

Vet Biotechnology

Vet Biotechnology Ltd (ACN 105 577 017)

NSX COMPANY ANNOUNCEMENT

NSX codes VBL, VBLO

25 May 2006 at 17:00 EST.

Plantcorp Ltd Takeover Offer

The directors of Vet Biotechnology Limited (**Vet Biotechnology**) have received notification from Plantcorp Limited (**Plantcorp**) that the takeover bid for Vet Biotechnology will not be accomplished.

The takeover bid remains subject to the following defeating conditions:

- (a) Plantcorp raising \$3.25 million by the issue of 16.25 million Plantcorp shares at 20 cents each;
- (b) permission for admission to quotation of Plantcorp's securities being granted by ASX no later than 7 days after the end of the offer period.

Plantcorp has informed Vet Biotechnology that, despite the concerted efforts of both companies, the capital raising will not proceed and consequently, there is no prospect that of the defeating conditions being met. Plantcorp has no intention of extending the takeover bid for Vet Biotechnology beyond Friday 30 June, 2006 and expects the offer will lapse on that date.

Although the decision made by Plantcorp is a disappointing outcome, Vet Biotechnology intends to remain a listed company on the Newcastle Stock Exchange with a goal to list on the Australian Stock Exchange at a date yet to be determined. The Vet Biotechnology directors expect to continue business as usual under an alternative financing strategy.

For further information, contact:

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