

VRI BioMedical



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DISTRIBUTION AGREEMENT FOR AUSTRALIA AND NEW ZEALAND

VRI BioMedical Limited has announced today the execution of an agreement with DiaCare International for the sole distribution of VRI's new range of probiotic-based products under the brand name "proTract™" in Australia and New Zealand.

DiaCare International is an Australian company with significant experience in the distribution of products to the retail pharmacy market, which comprises approximately 5,000 pharmacies, through its sales company CS Pharma. They have established relationships with large pharmacy chains and wholesalers such as Sigma, Mayne and API.

The products will contain VRI's proprietary strain of probiotic bacteria – *Lactobacillus fermentum* PCC™. It is anticipated that the products will be launched in the first quarter of 2004.

This is another step in VRI's strategy to maximise the value of the company's special strain of probiotic bacteria.

VRI's strategy is to establish the brand within a short period of time in Australia and at the same commence registration to secure marketing and distribution partnerships in global markets.

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