



16 March 2006

Narissa Taylor
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By facsimile: (08) 9221 2020

Dear Narissa

Price Query – BioProspect Limited (“Company”)

I refer to your letter dated 16th March 2006 in relation to the recent changes in price and volume of the Company’s securities and responds as follows in line with the numbering of your letter:

1. The Company is not aware of any information concerning it, that has not been announced and which, if known, could be an explanation for the recent trading in securities of the Company. However, the Company does note that as part of its ongoing review of strategic opportunities, it is in discussions with various parties in respect of potential acquisitions. The discussions are incomplete at this stage and no agreement has been reached. In the event that an agreement is reached with any party, the Company looks forward to providing the ASX with full details of any proposed transaction.
2. Given the incomplete nature of the discussions an announcement can not be made immediately. An announcement will only be made upon successful completion of any discussions (eg entry into an agreement) referred to above.
3. The Company is unaware of any other explanation for the price change and increase in volume in the securities of the company.
4. The Company confirms that it is in compliance with the listing rules and, in particular listing rule 3.1.

Yours sincerely

A handwritten signature in black ink that reads "I Macliver".

Ian Macliver
Director for and on behalf of the Board
BioProspect Limited