, Queensland 4000 or facsimile number (07) 3229 4655** not less than 48 hours before the time for holding the Annual General Meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

The proxy form must be signed (or otherwise authenticated in a manner prescribed by the Corporations Regulations) by the member or their attorney duly authorised in writing or, if the member is a corporation, in a manner permitted by the Corporations Act. Proxies given by foreign companies must be executed in accordance with the laws of their place of incorporation. The proxy may, but need not, be a member of the Company. A proxy form is attached to this Notice.

VOTING INSTRUCTIONS

BioProspect Limited (as convener of the Meeting) has determined that a person's entitlement to vote at the Meeting will be the entitlement of that person set out in the register of members as at 2.00 pm (Melbourne time) on 27 November 2010. This means that any holder registered at 2.00 pm (Melbourne time) on 27 November 2010 is entitled to attend and vote at the Meeting.

By Order of the Board



COLIN JOHNSTON
Company Secretary

Dated: 25 October 2010



EXPLANATORY MEMORANDUM

This Explanatory Memorandum and all attachments are important documents. They should be read carefully.

If you have any questions regarding the matters set out in this Explanatory Memorandum or the preceding Notice, please contact the Company, your stockbroker or other professional adviser.

1. General Information

This Explanatory Memorandum has been prepared for the shareholders of the Company in connection with the Annual General Meeting of the Company to be held on Monday 29 November 2010.

The purpose of this Explanatory Memorandum is to provide shareholders with information that the Board believes to be material to shareholders in deciding whether or not to approve the above resolutions detailed in the Notice.

2. Financial Statements and Reports

The BioProspect Annual Report 2010 has been made available to shareholders and can be found on the Company's website (www.bioprospect.com). During this item there will be an opportunity for shareholders at the meeting to comment on and ask questions about BioProspect's management, operations, financial position and business strategies.

3. Resolution 1-Remuneration Report

During this item, there will be an opportunity for shareholders at the meeting to comment on and ask questions about the Remuneration Report which is included in the Directors' Report section of the BioProspect Annual Report 2010.

The vote on the proposed resolution is advisory only and will not bind the Directors of the Company, however the board will take the outcome of the vote into consideration when reviewing remuneration practices and policies.

4. Resolutions 2 Re-election of Director

Dr Michael Quinlan (Chairman)

Article 3.6 of the Company's Constitution requires that one third (or if that is not a whole number, the whole number nearest one third) of the Directors, (excluding those Directors who were appointed during the year), must retire at the next Annual General Meeting. Accordingly, Dr Michael Quinlan retires by rotation and being eligible, offers himself for re-election pursuant to Resolution 2.

A profile of Dr Quinlan is contained in the Company's Annual Report for the year ended 30 June 2010.

The Board recommends that shareholders vote in favour of the election of Dr Michael Quinlan.

5. Resolution 3 Ratification of issue of shares

Background

As announced to the ASX on 30 April 2010, the Company issued 7,820,000 fully paid ordinary Shares in the capital of the Company to raise \$156,400 (before costs) by way of a placement. These funds were required to fund the marketing activities for the Re Gen Wellness Products Pty Ltd range of emu oil based human skin care and health care products and other working capital purposes. This issue did not exceed the 15% restriction on total securities on issue in the last 12 months.

Regulatory Requirements – ASX Listing Rule 7.4

Under Listing Rule 7.4, an issue of securities made without approval under Rule 7.1 is treated as having been made with approval for the purposes of Listing Rule 7.1 if each of the following apply:

- (a) the issue did not breach Rule 7.1; and
- (b) holders of ordinary securities subsequently approve it.

Accordingly, the Company wants to have Shareholders ratify the issue of securities pursuant to ASX Listing Rule 7.4 in order to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without Shareholder approval.

The information required by ASX Listing Rule 7.5 to be provided to shareholders is contained within this Notice and set out below:

- the number of securities issued was 7,820,000 Shares;
- the Shares were allotted and issued to clients of Novus Capital Limited, specifically professional or sophisticated investors as defined under Section 708 (8), (10) or (11) of the Corporations Act, and no related parties were involved;
- the Shares were issued for 2.0 cents per Share on 30 April 2010;
- the Shares allotted and issued rank equally in all respects with all of the existing Shares on issue;
- the majority of the funds raised were to further develop the new range of products under the Re Gen Wellness brand and for working capital purposes; and
- an appropriate voting exclusion statement is included in the Notice.

Directors' recommendation

All Directors recommend that shareholders vote in favour of Resolution 3.



