

**The Australian Stock Exchange Limited,
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SIGNIFICANT INTEREST IN ATOPIC DERMATITIS (ECZEMA) TRIAL RESULTS

Numerous electronic and print media outlets around Australia have today covered a story from Perth's Princess Margaret Hospital for Children (PMH) paediatric allergist, Assoc. Prof. Susan Prescott.

Prof Prescott has been commenting on her successful clinical trial results using beneficial bacteria ("probiotics") as a treatment for eczema in 56 infants.

According to Prof Prescott, "...the extent and severity of eczema rashes improved in 92% of the children who received the probiotics".

PMH policy prevents public statements identifying its commercial partners.

VRI confirms that the probiotic used in Prof Prescott's trial is VRI's proprietary *Lactobacillus fermentum* (PCC™) - a unique and potent strain of lactic acid bacteria.

VRI has filed technology and use patent applications for PCC™ as a therapeutic for Dermatitis (eczema) and has opened licensing negotiations with pharmaceutical companies.

According to Datamonitor's 09/2003 report, the infant atopic dermatitis population remains a major global market with an unmet clinical need. Recently launched drugs such as "*Protopic*" from GlaxoSmithKline and "*Elidel*" from Novartis are only approved for use in children two years and over. Notwithstanding this, they have respective annual sales of approximately USD150m and USD70m.

Conventional therapies for atopic dermatitis are usually considered unsatisfactory as all feature limited efficacy and/or negative side effects – such as those experienced with the use of long term corticosteroids.

An important conclusion from the PMH study is that whilst the PCC™ strain has remarkable efficacy in relieving gastrointestinal disorders, its true potential may lie in its potent immune modulation and anti-inflammatory ability – validating VRI's ongoing commitment to the development of probiotic therapeutics for disease conditions beyond gastrointestinal applications.

The PMH study represents a significant milestone in the commercialisation of a potentially valuable Therapeutic Probiotic for a serious global disease.

ABOUT VRI BIOMEDICAL

VRI Biomedical Limited (ASX Code: VRI – www.vribiomedical.com) is an Australian biopharmaceutical company pursuing the commercialisation of its world leading **probiotic** technology.

VRI recently launched its proTract™ range of gastrointestinal products (www.protract.com.au) in Australian pharmacies.

VRI BioMedical Ltd
is bringing science to wellness by
commercialising a range of
products for health maintenance and
disease prevention, based on robust
scientific and clinical research.
VRI BioMedical has developed
extensive intellectual property
in three platform technologies:
probiotics diagnostics vaccines

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Distribution/licensing agreements for this product are being pursued in other countries with product sales under the label Progastrim™ commencing in Singapore pharmacies last week.

VRI is exploiting the commercial potential of its probiotic technology in the following markets:

1. Therapeutic Probiotics
2. Biopharmaceuticals
3. Functional Foods

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