Innovative BioMedical Devices
bioMD Limited ABN 35 088 221 078

Level 11, 225 St Georges Terrace
Perth, Western Australia 6000

PO Box 7209, Cloisters Square
Western Australia 6850

Telephone (08) 9262 6777
Facsimile (08) 9322 3433

www.biomd.com.au

bioMD
LIMITED

ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE

21 September 2004

Company Announcements Office
Australian Stock Exchange Limited
10th Floor, 20 Bond Street
SYDNEY NSW 2000

NON RENOUNCEABLE RIGHTS ISSUE OF OPTIONS

The Directors of bioMD Limited wish to announce that it has today lodged with ASIC a Prospectus for a fully underwritten 9 for 10 non-renounceable pro rata rights issue of Options at an issue price of $0.01 to raise approximately $631,046.

Please refer to the attached Appendix 3B and a copy of the Prospectus lodged with this announcement today.

It is proposed that all Shareholders on the Company's share register at the close of business on 8 October 2004 will be entitled to subscribe to nine (9) new options for every ten (10) shares owned at an issue price of $0.01 per option to raise $631,046. The new issue will be open to investors that purchase shares in the Company prior to the ex-entitlement date, being 1 October 2004.

The options will expire on 30 August 2007 at 5.00pm WST. The exercise price is $0.20 and application for quotation of the options of the ASX will be completed by the Company.

For your information ...
bioMD is a company focused on bringing safety-engineered and cost effective medical devices to market. bioMD facilitates design, tooling and manufacturing of Innovative Biomedical Devices. At successful completion of prototypes, the Company facilitates regulatory applications and forms strategic partnerships and alliances to develop sales and distribution channels.

For further information, contact the office on (61 8) 9262 6777; Robert Towner 0414 594 868 or Michael Bennett 0419 944 567.

C. Bentley

Caroline Bentley
Company Secretary

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Name of entity

bioMD Limited

ABN

35 088 221 078

We (the entity) give ASX the following information.

Part 1 - All issues

1	+Class of +securities issued or to be issued	Options
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	Up to 63,104,626
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	$0.01 Options exercisable until 30 August 2007, with exercise price of $0.20 per option.
4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Options - only in exercise
5	Issue price or consideration	Options - $631,046

6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	To meet the Company's stated objective of advancing and commercialising new emerging safety-engineered medical device products.
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	On or about 3 November 2004

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in clause 2 if applicable)	35,197,697 63,104,626	Ordinary shares (BOD) Options (BODO)

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the securities in clause 2 if applicable)	150,000	Options - exercise price $2.00, expiring 30/5/06
		250,000	Options - exercise price $3.00, expiring 30/5/06
		3,200,000	Options - exercise price $1.00, expiring 16/7/06
		1,000,000	Options - exercise price $0.30, expiring 31/3/06

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	Nine (9) Options for Every Ten (10) Shares
14	+Class of +securities to which the offer relates	Options
15	+Record date to determine entitlements	8 October 2004
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Yes
17	Policy for deciding entitlements in relation to fractions	Fractions will be rounded down to the nearest whole number
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Countries outside Australia and New Zealand
19	Closing date for receipt of acceptances or renunciations	5.00pm WST 25 October 2004
20	Names of any underwriters	Bell Potter Securities Limited
21	Amount of any underwriting fee or commission	$31,552
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A

24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	13 October 2004
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements *in full* through a broker?	N/A
31	How do +security holders sell *part* of their entitlements through a broker and accept for the balance?	N/A
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	3 November 2004

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

N/A

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought	N/A
39 Class of +securities for which quotation is sought	N/A

40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	N/A
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	N/A

42 Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)

Number	+Class
N/A	

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: .... Date: 21 September 2004

(Director/Company Secretary)

Print name: Caroline L Bentley

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PO Box 7209, Cloisters Square
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Telephone (08) 9262 6777
Facsimile (08) 9322 3433
www.biomd.com.au

bioMD
LIMITED

22 September 2004

Dear Shareholder,

We are pleased to advise you that bioMD Limited ("the Company") lodged a Prospectus with ASIC and ASX on 21 September 2004 that details an offer to participate in a non-renounceable Rights Issue of Options (the "Offer").

It is proposed that all shareholders on the Company's share register at the close of business on 8 October 2004 will be entitled to subscribe to nine (9) new options for every ten (10) shares owned at an issue price of $0.01 per option to raise $631,046. The new Issue will be open to investors that purchase shares in the Company prior to the ex-entitlement date, being 1 October 2004 (the "Rights Issue").

The Options will expire on 30 August 2007 at 5.00pm WST. The exercise price is $0.20 and application for quotation of the options on the ASX will be completed by the Company.

After the record date, the Company will despatch a copy of the Prospectus to eligible shareholders on or before 13 October 2004 with an Acceptance Form outlining their entitlement to subscribe for new options in the Issue. A copy of the Prospectus will also be available from the Company's website at www.biomd.com.au for information purposes only.

The purpose of the Rights Issue is to enable the Company to evaluate other emerging safety-engineered medical device products. With the objective of acting as a facilitator for the advancement and commercialisation of such products, the Board will utilise the proceeds of the Rights Issue to further this task without drawing from existing allocated working capital.

The Prospectus contains details of the Offer and detailed instructions on what eligible shareholders should do in order to take up all or part of their entitlement. We recommend that eligible shareholders read the Prospectus in it's entirety and consult their professional advisers before deciding to take part in the Offer.

The Offer will close on 25 October 2004 (5.00pm WST).

Should you have any questions about the Offer, please contact Computershare Investor Services Pty Limited by telephone on 1300 557 010 (within Australia) or (61 3) 9415 4000 (outside Australia), or alternatively Mr Robert Towner, Executive Director on (61 8) 9262 6777. If you have questions in relation to your entitlement, we recommend you contact a stockbroker or other professional adviser.

Yours sincerely
bioMD LIMITED

Robert Towner

ROBERT TOWNER
EXECUTIVE DIRECTOR

SHORT FORM PROSPECTUS

bioMD LIMITED

ABN 35 088 221 078

For

A fully underwritten 9 for 10 non-renounceable pro rata Rights Issue of Options at an issue price of $0.01 to raise approximately $631,046

Underwriter to the Offer:
Bell Potter Securities Limited

This Rights Issue closes at **5.00pm WST on 25 October 2004**. Valid acceptances must be received before that time. Please read the instructions in this Prospectus and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your entitlement.

This Prospectus is important and should be read in its entirety. This document is a short form prospectus issued in accordance with Section 712 of the Corporations Act. This Prospectus does not of itself contain all the information that is generally required to be setout in a document of this type but refer to another document the information of which is deemed to be incorporated in this Prospectus.