6. RESOLUTION 4 Ratification of Issue of Unlisted Options

Background

As announced to the ASX on 30 April 2010, the Company issued 7,820,000 Unlisted Options (ASX:BPOOAI) exercisable at 5 cents per Share on or before 31 December 2013.

Regulatory Requirements – ASX Listing Rule 7.4

Under Listing Rule 7.4, an issue of securities made without approval under Rule 7.1 is treated as having been made with approval for the purposes of Listing Rule 7.1 if each of the following apply:

- (a) the issue did not breach Rule 7.1; and
- (b) holders of ordinary securities subsequently approve it.

Accordingly, the Company wants to have Shareholders ratify the issue of securities pursuant to ASX Listing Rule 7.4 in order to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without Shareholder approval.

The information required by ASX Listing Rule 7.5 to be provided to shareholders is contained within this Notice and set out below:

- the number of securities issued was 7,820,000 Unlisted Options;
- the Unlisted Options were allotted and issued to clients of Novus Capital Pty Ltd, specifically professional or sophisticated investors as defined under Section 708 (8), (10) or (11) of the Corporations Act, and no related parties were involved;
- the Unlisted Options were granted for no consideration on a 1 for 1 free attaching basis with the shares issued under Resolution 1;
- the Unlisted Options were granted on the terms and conditions as set out in Section 9;
- the Unlisted Options were issued on 30 April 2010;
- no funds were raised by the issue of the Unlisted Options; and
- an appropriate voting exclusion statement is included in the Notice.

Directors' recommendation

All Directors recommend that shareholders vote in favour of Resolution 4.

7. Resolution 5 Ratification of issue of shares

Background

As announced to the ASX on 19 October 2010, the Company issued 74,000,000 fully paid ordinary Shares in the capital of the Company to raise \$370,000 (before costs) by way of a placement. These funds were required to fund further ongoing development trials for *AGRIPO*TM and for other working capital purposes. This issue did not exceed the 15% restriction on total securities on issue in the last 12 months.

Regulatory Requirements – ASX Listing Rule 7.4

Under Listing Rule 7.4, an issue of securities made without approval under Rule 7.1 is treated as having been made with approval for the purposes of Listing Rule 7.1 if each of the following apply:

- (a) the issue did not breach Rule 7.1; and
- (b) holders of ordinary securities subsequently approve it.

Accordingly, the Company wants to have Shareholders ratify the issue of securities pursuant to ASX Listing Rule 7.4 in order to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without Shareholder approval.

The information required by ASX Listing Rule 7.5 to be provided to shareholders is contained within this Notice and set out below:

- (c) the number of securities issued was 74,000,000 Shares;
- (d) the Shares were allotted and issued to clients of Novus Capital Limited, specifically professional or sophisticated investors as defined under Section 708 (8), (10) or (11) of the Corporations Act, and no related parties were involved;
- (e) the Shares were issued for 0.5 cents per Share on 20 October 2010;
- (f) the Shares allotted and issued rank equally in all respects with all of the existing Shares on issue;
- the majority of the funds raised were to further ongoing development trials for *AGRIPO*TM and for other working capital purposes; and
- an appropriate voting exclusion statement is included in the Notice.

Directors' recommendation

All Directors recommend that shareholders vote in favour of Resolution 5.



8. RESOLUTION 6 Ratification of Issue of New Options

Background

As announced to the ASX on 19 October 2010, the Company issued a new class of 74,000,000 Options exercisable at 3 cents per Share on or before 31 December 2013.

Regulatory Requirements – ASX Listing Rule 7.4

Under Listing Rule 7.4, an issue of securities made without approval under Rule 7.1 is treated as having been made with approval for the purposes of Listing Rule 7.1 if each of the following apply:

- (a) the issue did not breach Rule 7.1; and
- (b) holders of ordinary securities subsequently approve it.

Accordingly, the Company wants to have Shareholders ratify the issue of securities pursuant to ASX Listing Rule 7.4 in order to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without Shareholder approval.

The information required by ASX Listing Rule 7.5 to be provided to shareholders is contained within this Notice and set out below:

- the number of securities issued was 74,000,000 New Options;
- the New Options were allotted and issued to clients of Novus Capital Pty Ltd, specifically professional or sophisticated investors as defined under Section 708 (8), (10) or (11) of the Corporations Act, and no related parties were involved;
- the New Options were granted for no consideration on a 1 for 1 free attaching basis with the shares issued under Resolution 5;
- the New Options were granted on the terms and conditions as set out in Section 10;
- the New Options were issued on 20 October 2010;
- no funds were raised by the issue of the New Options; and
- an appropriate voting exclusion statement is included in the Notice.

Directors' recommendation

All Directors recommend that shareholders vote in favour of Resolution 6.

