



November 29th, 2005

Company Announcement Office
Australian Stock Exchange Ltd (ASX)
4th Floor, 20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

Please find herewith a company announcement "**Anadis Receives \$973,000 Grant**" for release and distribution to the market immediately.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Conor Graham', written in a cursive style.

CONOR GRAHAM
Managing Director & CEO

Anadis offered Commercial Ready Grant for ‘Decoy Profiling Technology’

Anadis Limited (ASX:ANX) is proud to announce success in being offered a \$973,000 Australian Government Commercial Ready Grant, to develop the Technology Strategy: ‘Decoy Profiling Technology’ or DPT.

DPT enables the removal of ‘decoy’ materials from vaccines, leading to greatly increased levels of specific beneficial antibody production. It is believed DPT will be able to improve vaccine technology to the extent which allows cost effective antibody production for the multi billion dollar Functional and Medical Food markets.

Federal Industry Minister Ian Macfarlane today congratulated Anadis Limited on being offered the Australian Government Commercial Ready grant for its decoy profiling technology project.

"Australia has a strong record in medical research fields, and through our Commercial Ready program, the Australian Government is pleased to support innovative companies, like Anadis commercialise world-class research and development," Mr Macfarlane said.

Functional and Medical Foods

Functional and Medical Foods deliver a benefit to health and well-being over and above their usual nutritional value. Advances in bio-technology and nutritional sciences are increasingly shedding light on the “you are what you eat” principle, and it is no surprise that this is one of the fastest growing food segments in many developed countries.

This global market is forecast to grow to US\$167 billion by 2010, over 15% annually. Key consumer trends in the functional food market include: growing attention to health, high motivation to take control of personal health, an ageing population and cost increases in health care.

Anadis Commercial Advantages

Currently Anadis is able to provide commercial quantities of specific colostrum derived antibodies for OTC (over the counter) pharmaceutical and nutraceutical products.

Although antibodies have the potential to be used effectively in many applications in the functional food area, current antibody production costs prohibit their use in this large and growing market.

Utilising our existing antibody development stable – in particular EV-71 (*Enterovirus 71* antibodies) - Anadis aims to produce antibodies for functional foods in as soon as 18 months.

Key Commercial Opportunities

Anadis sees potential for the DPT technology strategy to improve specific antibody yields in colostrum, and therefore reduce antibody costs across our pipeline of products.

This cost reduction will allow Anadis to provide new products for 'Population Health', in addition to our current product pipeline for 'Individual Recovery and Protection'.

It has been identified that if Enterovirus 71 antibodies can be integrated into functional foods, this would provide an *additional* market significantly larger than that identified for the Anadis OTC EV-71 preventative, for which current conservative estimates stand around 110 million doses per annum for Taiwan alone.

Intellectual Property

Decoy Profiling Technology is covered by an Anadis patent application and by two other provisional patents in preparation. If successful, DPT has the scope for use in other active vaccines (human and animal), with out-licensing opportunities.

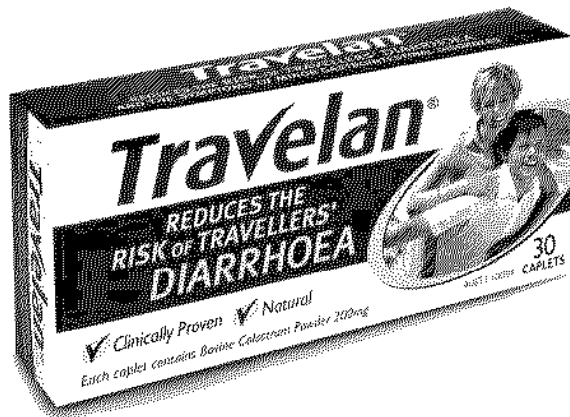
Research Details

Decoy Profiling Technology builds on well established Anadis research programs. The DPT project is to be funded for 3 years, beginning February 2006 and ending January 2009. Initially this work will focus on the existing stable of vaccines, for use in cattle, developed by Anadis for antibody production in the areas of Enterovirus 71, *E. coli* and Helicobacter pylori (*H.pylori*).

About Anadis Limited:

Anadis, a Melbourne based biopharmaceutical company is focused on Nutraceutical and Pharmaceutical research and development. Anadis is a specialist in the development of bovine colostrum derived products for therapeutic use in humans. Projects include:

Anadis' first commercialised product: **Travelan** has been proven in hospital clinical trials to significantly decrease the risk of Travelers Diarrhoea and the symptoms of gastrointestinal disorders. Travelan is prepared from bovine colostrum, from cows hyper-immunized against the 13 most common strains of *E.coli* – the most common cause of Travelers Diarrhoea, working through the process of passive immunity transfer to the surface of the intestine.



Travelan has recently received a "Green Light" for sales in the US and is currently being considered for other markets including: Canada, Singapore, India, Korea, United Arab Emirates, Thailand, Malaysia and the UK and EU.

For more information please visit www.travelan.com.au

EV-71 - a bioactive protein based preventative product against Enterovirus 71, a debilitating polio like disease, is one of the viruses that causes 'hand, foot and mouth' or 'slapped cheek' disease. A significant proportion of younger children effected can develop nervous signs such as fits, paralysis and Enterovirus 71 has the potentially to be fatal.

Enterovirus 71 isn't as yet well known in Australia; however in the Asia-Pacific region – mainly Taiwan and China – major outbreaks are becoming increasingly common. Enterovirus 71 is defined as an emerging 'disease state' by the WHO, and medical authorities are comparing the disease with the spread of polio in Europe and North America in the late 19th century.

Outbreaks of Enterovirus 71 have recently occurred in Hong Kong, Malaysia and Singapore, and during 2004, 25 deaths in Vietnam were reported in children under 3 years of age. In Taiwan, during the summer of 2005, Enterovirus has been responsible for the tragic death of 5 children.

A set of **Bio-defense/Respiratory Protection** technologies, a project in conjunction with the Australian Defense Forces and US Bio-Defense Organisations, initially focused on short-term immediate protection from airborne bacteria such as Anthrax and Plague, future civilian applications include Hay Fever and Asthma.

Bio-Shield 10 a range of "bioshielding" technologies which protect delicate molecules, enzymes and proteins, initially targeted for use in the pro-biotic market.

Development into an **Immune Stimulating Infant Formula** is underway, initially destined for the Asian market.

Pyloran, which has been clinically proven to reduce levels of bacteria in the stomach and reduce the symptoms of *H.pylori* associated gastritis - Anadis is also in development of an *H.pylori* vaccine.

Visit our websites: www.anadis.com.au and www.travelan.com.au

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