TABLE OF CONTENTS

1. CORPORATE DIRECTORY AND IMPORTANT INFORMATION

Directors
Robert N. Scott, Non-Executive Chairman
Michael C. Bennett, Managing Director
Robert E. T. Towner, Executive Director

Company Secretary
Caroline L. Bentley

Registered Office
Level 11
225 St George's Terrace
Perth, Western Australia 6000
Telephone: (61 8) 9262 6777
Facsimile: (61 8) 9322 3433

ASX Code
"BOD"

Share Registry
Computershare Investor Services Pty Limited
Level 2, 45 St George's Terrace
Perth, Western Australia 6000
Telephone:
(within Australia) 1300 557 010
(outside Australia) (61 3) 9415 4000
Facsimile: (61 8) 9323 2033

Underwriters
Bell Potter Securities Limited
Level 33, Grosvenor Place
225 George Street
Sydney, New South Wales 2000
Telephone: (61 2) 9255 7200

Solicitor to the Offer
Price Sierakowski
Level 24, 44 St Georges Terrace
Perth, Western Australia 6000

Australian Patent Advisers to IPO Prospectus
Griffith Hack
Level 6, 256 Adelaide Terrace
Perth, Western Australia 6000

Investigating Accountants to IPO Prospectus
Horwath Securities (WA) Pty Ltd
128 Hay Street
Subiaco, Western Australia 6008

IMPORTANT NOTICE

This Prospectus is dated 21 September 2004. A copy of this Prospectus was lodged with ASIC on 21 September 2004. Neither ASIC nor ASX takes any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates or the merits of bioMD Limited. No Options will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

This document is important and requires your immediate attention. Persons wishing to subscribe for the Options offered by this Prospectus should read this Prospectus in its entirety. You should consult your financial advisor as to the course you should follow in respect to the Options and carefully consider whether the Options are an appropriate investment for you. Please refer to the risk factors outlined by way of incorporation in Section 6.2 of this Prospectus.

Shareholders should carefully consider whether to accept this Offer. The shareholdings of Shareholders who do not accept their entitlements in full under this Prospectus may be diluted on conversion of the Options to Shares in the Company.

Certain words and terms used in this Prospectus have defined meanings that appear in the Glossary in Section 10 of this Prospectus.

SHORT FORM PROSPECTUS

This prospectus is a short form prospectus issued in accordance with Section 712 of the Corporations Act. This Prospectus incorporates by reference information contained in the IPO Prospectus that the Company lodged with the ASIC on 4 February 2004.

Reference to the IPO Prospectus is relevant to the offer of Options as it contains information that investors and their professional advisers require to assist them make an informed assessment of the offer of Options in this Prospectus. Investors should refer to Section 6 of this Prospectus for a more detailed explanation of references made to the IPO Prospectus.

This Prospectus refers to the disclosure document lodged by the Company with the ASIC on 4 February 2004 for the offer of 25,000,000 Shares at an issue price of 20 cents each to raise a total of $5,000,000. In referring to the IPO Prospectus, the Company:

(a) identifies the IPO Prospectus as being relevant to the offer of Options under this Prospectus and containing information that will provide investors and their professional advisers information to assist them in making an informed assessment of:

   (i) the rights and liabilities attaching to:
      (a) the Options; and
      (b) the underlying securities;

   (ii) the capacity of the Company to issue the underlying securities; and

   (iii) the assets and liabilities, financial position and performance, profits and losses and prospects of bioMD;

(b) refers investors and their professional advisers to Section 6 of this Prospectus which summarises the information in the IPO Prospectus deemed to be incorporated in this Prospectus;

(c) informs investors and their professional advisers that they are able to obtain, free of charge, a copy of the IPO Prospectus by contacting the Company at its registered office during normal business hours during the period of the Offer; and

(d) advises that the information in the IPO Prospectus will be primarily of interest to investors and their professional advisers or analysts.

2. CHAIRMAN'S LETTER

Dear Shareholder,

It is a pleasure to offer all shareholders the opportunity to participate in a nine (9) for (10) non-renounceable rights issue of options to raise $631,046. The price payable on application for each option is $0.01.

The Issue will be open to investors that purchase shares in the Company prior to the ex-entitlement date, being 1 October 2004.

The Offer will close on 25 October 2004.

The Options will expire on 30 August 2007 at 5.00pm WST. The exercise price is $0.20 and application for quotation on the ASX will be completed by the Company.

After the record date, the Company will despatch a copy of the Prospectus to eligible shareholders on or before 13 October 2004 with an Acceptance Form outlining their entitlement to subscribe for new options in the issue. A copy of the Prospectus will also be available from the Company's website at www.biomd.com.au for information purposes only.

The proceeds of this Rights Issue totaling $631,046 will enable the Company to evaluate other emerging safety-engineered medical device products. With the objective of acting as a facilitator for the advancement and commercialisation of such products, the Board will utilise the proceeds to further this task without drawing from existing allocated working capital.

The "POP Safety" Injection Needle prototype sample will be completed this month. This product will begin clinical evaluation and be available for assessment by potential global partners. The Company will now concentrate on the design aspects of the "MD" (Mini Dose) Safety Syringe and the Prefilled Safety Syringe.

This Prospectus contains detailed instructions on what eligible shareholders should do in order to take up all or part of their entitlement. We recommend that eligible shareholders read the Prospectus in its entirety before deciding to take any course of action.

The Board recommends that all shareholders take up their entitlement.

Yours faithfully

Robert N. Scott
Non-Executive Chairman

3. TIMETABLE AND INDICATIVE DATES

Lodging of Prospectus with ASIC and announcement of Options Issue	21 September 2004
Notice despatched to Shareholders	22 September 2004
Ex Date Entitlement	1 October 2004
Record Date for determining Pro Rata Entitlements	8 October 2004
Despatch Prospectus and Entitlement and Acceptance Forms	13 October 2004
Options Issue Closing Date (5.00pm WST)	25 October 2004
Securities Quoted on Deferred Settlement Basis	26 October 2004
Notify ASX of Under Subscription	28 October 2004
Despatch Date (allotment of securities and entering into the holders security holdings)	3 November 2004

The above dates are indicative only. bioMD Limited reserves the right, subject to the Corporations Act 2001 and the ASX Listing Rules, to vary any of the above dates.

4. DETAILS OF THE OFFER

4.1 IMPORTANT INVESTMENT ASPECTS OF THE OPTIONS ARE AS FOLLOWS:

Options Issue Price	$0.01
Shareholders Pro Rata Entitlement	Nine(9) options for every ten (10) shares
Number of Options to be issued under the Offer	63,104,626
Amount to be raised under the Offer	$631,046
Number of Options on issue following Offer	67,704,626
Exercise Price	$0.20
Expiry Date	30 August 2007

4.2 The Offer

The Company is making a pro-rata non-renounceable rights issue of Options to Shareholders who are registered at 5.00pm WST on 8 October 2004 of up to 63,104,626 options. The issue price of the Options is $0.01 and shall be exercisable at $0.20 on or before 30 August 2007.

