

Vet Biotechnology Ltd (ACN 105 577 017)

NSX COMPANY ANNOUNCEMENT

NSX codes VBL, VBLO

July 28 2005 at 17:00 EST.

First Orders for Equine Stem Cell Service to Treat Tendon and Ligament Injury.

Vet Biotechnology Ltd announced that it has received the first orders for the bone marrow derived equine stem cell services for repair of injured tendons and ligaments. Vet Biotechnology Ltd has received a permit from the Australian Pesticides and Veterinary Medicines Authority to offer the services in Australia.

During April of this year Vet Biotechnology Ltd trained over 70 equine veterinarians from Australia and New Zealand. Equine veterinarians trained in the procedures are now offering the services to horse owners throughout Australia.

Many competition horses, thoroughbreds and other breeds, suffer tendon and ligament injuries as a result of the demands of high performance sporting endeavours. Current therapies for repair of these injuries have low success rates between 20 - 50% and many animals that do recover have a high risk of re-injury when they return to training and racing as the tendon is repaired with scar tissue. Stem cells have the unique ability to generate a range of specialised cell types and hold the promise of being able to regenerate tendon and ligament cells to return to a fully functional tendon or ligament.

Vet Biotechnology Ltd is offering two stem cell services for the repair of career threatening tendons and ligament injuries in horses. The first service involves the collection of a bone marrow sample from which mesenchymal stem cells are isolated and then grown in a laboratory. This process is conducted at the Therapeutic Products Facility, Department of Haematology at Institute of Medical and Veterinary Science, which has been licenced by the APVMA for this purpose. Once the cells have been grown they are returned to the prescribing veterinarian and inserted into the injured tendon or ligament of the horse to repair the injury.

The second service involves the collection, growth and cryopreservation of mesenchymal stem cells isolated from the umbilical cord at foaling. The stored cells may be used to treat a future tendon or ligament injury offering horse owners an insurance policy as well as added value at the annual sales. The company will offer this service during the upcoming 2005 Australian foaling season.

The technology was developed at the Royal Veterinary college of London in association with VetCell Bioscience Ltd (UK). Vet Biotechnology Ltd obtained an exclusive licence to the technology for Australia and New Zealand from VetCell BioScience Ltd in May 2004. Vet Biotechnology's NSX listing was underwritten by Sydney Based Martin Place Securities Pty Ltd.

For further information, contact:

Hugo Le Messurier General Manager Vet Biotechnology Tel.: 08 8363 1159 Mobile: 0407 977 553	Vet Biotechnology Ltd ACN 105 577 017 Suite 7, 114 Rundle Street Kent Town South Australia 5067 Telephone: 61 8 8363 1159 Facsimile: 61 8 8362 2598 Web page: www.vetbiotechnology.com.au
---	--