



Probiomics Limited

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**The Australian Stock Exchange Limited
Companies Announcements Office
SYDNEY**

16 April 2008

Market Update: Acquisition of Minomic International Limited (Minomic)

Probiomics Limited is currently in the middle of an offer to shareholders by way of a Share Purchase Plan (as previously announced) and wishes to provide an update to the ASX in order to allow shareholders to make an informed decision with respect to this offer

Probiomics has entered into a conditional share sale agreement to acquire 100% of Minomic International Limited (Minomic). Recent results in Minomic's work have been positive with both projects hitting milestones. It is expected that Minomic will bring diagnostic assays to market in 2009.

"We are pleased with the progress being made by Minomic towards their two diagnostic tests, which will aim to give reliable, non-invasive and potentially low cost solutions to the diagnosis of prostate cancer and type 2 diabetes" said Probiomics' CEO Stuart Craig.

Prostate Cancer

Minomic is continuing to meet milestones in the development of its ProStat diagnostic test that is a urine based test to detect prostate cancer with high reliability. One of the world's experts on prostate cancer, Professor Pam Russell has joined the Minomic team to develop the novel urine based prostate cancer test. Bringing over 35 years experience in this field Professor Russell had previously demonstrated that early tests of the product show it is able to detect 88% of prostate cancers in biopsy specimens. This is in contrast to the high false negative rate seen with the current gold standard test the PSA test (Prostate Cancer Foundation, USA).

Minomic has recently discovered the identity of the prostate cancer surface molecules to which the test reagent binds. Additionally, the company has shown the exact area on the molecule to which the antibody binds.

The next step is a large-scale clinically controlled trial in 400 urine samples collected from prostate cancer patients. Minomic has collected 200 patient samples with extensive clinical histories in preparation for large-scale trials of the prostate cancer diagnostic in conjunction with the Epworth Hospital in Melbourne.

Type 2 Diabetes

Minomic is also continuing to meet milestones for ProT2, a urine based test for type 2 diabetes. The test is non-invasive and easy to perform. This program is at the stage of demonstrating reproducibility and is performing consistently, which augers well for the next stage of clinical trial. It is estimated by Diabetes authorities (Diabetes Australia) that around 50% of those that currently suffer from type 2 diabetes do not know they have disease. Ethics approval has just been granted to collect the clinical trial samples and it is anticipated that collection will start mid-May.

Three multinational pharmaceutical companies have approached Minomic concerning the progress of both the projects to date and are awaiting the outcomes of both the clinical trials. The current global market for prostate diagnostic is estimated to be US\$ 2.6 billion (Medtech Insight 2006) and for type 2 diabetes diagnostic US\$ 6.0 billion dollars (Joslin Institute, USA).

Probiomics Limited

Probiomics has proprietary ownership of a unique probiotic strain – PCC®

PCC® has been clinically proved to have superior qualities to other probiotic strains – particularly in promoting systemic immune response.

Probiomics' commercial objective is to earn royalties from licensing PCC® to distribution companies selling products in global markets.

CONTACTS

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