The Options will be offered to shareholders on the basis of nine (9) Options for every ten (10) Shares held on the Record Date.

4.3 Purpose and Objectives of the Rights Issue

The proceeds of this Issue totaling $631,046 will be applied to investigation of new opportunities, working capital and expenses of the Issue.

As outlined in the Initial Public Offer document, the Company continues to identify and evaluate other emerging safety-engineered medical device products. With the objective of acting as a facilitator for the advancement and commercialisation of such products, the Board will utilise the proceeds of this Rights Issue to further this task without drawing from existing allocated working capital.

The "POP Safety" Injection Needle prototype sample will be completed this month. This product will begin clinical evaluation and be available for assessment by potential global partners. The Company will now concentrate on the design aspects of the "MD" (Mini Dose) Safety Syringe and the Prefilled Safety Syringe.

The funds raised by the Rights Issue will be applied as follows:

Use of Funds	**$**
Investigation of New Opportunities	330,000
Working Capital	245,494
Expenses of the Issue	55,552
Total	**$631,046**

Upon full subscription of this Rights Issue, the Company will have sufficient working capital to carry out its stated objectives.

4.4 Your Pro Rata Entitlement

Your Pro Rata Entitlement to participate in the Rights Issue will be determined on the Record Date. The number of Options to which you are entitled as an eligible Shareholder is shown on the Entitlement and Acceptance Form accompanying this Prospectus. You may accept this Offer in part or in full by indicating the number of Options applied for in accordance with the instructions outlined on the Entitlement and Acceptance Form.

Any fractions in Pro Rata Entitlements will be rounded down to the nearest whole number.

4.5 Opening and Closing Dates

The Company will accept Entitlement and Acceptance Forms from the date of dispatch of this Prospectus, until 5.00pm WST on 25 October 2004 or such later date as permitted by the ASX Listing Rules ("Closing Date").

4.6 Underwriting Broker, Share Registry Details and Lodgement Details

Bell Potter Securities Limited ("Bell Potter"), a participating organisation of the ASX, has agreed to be the Underwriting Broker of the Issue. Details of the agreement between the Company and Bell Potter is described in Section 8.13 of this Prospectus.

Bell Potter's function should not be considered as an endorsement of the Offer nor a recommendation of the suitability of the Offer for any investor. Bell Potter does not guarantee the success or performance of the Company or the returns (if any) to be received by investors. Neither Bell Potter or any other dealer is responsible for or has caused the issue of this Prospectus.

Applications should be lodged at or posted to:

Computershare Investor Services Pty Limited
Level 2, Reserve Bank Building
45 St George's Terrace
Perth, Western Australia 6000
Telephone: 1300 557 010 (within Australia)
(61 3) 9415 4000 (outside Australia)
Facsimile: (61 8) 9323 2033

OR

Computershare Investor Services Pty Limited
GPO Box D182
Perth, Western Australia 6840

4.7 Risk Associated with Not Accepting Your Entitlement

If you elect not to accept your Pro Rata Entitlement in full under this Prospectus, your shareholding in bioMD may be diluted with the subsequent conversion of the Options. Accordingly, please carefully consider whether to accept this Offer and, if you are in any doubt as to whether to accept this Offer, please consult your professional adviser.

4.8 No Rights Trading

The Rights Issue is made on a non-renounceable basis. This means that there will be no trading of rights and you may not renounce (sell) your rights and entitlements which you do not wish to accept. If you do not take up your entitlement to Options under the Rights Issue by the Closing Date, the Offer to you will lapse and you will receive no benefit.

4.9 Entitlement and Acceptance Form

Applications for Options can only be submitted on an original Entitlement and Acceptance Form which is attached to and forms part of this Prospectus. Entitlement and Acceptance Forms included with this Prospectus contain a declaration that the investor has personally received the complete and unaltered Prospectus prior to completing the Entitlement and Acceptance Form. The Entitlement and Acceptance Form does not have to be signed to be a binding acceptance of New Shares. If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final, however an Applicant will not be treated as having applied for more Options than is indicated by the amount indicated on that Applicant's cheque for the Application Monies.

4.10 Allotment and Issue

The Options will be issued as soon as practical after the Closing Date and, in any event, no later than 15 Business Days after the Closing Date. Holding statements in relation to the Options will be despatched within 15 Business Days after the Closing Date.

4.11 Application Monies Held on Trust

All Application Monies received for Options will be held on trust until the Options are allotted. All Application Monies will be returned (without interest) if Options are not allotted.

4.12 ASX Listing

Application for Official Quotation of the Options will be made to the ASX within 7 days after the date of the issue of this Prospectus. Application for official quotation of Shares allotted and issued as a result of the exercise of Options issued under this prospectus will be made within three (3) business days of allotment and issue.

4.13 Non-resident Investors

It is the responsibility of non-resident investors to obtain all necessary approvals for the allotment and issue to them of securities pursuant to this Prospectus. This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would be unlawful to make such an offer.

4.14 Capital Structure

At the date of this prospectus, the issued capital of the Company is as follows:

I. Ordinary Fully Paid Shares

Total Shares on Issue at Date of Prospectus *	**70,116,251**

II. Unlisted Options

30 May 2006 exercise price $2.00 *	150,000
30 May 2006 exercise price $3.00	250,000
16 July 2006 exercise price $1.00 *	3,200,000
31 March 2006 exercise price $0.30	1,000,000
Total Unlisted Options	**4,600,000**

* *Note: Refer Directors' Holdings – Section 8.11*

III. Options Issued Pursuant to this Prospectus

Options issued pursuant to this Prospectus	**63,104,626**

4.15 Risk Factors

An investment in the Options should be considered speculative. In addition to the general risks applicable to all investments in securities of a listed company, there are specific risks associated with an investment in the Company which is set out in Section 6.2 of this Prospectus.

4.16 Taxation Considerations

The issue of and subsequent disposal of Options by an Applicant will have tax consequences that may differ depending on the individual affairs of each Applicant.

The Directors do not consider that it is appropriate to give Shareholders advice regarding the taxation consequences of subscribing for Options.

All Applicants are urged to obtain independent financial advice concerning the taxation consequences of accepting the Offer.

The Company does not expect the Options will be eligible for a non resident withholding tax exemption under section 128F of the Income Tax Assessment Act 1936.

4.17 Minimum Subscription

There is no minimum subscription of Options which must be applied for under the Offer before Options will be issued pursuant to this Prospectus. Over-subscriptions will not be accepted.

4.18 Withdrawal of Prospectus

The Directors may at any time decide to withdraw this Prospectus, in which case the Company will repay, as soon as practicable and without interest, all Application Monies received pursuant to this Prospectus.

