

**VENTUREAXESS** 

7 July 2008

The Manager  
Company Announcements  
National Stock Exchange of Australia Limited  
410 Collins Street  
Melbourne VIC 3000

**NOTIFICATION OF PROPOSED ACQUISITION OF MEDICAL SCIENCE  
AUSTRALIA LIMITED BY VENTUREAXESS GROUP LIMITED**

The Directors of VentureAxess Group Limited ("VentureAxess Group") and Medical Science Australia Limited ("Medical Science Australia") advise that they intend to proceed with a merger of their companies subject to the acceptance of an offer from VentureAxess Group Limited to the shareholders of Medical Science Australia Limited.

VentureAxess Group has informed Medical Science in writing that it is preparing a Bidders Statement for lodgment with ASIC and dispatch to the shareholders of Medical Science Australia containing a conditional offer to acquire 100% of Medical Science Australia's issued capital and all outstanding options.

In its letter VentureAxess Group has advised that it proposes to offer Medical Science Australia shareholders 7 fully paid ordinary shares in VentureAxess Group for every 6 Medical Science Australia shares, and 1 VentureAxess Group December 2009 share option for every 1 Medical Science Australia December 2009 share option.

Medical Science Australia currently holds 11,360,953 VentureAxess Group shares and 7,272,487 VentureAxess Group December 2009 share options. VentureAxess Group has informed Medical Science Australia that upon receiving at least 90% acceptances from Medical Science Australia shareholders it will consent to Medical Science Australia making a capital distribution of up to 11,309,277 VentureAxess Group shares and 7,112,020 VentureAxess Group December 2009 options that it holds, to current Medical Science Australia shareholders.

The foreshadowed offer and subsequent capital distribution to Medical Science Australia shareholders values the shares of Medical Science Australia Limited at approximately 20¢ each and the December 2009 share options of Medical Science Australia Limited at 1¢.

Based on the current VentureAxess Group issued ordinary shares of 29,668,160 (of which 11,309,927 will have been distributed to Medical Science Australia shareholders) and the 82,207,330 VentureAxess Group shares to be issued to Medical Science Australia shareholders upon a 100% acquisition of Medical Science Australia shares, Medical

**VentureAxess Group Limited**  
**ABN 42 087 426 953**

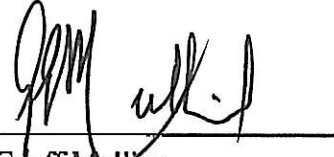
Suite 303, 20 Bungan St, Mona Vale NSW 2103  
PO Box 1356, Mona Vale NSW 1660  
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Science Australia shareholders will control 83% of the enlarged capital of VentureAcess Group.

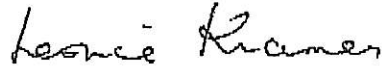
Upon receipt of the VentureAcess Group Bidder's Statement the Directors of Medical Science Australia will further assess the merits of the offer and make their formal recommendation to shareholders.

However, the Directors of VentureAcess Group and Medical Science Australia, in the absence of a higher offer for Medical Science Australia shares, are in agreement that the basis of the proposed bid should offer benefits to their shareholders and create a more substantial public listed entity ready to move into a sustained phase of growth and development. In addition, the shareholders of Medical Science Australia will become holders of public listed securities which will fulfil the expressed intention of the Directors of Medical Science Australia to deliver a public listing to shareholders.

For and on behalf of the  
Board of Directors of  
VentureAcess Group Limited

  
\_\_\_\_\_  
Geoff Mullins  
Chairman

For and on behalf of the  
Board of Directors of  
Medical Science Australia Limited

  
\_\_\_\_\_  
Dame Leonie Kramer  
Independent Director

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