9. Terms and Conditions of Unlisted Options

The terms and conditions of the Unlisted Options referred to in Resolution 4 are as follows:

- Each Unlisted Option is exercisable at a price of 5 cents on or before 31 December 2013;
- Application will be made to ASX for the Unlisted Options to be granted quotation, subject to the right to be granted quotation. If the Unlisted Options are exercised the Company will apply for the Shares thereupon issued to be granted quotation. Such Shares will rank equally from the date of issue with all other Shares on issue;
- The rights of the holder of the Unlisted Options will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation;
- The Unlisted Options do not entitle the holder to participate in any new issues by the Company without exercising the Unlisted Options;

The Unlisted Options do not confer on the holder any rights to a change in the exercise price of the Unlisted Options or a change to the number of underlying securities over which the Unlisted Options can be exercised except:

- (i) in the case of a pro rata issue to the holders of shares (except a bonus issue) in which case the exercise price of each Unlisted Option shall be reduced in accordance with the formula contained in Listing Rule 6.22.2; and
 - (ii) in the case of a bonus issue to the holders of Shares, in which case the number of Shares over which each Unlisted Option is exercisable shall be increased by the number of Shares which the holder of the Unlisted Option would have received if the Unlisted Option had been exercised before the record date for the bonus issue; and
- The Unlisted Options are freely transferable.

10. Terms and Conditions of New Options

The terms and conditions of the New Options referred to in Resolution 6 are as follows:

- Each New Option is exercisable at a price of 3 cents on or before 31 December 2013;
- Application will be made to ASX for the New Options to be granted quotation, subject to the right to be granted quotation. If the New Options are exercised the Company will apply for the Shares thereupon issued to be granted quotation. Such Shares will rank equally from the date of issue with all other Shares on issue;
- The rights of the holder of the New Options will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation;
- The New Options do not entitle the holder to participate in any new issues by the Company without exercising the New Options;
- The New Options do not confer on the holder any rights to a change in the exercise price of the New Options or a change to the number of underlying securities over which the New Options can be exercised except:
 - (iii) in the case of a pro rata issue to the holders of shares (except a bonus issue) in which case the exercise price of each New Option shall be reduced in accordance with the formula contained in Listing Rule 6.22.2; and
 - (iv) in the case of a bonus issue to the holders of Shares, in which case the number of Shares over which each New Option is exercisable shall be increased by the number of Shares which the holder of the New Option would have received if the New Option had been exercised before the record date for the bonus issue; and
- The New Options are freely transferable.



11. OTHER INFORMATION

Should any Shareholder be in doubt as to how they should vote on those Resolutions and/or as to how they may affect them, Shareholders should seek advice from their stockbroker, accountant, solicitor or other professional adviser as soon as possible.

Queries as to the lodgement of proxies and other formalities in relation to the Meeting should be directed to the Company Secretary (telephone: (07) 3229 5755) or 0408 766 657

12. ACTION TO BE TAKEN BY SHAREHOLDERS

Attached to the Notice of Meeting accompanying this Explanatory Memorandum is a proxy form for use by shareholders. All shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person and are eligible to vote, to complete, sign and return the proxy form to the Company in accordance with the instructions contained in the proxy form and the Notice of Meeting. Lodgement of a proxy form will not preclude a shareholder from attending and voting at the Meeting in person.

Instructions for Completing 'Appointment of Proxy' Form

1. A member entitled to attend and vote at a meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. Corporate shareholders should comply with the execution requirements set out on the proxy form or otherwise with the provisions of Section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:
 - 2 Directors of the Company;
 - a Director and a Company Secretary of the Company; or
 - for a proprietary Company that has a sole Director who is also the sole Company Secretary – that Director.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act 2001 a document must appear to have been executed in accordance with Section 127(1) or (2). This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole Director and sole Company Secretary of the Company must state that next to his or her signature.

4. Completion of a proxy form will not prevent individual shareholders from attending the meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the meeting.
5. Where a proxy form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged in like manner as this proxy.
6. To vote by proxy, please complete and sign (or otherwise authenticate it in a manner prescribed by the Corporations Regulations) the proxy form enclosed with this Notice of General Meeting as soon as possible and either:
 - send the proxy form by facsimile to the Company on facsimile number (07) 3229 4655; or
 - scan the document and e-mail to col.johnston@biopropect.com; or
 - send to the Company at Suite 6, Level 3, 320 Adelaide Street, Brisbane, Queensland 4000; or
 - deliver it to the Company at Suite 7A, Level 3, 320 Adelaide Street, Brisbane, Queensland.

so that it is received no later than 2.00pm (Melbourne time) on 27 November 2010.