4.19 Proforma Statement of Financial Position

To detail the effects of this Offer on the financial position of bioMD, the following un-audited consolidated summarised proforma Statement of Financial Position has been prepared.

bioMD LIMITED (ACN 088 221 078)

STATEMENT OF FINANCIAL POSITION

	Audited 30 June 2004 $	Unaudited Proforma 25 October 2004 $
CURRENT ASSETS		
Cash	**3,718,150**	4,149,536
Other	**1,735**	3,836
TOTAL CURRENT ASSETS	**3,719,885**	4,153,372
NON-CURRENT ASSETS		
Property, plant & equipment	**202,808**	212,445
Intangible assets	**1,145,238**	1,152,131
TOTAL NON-CURRENT ASSETS	**1,348,046**	1,364,576
TOTAL ASSETS	**5,067,931**	5,517,948
CURRENT LIABILITIES		
Payables	**55,499**	2,573
TOTAL CURRENT LIABILITIES	**55,499**	2,573
TOTAL LIABILITIES	**55,499**	2,573
NET ASSETS	**5,012,432**	5,515,375
EQUITY		
Contributed equity	**5,950,545**	6,526,039
(Accumulated losses)	**(938,113)**	(1,010,664)
TOTAL EQUITY	**5,012,432**	5,515,375

5. ACTION REQUIRED BY SHAREHOLDERS

5.1 Applications for Options under this Prospectus

Applications for Options can only be made by completing and lodging an original Entitlement and Acceptance Form attached to an original of this Prospectus.

Entitlement and Acceptance Forms should be completed in accordance with the instructions on the guide to the Entitlement and Acceptance Form.

The Entitlement and Acceptance Form has been pre-printed for each Shareholder showing:

- the number of Shares held by them at the Record Date; and
- the number of Options available to them under their Pro Rata Entitlement.

Shareholders wishing to accept part or all of their entitlement to Options pursuant to their Pro Rata Entitlement should complete the relevant sections of the Entitlement and Acceptance Form.

Attach a cheque in Australian dollars, crossed **"Not Negotiable"** and made payable to **"bioMD Limited Option Issue"** for the appropriate Application Monies.

Completed Entitlement and Acceptance Forms which are accompanied by an appropriately drawn cheque (refer above) must be lodged at any time after the issue of the Prospectus and before the Closing Date at the Company's share registry (by delivery or by post) at:

Delivery:	**Computershare Investor Services Pty Limited** **Level 2, 45 St George's Terrace** **Perth, Western Australia 6000**
Post:	**Computershare Investor Services Pty Limited** **GPO Box D182** **Perth, Western Australia 6840**

5.2 Entitlements Not Taken Up

If you do not wish to accept any of your entitlement or make any other application for Options, you are not obliged to do anything.

If you do not submit a valid Entitlement and Acceptance Form to the Company before the Closing Date, your entitlement will lapse and you will receive no Options.

The number of Shares you hold and the rights attached to those Shares will not be affected if you choose not to accept any of your entitlement.

5.3 Enquiries

If you have any questions relating to the Offer, please call Mr Robert Towner, Executive Director on **(61 8) 9262 6777**. Applicants with questions on how to complete the Entitlement and Acceptance Form, or the contents of the Prospectus should contact their stockbroker, accountant, lawyer or other professional advisor.

6. INFORMATION DEEMED TO BE INCORPORATED IN PROSPECTUS

6.1 Short Form Prospectus

This Prospectus is a short form prospectus issued in accordance with Section 712 of the Corporations Act. This means that this Prospectus does not in itself contain all of the information generally required to be set out in a document of this type, however, it incorporates by reference information contained in the IPO Prospectus that has been lodged with the ASIC.

The information to be incorporated by reference into this Prospectus is summarised below in Section 6.2 and will primarily be of interest to investors and their professional advisors or analysis.

Investors and their professional advisors are able to obtain a copy of the IPO Prospectus free of charge by contacting the Company at its registered office during normal business hours during the Offer Period. The IPO Prospectus will also be available by searching the ASIC's records in relation to the Company, or by visiting the Company's website at www.biomd.com.au

6.2 Summary of Information Deemed to be Incorporated

Set out below is a summary of the information contained in the IPO Prospectus that is deemed to be incorporated in this Prospectus to assist investors and their professional advisors to determine whether they need to obtain a copy of the IPO Prospectus for the purposes of making an informed investment decision in relation to the Options.

The sections referred to in this Section 6.2 are references to sections in the IPO Prospectus.

Section 3 The Company and Its Vision

Section 3 sets out the Company's history from its incorporation in 1999 as Virtual Control Systems Ltd to its change of name to bioMD in November 2003. It outlines previous capital raising undertaken and the execution of an agreement with Mr Frank Popovsky for the acquisition of the intellectual property concerning a suite of 5 disposal injection therapy products.

This section also provides a description of global needlestick injury market initiatives and emergence of opportunities for the Company's products within these markets. It also describes the intention of the Company to begin the development of specialty needles for the intravenous therapy market.

Section 4 The Products

Section 4 defines the products by providing a working explanation of each product and the advantage each product is seen to have over existing products in the market. The section also describes the market sectors into which each of the products can be applied and the patent protection status of each product.

Section 5 Market Summary

Section 5 provides a summary of both Australian and World markets for the Company's products

Section 6 Directors Advisers and Corporate Governance

Section 6 comprises information regarding each of the directors, the Company secretary and advisers. It also provides an outline of the Company's main corporate governance policies and practices.

Section 7 Investment Considerations and Risks

Section 7 notes that an investment in the Company has risks reasonably expected of an investment of a business of its type. It details a number of factors that may impact on the future performance of bioMD and the achievement of the Company's financial objectives. The factors referred to are as follows:

7.1 General Risk factors;

7.2 Intellectual Property Rights;

7.3 Reliance on Personnel;

7.4 Technology;

7.5 Management of Growth;

7.6 Other Business Risks;

7.7 Stock Market Fluctuations;

7.8 Competition Risks;

7.9 Profitability;

7.10 Foreign Currency Exchange Rate Fluctuation;

7.11 Economic Risks and External Market Factors;

7.12 Additional Requirements for Capital;

7.13 Research and Development;

7.14 Regulatory Issues and Government Regulation; and

7.15 Risks of Product Liability and Uninsured Risks.

Section 8 Independent Patent Attorney's Report

Section 8 consists of a report provided by Griffith Hack, patent and trade mark attorneys on the patent applications in various countries for the Company's products.

Section 9 Independent Accountants Report

Section 9 comprises Independent Accountants Report dated 22 January 2004 ("Report"). The Report was included in the IPO Prospectus to assist investors and their financial advisors in making an assessment of the financial position of the Company.

The Report contains the audited statement of financial performance and statement of financial position and proforma financial position as at 31 December 2003. The scope of their review, which was not an audit, states that there is no reason to believe that the financial information as set out in appendix 1, 2 and 3 does not present fairly:

(i) the results of bioMD for the period ended 31 December 2003;

(ii) the statement of financial position of bioMD as at 31 December 2003; and

(iii) the proforma statement of financial position of bioMD as at 31 December 2003 adjusted to include funds to be raised by the Prospectus and the completion of the transactions referred to in note 2 of appendix 3,

In accordance with the accounting methodology required by applicable Australian Accounting Standards, Urgent Issues Group Consensus Views and the accounting policies adopted by bioMD as described in note 1 and on the basis of the assumptions and transactions set out in appendix 3.

As set out in the Report, their review was conducted in accordance with Auditing Standard AUS902 "Review of Financial Reports".

Section 10 Summary of Material Contracts

Section 10 sets out a summary of all of the contracts that the Company is a party to and may be material in the operation of the business of the company or otherwise may be of relevance to a potential investor in the Company.

Section 11 Additional Information

Section 11 sets out additional information required to be disclosed in the Prospectus including:

11.1 rights attaching to the Shares offered by the IPO Prospectus;

11.2 interest of directors, including remuneration and holdings interest and directors fees;

11.3 Interests of experts;

11.5 details of the consents of persons named in the IPO Prospectus;

11.6 litigation;

11.7 expenses of the offer; and

11.8 documents available for inspection.

7. ADMISSION TO THE ASX AND CONTINUOUS DISCLOSURE

7.1 ASX Admission and Quotation of IPO Prospectus Securities

The Company was admitted to the Official List on 22 March 2004 with official quotation of its Shares commencing on 24 March 2004.

7.2 Restricted Securities

Pursuant to Chapter 9 of the ASX Listing Rules a number of the securities issued pursuant to the IPO Prospectus have been made subject to escrow requirements.

Details of these securities subject to escrow and the periods of escrow of those securities are as follows:

a) 1,500,000 shares escrowed until 22 October 2004;
b) 820,000 shares escrowed until 31 October 2004;
c) 380,000 shares escrowed until 7 November 2004;
d) 50,000 shares escrowed until 17 November 2004;
e) 3,987,500 shares escrowed until 18 November 2004;
f) 125,000 shares escrowed until 21 November 2004;
g) 50,000 shares escrowed until 24 November 2004;
h) 28,006,054 shares escrowed until 24 March 2006.

The balance of the issued capital of the Company, being 35,197,697 shares, are quoted and freely tradable on ASX.

7.3 Documents Available for Inspection

The Company is a "disclosing entity" for the purposes of the Corporations Act. As such it is subject to regular reporting and disclosure obligations, which require it to disclose to the ASX any information of which it is or becomes aware concerning the Company and which a reasonable person would expect to have a material effect on the price or value of securities of the Company.

The Company shall provide a copy of all documents used to notify the ASX of information relating to the Company under the provisions of the Listing Rules since the Company was granted quotation to the Official List. A list of these documents follows:

08/09/2004	Closure and Sale of Unmarketable Parcel Election Notices
18/8/2004	Appendix 4E – Preliminary Final Report for the Year Ended 30 June 2004
12/8/2004	bioMD Limited becomes AS/NZS ISO 9001:2000 Certified
10/08/2004	bioMD Enters New Phase with the Appointment of Production Manager
22/7/2004	Sale of Unmarketable Parcels of Shares less than $500 in Value
16/07/2004	Appendix 4C – Fourth Quarter Activities Report
01/07/2004	Change to Substantial Holder Notice
14/05/2004	Prefilled Safety Syringe – Prototype finalized
12/05/2004	Advice from Patent Co-Operation Treaty – "POP Safety" Injection Needle
22/04/2004	Completion of Intnl Patent Applications for "POP Safety" Injection Needle
20/04/2004	Appendix 4C - Third Quarter Activities Report
14/04/2004	Appendix 3Y - Change of Directors' Interest Notice
24/03/2004	Initial Substantial Holder Notices
24/03/2004	Appendix 3X – Initial Directors' Interest Notices
23/03/2004	Half Yearly Report 31 December 2003
23/03/2004	Constitution
23/03/2004	Appendix 1A – Application for admission to official list
23/03/2004	Full terms/conditions of options currently on issue
23/03/2004	Statement of commitments for the purposes of LR 1.3.2(b)
23/03/2004	Statement re Number & Escrow period of restricted securities
23/03/2004	Distribution Schedule/Top 20 shareholders

ASX maintains publicly available information for all listed companies on its Internet site (http://www.asx.com.au). bioMD's announcements can be viewed on this site. In addition, the following documents are available for inspection for a period of 12 months after the date of issue of this Prospectus during normal business hours at the registered office of bioMD:

(a) this Prospectus;

(b) the Constitution of bioMD; and

(c) the consents referred to in Section 6.14 and the material contracts referred to in Section 5.

7.4 Material Matters Since Listing on The ASX

bioMD appointed Mr Karl Wilkinson, principal of Top Tech Engineering Consulting Pty Ltd, as Production Manager effective from 1 August 2004.

Since listing on the ASX on 24 March 2004, bioMD had approximately 950 "unmarketable" shareholders. Under the Company's Constitution (Clause 3), the directors can decide to sell these unmarketable parcels of shares, at the Company's cost, and remit the proceeds to the Shareholders whose shares have been disposed in that manner. At the closure of this election, the Company sold 689,307 ordinary shares held by 699 shareholders on 8 September 2004.

Other than mentioned above or stated in this Prospectus, the Company is not aware of any material matter or circumstance that would impact on the contents of the IPO Prospectus or the activities and prospects of the Company and be relevant to assist investors or their professional advisers making an informed assessment.

8. ADDITIONAL INFORMATION

8.1 Rights Attaching to Options

A registered owner of an Option ("Option Holder") will not be entitled to vote at any meetings of the members of the Company unless they are members of the Company.

Options may be exercised by the Option Holder completing a notice of exercise of options in a form prescribed by the Company and forwarding the same to the Secretary of the Company.

The notice of exercise of options by an Option Holder must be accompanied by payment in full of the relevant number of shares being subscribed, at the relevant exercise price.

Within 14 days from the date the Option Holder properly exercises Options held by the Option Holder, the Company shall issue and allot to the Option Holder that number of fully paid ordinary shares in the capital of the Company so subscribed for by the Option Holder.

In the event of a reconstruction (including a consolidation, sub-division, reduction, return or pro-rata cancellation) of the issued capital of the Company, the number of Options or the exercise price of the Options or both shall be reconstructed in accordance with ASX Listing Rules such that there will not result in any benefits being conferred on the Option Holders which are not conferred on shareholders (subject to the provision with the respect to rounding of entitlements sanctioned by the meeting of shareholders approving the reconstruction of capital) but in all other respects the terms of the exercise of Options shall remain unchanged.

There are no participating rights or entitlements inherent in the Options to participate in any new issues of capital which may be made or offered by the Company to its shareholders from time to time prior to the Option expiry date unless and until Options are exercised. The Company will ensure that during the exercise period of the Options, the record date for the purposes of determining entitlements to any new such issue, will be at least 9 Business Days after such new issues are announced in order to afford the Option Holder an opportunity to exercise the Options that have vested in the Option Holder at that time.

Subject to the Corporations Act, the Listing Rules and the Constitution of the Company, the Options are freely transferable.

If the Company makes a bonus issue or other securities convertible into ordinary shares pro rata to holders of ordinary shares the number of shares issued on exercise of each Option will include the number of bonus shares that would have been issued if the Option Holder had been exercised by the Option Holder prior to the books closing date for bonus shares. No change will be made in such circumstances to the exercise price of each Option.

8.2 Rights Attaching to Shares upon Conversion of Options

The following is a summary of the more significant rights attaching to the Options. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to the Shares are set out in bioMD's Constitution, a copy of which is available for inspection at bioMD's registered office during normal business hours.

8.3 Voting at a General Meeting

Members are entitled to notice of, and to attend and vote at, general meetings.

Subject to any Shares that may in the future be issued with special or preferential rights (currently there are none), every member present in person or by proxy, attorney or representative has one vote on a show of hands, and on a poll, one vote for each Share.

Except in the case of any resolution, which as a matter of law requires a special majority, questions arising at a general meeting are to be decided by a majority of votes cast by the members present at the meeting.

8.4 Capitalisation of Profits

Subject to any shares that may in the future be issued with special or preferential rights (currently there are none), the Directors may capitalise and distribute any undivided profits of the Company, which have not been distributed as a dividend, among such of the members as would be entitled to receive further shares or debentures and in the same proportion.

8.5 Rights on Winding-Up

Subject to any Shares that may in the future be issued with special or preferential rights (currently there are none), the surplus assets of the Company after winding-up will be divided among the members in proportion to the number of Shares held by them, irrespective of the amounts paid or credited as paid on the Shares.

However, a liquidator in a winding-up may, with the sanction of a special resolution of members, divide among the members the whole or any part of the property of the Company and determine how the division is to be carried out as between the members or different classes of members.

8.6 Issue of Further Shares

Without prejudice to any special rights conferred on the holders of any Shares or class of Shares and subject to the Constitution and the ASX Listing Rules, the Directors may issue or grant options in respect of, or otherwise dispose of, Shares on such price and conditions as the Directors think fit.

8.7 Transfer of Shares

A member may transfer Shares by a proper transfer effected in accordance with the ASX Listing Rules, ASX Business Rules or an instrument in writing in any usual form or in any other form approved by the Directors. The Directors may decline to register a transfer in the circumstances permitted under the ASX Listing Rules or the ASX Business Rules, or if the transfer is not in registrable form.

8.8 Restricted Securities

The ASX may classify certain existing shares as restricted securities. If so, prior to Official Quotation of the Shares, the holders of the restricted securities will be required to enter into restriction agreements with the Company and an escrow agent.

8.9 Uncertificated Holdings

The Company will not be issuing option certificates. The Company will apply to ASX to participate in CHESS, for those shareholders that have, or wish to have, a sponsoring stockbroker. Shareholders who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers means that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement that sets out the number of Shares allotted to them under this Prospectus. This notice will also advise holders of their HIN and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders in circumstances in which there have been any changes in their shareholding in the Company during the preceding month.

8.10 Interests of the Directors and Officers

Other than set out below, or elsewhere in this Prospectus:

(a) no Director or proposed Director and no firm in which a Director or proposed Director is or was at the relevant time, a partner has, or has had in the two years before lodgement of this Prospectus, any interest in the promotion of, or in any property proposed to be acquired by, the Company; and

(b) no amounts, whether in cash or shares or otherwise, have been paid or agreed to be paid either to any Director or proposed Director (or any firm in which he is or was a partner) either to induce him to become, or qualify him as, a Director, or otherwise for services rendered by him or by the firm in connection with the promotion or formation of the Company, other than as disclosed below, or elsewhere in this Prospectus:

  (i) Mr Michael Bennett, the Managing Director of the Company, has entered into a service contract through a related entity, Omnimed Pty Ltd, which will receive a consultancy fee. The contract commenced on 1 July 2003 and terminates on 30 June 2006. The Company or Omnimed Pty Ltd may terminate the contract by giving 6 months notice in writing.

  (ii) Mr Robert Towner, Executive Director of the Company, has entered into a service contract through a related entity, Mandolin Pty Ltd, which will receive a consultancy fee. The contract commenced on 1 July 2003 and terminates on 30 June 2006. The Company or Mandolin Pty Ltd may terminate the contract by giving 6 months notice in writing.

  (iii) Mr Robert Scott, the non-executive Chairman will receive an annual director's fee.

8.11 Directors' Holdings

Directors' interests in shares and their entitlements to Options as at the date of this Prospectus are as follows:

Director	Registered Holder if not directly held	# Shares	# Options
Michael C. Bennett		11,250	Nil
Michael C. Bennett	Parerg Pty Ltd	8,000,000	675,000
Michael C. Bennett	Parhel Pty Ltd <Bennett Super Fund>	14,688	Nil
Robert E.T. Towner	Mandolin Pty Ltd	8,000,000	675,000
Robert N. Scott	Ferber Holdings Pty Ltd <Scott Super Fund>	75,000	Nil
Robert N. Scott	Carpenter Nominees Pty Ltd <R Scott Family A/C>	100,000	Nil

Michael C. Bennett and Robert E.T. Towner own options on the terms and conditions set out below. These options were acquired at various prices from previous directors of bioMD.

Each Option shall entitle the holder the right to subscribe for 1 fully paid ordinary share in the capital of the Company.

The exercise price of each Option is described in the table below. The exercise price is payable per share subscribed for on the exercise of each Option. Total consideration paid for the options was $660.

Director	# Options	Exercise Price	Expiry Date
Michael C. Bennett	600,000	$1.00	16 July 2006
Michael C. Bennett	75,000	$2.00	30 May 2006
Robert E.T.Towner	600,000	$1.00	16 July 2006
Robert E.T.Towner	75,000	$2.00	30 May 2006

8.12 Directors' Fees

The Constitution of the Company provides that the Directors are entitled to such remuneration as the Directors determine, but the remuneration of non-executive Directors must not exceed in aggregate a maximum annual amount fixed by the Company in general meeting for that purpose. The aggregate amount is presently fixed at a maximum amount of $250,000 per annum.

8.13 Material Contracts

Except from those material contracts noted in section 6.2 of this Prospectus the only material contract executed by the Company is the Underwriting Agreement executed with Bell Potter Securities Limited dated 20 September 2004. A summary of the material terms of the Underwriting Agreement are contained below, however a true copy will be available for inspection at the Company's registered office during office hours.

On 20 September 2004, the Company entered into an underwriting agreement ("Underwriting Agreement") with Bell Potter Securities Limited ("Underwriter") pursuant to which the Underwriter agreed to underwrite the Offer in consideration of:

(a) the payment to the Underwriter of an underwriting fee of 5% the amount underwritten;

(b) payment of all costs of and incidental to the Rights Issue incurred by the Underwriter.

Under the Underwriting Agreement the Underwriter shall:

(a) underwrite the Offer on the terms and conditions of the Underwriting Agreement; and

(b) reserve the right to enter into sub-underwriting arrangements in respect of any shortfall.

The Company must meet a number of obligations which are considered standard for agreements of this nature.

The Underwriting Agreement contains warranties, covenants and indemnities given by the Company which are considered standard in an agreement of this kind.

The Underwriters may terminate their obligations under the Underwriting Agreement by notice in writing, without cost or liability to the Underwriter, if at any time prior to the completion of the Offer:

(a) the Company is in default of any of its obligations under the Underwriting Agreement;

(b) the Company becomes insolvent;

(c) the Underwriter becomes aware of any;

(d) a material and adverse change occurs after the date of the Underwriting Agreement;

(e) the Company contravenes any of the following, which in the reasonable opinion of the Underwriter has a material adverse effect on the Offer:

(i) any law, regulation, authorisation, ruling, consent, judgment, order or decree of any governmental agency;

(ii) its Constitution or another constituent document;

(iii) an encumbrance or document which is binding on:

(f) at any time after the date of the Underwriting Agreement:

(i) the All Ordinaries Index is 10% or more below its level as at the close of trading immediately preceding the date of the Underwriting Agreement; or

(ii) the S & P/ASX Small Ordinaries Index is 10% or more below its level as at the close of trading immediately preceding the date of the Underwriting Agreement.

(g) an outbreak of new hostilities or a state of war, whether declared or not, arises after the date of the Underwriting Agreement, or an escalation of hostilities already in existence occurs involving:

(i) Australia;

(ii) any member of the European community;

(iv) the United States of America;

(v) any of the member states of the former Union of Socialist Republics;

(vi) Indonesia;

(vii) Peoples Republic of China;

(viii) New Zealand;

which in the reasonable opinion of the Underwriter has or is likely to have a material and adverse effect on the Offer; or

(h) after the date of the Underwriting Agreement, a Director of the Company or a subsidiary commits or is convicted of a criminal offence or becomes bankrupt which in the reasonable opinion of the Underwriter has or is likely to have a material and adverse effect on the Offer.

8.14 Interests of Experts

Other than set out below or elsewhere in this Prospectus no expert or any firm in which any expert is a partner has, or has had in the two years before lodgement of this Prospectus, any interest in the promotion of, or any property proposed to be acquired by, the Company and no amounts, whether in cash or Shares or otherwise, have been paid or agreed to be paid to any expert (or to any firm in which he or she is, or was, a partner) for services rendered by the expert or the firm in connection with the promotion or formation of the Company. No form of payment of any kind will be made or agreed to be made to any such expert or firm other than in cash.

Price Sierakowski

Price Sierakowski has acted as Solicitors and has prepared the material contracts section of this Prospectus. In respect of this work, the Company will pay in accordance with its usual time based charge-out rates. Fees payable to Price Sierakowski for work undertaken in respect of the Prospectus are estimated to be in the region of, and not to exceed, $5,000 for commercial services and advice.

Bell Potter Securities Limited

Bell Potter Securities Limited has acted as Underwriting Broker for the Issue. In respect of this work, the Company will pay a fee of 5% on the 63,104,626 Options.

8.15 Consents and Disclaimers of Responsibility

Written consents to the Offer of this Prospectus have been given and at the time of this Prospectus have not been withdrawn by the following parties:

Price Sierakowski has given and has not, at the date of this Prospectus, withdrawn its consent to be named as Solicitors to the Offer and is responsible for the preparation of the Material Contracts section of this Prospectus. It has not authorised or caused the issue of the Prospectus and takes no responsibility for any part of the Prospectus other than the references to its name.

Computershare Investor Services Pty Limited has given, and has not before the date of this Prospectus, withdrawn its consent to being named as Share Registry to the Company in the Corporate Directory and elsewhere in the form and content in which it is named. It has not authorised or caused the issue of the Prospectus and takes no responsibility for any part of the Prospectus other than the references to its name.

Bell Potter Securities Limited, has given, and has not before the date of this Prospectus, withdrawn its consent to bring named as Underwriting Broker to the Company in the Corporate Directory and elsewhere in the form and content in which it is named. It has not authorised or caused the issue of the Prospectus and takes no responsibility for any part of the Prospectus other than the references to its name.

Griffith Hack, has given, and has not before the date of this Prospectus, withdrawn its consent to bring named as Australian Patent Advisers to the Company in the Corporate Directory and elsewhere in the form and content in which it is named. It has not authorised or caused the issue of the Prospectus and takes no responsibility for any part of the Prospectus other than the references to its name.

Horwath Securities (WA) Pty Ltd, has given, and has not before the date of this Prospectus, withdrawn its consent to bring named as Investigating Accountants to the Company in the Corporate Directory and elsewhere in the form and content in which it is named. It has not authorised or caused the issue of the Prospectus and takes no responsibility for any part of the Prospectus other than the references to its name.

8.16 Litigation

As at the date of this Prospectus, there is not litigation of any nature pending or threatened which may significantly affect the operations of the Company. Having regard to the nature of the business of the Company, it may be involved in litigation from time to time.

8.17 Expenses of the Issue

The expenses connected with the Issue are estimated as $55,552 and are made up as follows:

Expense	**$**
Corporate Advisers and Brokers fees	31,552
Legal fees	5,000
Printing and associated Offer costs	5,000
ASIC/ASX Fees	14,000
Total expenses	**$55,552**

9. DIRECTORS' STATEMENT AUTHORISATION AND CONSENT

This Prospectus is authorised and issued by bioMD Limited. Each of the Directors has consented in writing to such lodgment of this Prospectus.

Signed for and on behalf of bioMD Limited on 21 September 2004.

Michael C. Bennett
Managing Director

10. GLOSSARY

In this Prospectus, unless the contrary intention appears, the following words have the following meanings.

"Application" is an application for Options in bioMD under this Prospectus.

"Applicant" is a person who submits an Entitlement and Acceptance Form.

"Application Monies" are monies received by the Company for Options.

"ASIC" is the Australian Securities and Investments Commission.

"ASX" is the Australian Stock Exchange Limited ACN 008 624 691.

"bioMD" means bioMD Limited ABN 35 088 221 078.

"Board" is the Board of Directors of bioMD.

"Business Day" is any day which is defined to be a Business Day pursuant to Listing Rule 19.12 of the Listing Rules of ASX.

"Closing Date" is 25 October 2004 or such later date as the Directors may determine.

"Company" is bioMD Limited.

"Constitution" is the constitution of the Company as at the date of this Prospectus.

"Corporations Act" is the Corporations Act 2001 (Cth).

"Director" is a director of bioMD.

"**Dollars**" or "**$**" means Australian dollars unless otherwise stated.

"Entitlement and Acceptance Form" is the entitlement and acceptance form attached to or accompanying this Prospectus that sets out the Pro Rata Entitlement of Shareholders to subscribe for Options pursuant to the Rights Issue;

"Full Subscription" means the maximum amount of Application Monies that may be received under the Offer of Options as set out in this Prospectus amounting to approximately $631,046 by acceptance of approximately 631,046.26 Options offered under this Prospectus.

"IPO Prospectus" means that prospectus issued by bioMD dated 4 February 2004 offering 25,000,000 shares at $.20 each to raise up to $5,000,000.

"Listing Rules" is the Listing Rules of ASX.

"Optionholder" is a holder of the Options issued or to be issued by the Company under this Prospectus.

"Offer" is the offer of Options in bioMD as set out in this Prospectus.

"**Official List**" is the official list of ASX.

"Pro Rata Entitlement" is the pro rata entitlement of Shareholders to Options by virtue of their shareholding at the Record Date.

"Prospectus" is this Prospectus dated 21 September 2004 issued by bioMD for the Offer.

"Record Date" is 5.00pm (WST) on 8 October 2004 or such later date as notified by the Company to ASX, being the date for the determination of Pro Rata Entitlements of Shareholders of the Company to participate in the Rights Issue.

"Rights Issue" is the non renounceable pro rata Offer of Options to existing Shareholders on the basis of nine Options for every 10 Shares held at an issue price of $0.01 per Option.

"Section" is a section of this Prospectus.

"Shareholder" is a holder of the Shares in bioMD.

"Shares" is fully paid ordinary shares in the capital of the Company.

"Shortfall" is those Options for which valid applications have not been received by the Closing Date under the Pro Rata Entitlement of Shareholders.

"Trading Day" is a day that is defined to be a Trading Day for the purposes of the Listing Rules.

"WST" means Western Standard Time.

bioMD LIMITED

Computershare

Please return completed form to:
Computershare Investor Services Pty Limited
GPO Box D182 Perth
Western Australia 6840
Enquiries (within Australia) 1300 557 010
(outside Australia) 61 3 9415 4000
Facsimile 61 8 9323 2033
web.queries@computershare.com.au
www.computershare.com

SAMPLE CUSTOMER
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLETOWN TAS 7000

Securityholder Reference Number (SRN)

I 1234567890 IND

Use a black pen. Print in CAPITAL letters inside the grey areas. A B C 1 2 3

Entitlement and Acceptance Form

Non-Renounceable Entitlement Issue closing <Time> <Time Zone> on <Date>

Non-Renounceable Entitlement Issue on the basis of <Units1> New <Security1> for every <Units2> <Security2> entitled to participate at the record date at an issue price of <A$xx.xx> per New <Security1>.

Important:

- This document is of value and requires your immediate attention. If you do not understand it, or are in doubt as to how to deal with it, you should consult your accountant, stockbroker, solicitor or other professional adviser immediately.
- This Entitlement and Acceptance Form should not be relied upon as evidence of the current entitlement of the person named in this Entitlement and Acceptance Form.
- Receipt of this form by <Time> <Time Zone> on <Date> with your payment will constitute acceptance in accordance with the terms of the Prospectus dated <Date>.

A Securityholder Entitlement details

Subregister	Issuer
Existing <Security2> entitled to participate at Record Date on <Date>	XXX,XXX,XXX
Entitlement to New <Security1> on a <Units1> for <Units2> basis	XXX,XXX,XXX
Amount payable on full acceptance at <A$xx.xx> per New <Security1>	X,XXX,XXX.XX
Entitlement Number	123456789012

Entitlement Number: <xxxxxxxxxx>

To be completed by securityholder

B Number of New <Security1> Accepted

C Amount enclosed at <A$xx.xx> per New <Security1>

A$.

I/We enclose my/our payment for the amount shown above being payment of <A$xx.xx> per New <Security1>. I/We hereby authorise you to register me/us as the holder(s) of the <Security1> allotted to me/us, and I/we agree to be bound by the Constitution of the Company.

D Payment Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of cheque
				A$

Make your cheque or bank draft payable to "bioMD Limited".

E Enter your contact details

Contact Name	Telephone Number - Business Hours / After Hours
	( )

The directors reserve the right to make amendments to this form where appropriate. Please refer to the lodgement instructions overleaf.
This form may not be used to effect an address change. Please contact Computershare Investor Services Pty Limited on 1300 557 010 for an appropriate form, or download a Change of Address Notification form from www.computershare.com. **CHESS holders must contact their Controlling Participant.**

See back of form for completion guidelines

How to complete the Entitlement and Acceptance form

Please complete all relevant sections of the Entitlement and Acceptance Form using BLOCK LETTERS in black ink. Note that photocopies will not be accepted. These instructions are cross-referenced to each section of the Entitlement and Acceptance Form.

A Details of your Entitlement based on your Securityholding at <Time> <Time Zone> on <Date> are shown in box A on the front of this Entitlement Form.

B **New Securities Accepted**

You can apply to accept either all, or part of, your Entitlement. Enter in box B the number of New <Security1> you wish to accept from your Entitlement.

- To accept your Entitlement in full, write in box B the number of New <Security1> shown in box A as your Entitlement.
- To accept part of your Entitlement only, write in box B the number of New <Security1> for which you wish to apply.

C **Acceptance Monies**

Enter the amount of Acceptance Monies. To calculate the amount payable, multiply the number of New <Security1> applied for by the issue price.

D **Payment Details**

Make your cheque or bank draft payable to "bioMD Limited" in Australian currency and cross it Not Negotiable.
Your cheque or bank draft must be drawn on an Australian Bank.

Complete the cheque details in the boxes provided. The total amount must agree with the amount shown in box C.

Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Acceptance being rejected. Pin (do not staple) your cheque(s) to the Entitlement and Acceptance Form where indicated. Cash will not be accepted. Receipt for payment will not be forwarded.

E **Contact Details**

Enter your contact details. These are not compulsory but will assist us if we need to contact you.

Lodgement of Acceptance

Acceptance Forms must be received at the Perth office of Computershare Investor Services Pty Limited by no later than <Time> <Time Zone> on <Date>.
Return the Acceptance Form with cheque(s) attached to:

Computershare Investor Services Pty Limited
GPO Box D182
PERTH WA 6840

OR

Computershare Investor Services Pty Limited
Level 2
45 St George's Terrace
PERTH WA 6000

Privacy Statement

Personal information is collected on this form by Computershare Investor Services Pty Limited ("CIS"), as registrar for securities issuers ("the issuer"), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or E-mail privacy@computershare.com.au

If you have any enquiries concerning your entitlement, please contact Computershare Investor Services Pty Limited on 1300 557 010.

Please return the completed form in the envelope provided or to the address opposite:

Computershare Investor Services Pty Limited
GPO Box D182
Perth WA 6840
Australia