



May 28th, 2003

The Manager
Company Announcements Office
Australian Stock Exchange Limited
Exchange Centre, 20 Bridge Street
Sydney NSW 2000

Dear Sir,

GENETIC TECHNOLOGIES ANNOUNCES CROSS-LICENSING AGREEMENT WITH ORCHID BIOSCIENCES.

Genetic Technologies Limited ("GTG"), is pleased to report it has signed a cross-licensing agreement with Orchid Biosciences, Inc., of Princeton, New Jersey, USA ("Orchid").

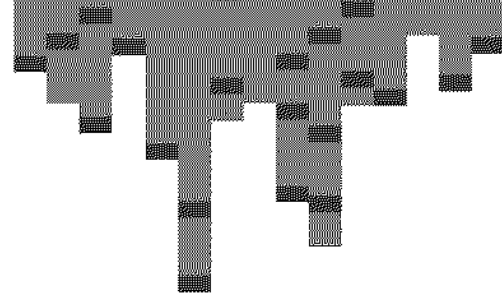
Under the terms of this agreement, GTG now grants to Orchid "a covenant not to sue" in relation to Orchid's past activities. Orchid has recently sold out of certain businesses and this agreement now regularises those past activities. GTG also grants to Orchid an option to secure a license to the GTG non-coding patents in relation to Orchid's future activities, should this be required.

In consideration, GTG now receives from Orchid an up-front signing fee and powerful intellectual property rights not previously available in Australia. These include:

- an exclusive license to Orchid's paternity-SNP panel for paternity testing services,
- an exclusive license to Orchid's forensic-SNP panel for forensic testing services,
- an exclusive license to market, distribute and sell the Elucigene range of diagnostic kits for genetic testing, and
- a non-exclusive license to Orchid's Primer Extension patents.

The rights granted to GTG cover not only Australia but also New Zealand and South East Asia.

Genetic Technologies Limited • Website: www.gtg.com.au • **Email:** info@gtg.com.au ABN 17 009 212 328
Registered Office • 60-66 Hanover Street Fitzroy VIC 3065 Australia • **Postal Address** P.O. Box 115 Fitzroy Victoria 3065 Australia
Phone 61 3 9415 1135 • **Fax** 61 3 9417 2987
Corporate Office • Level 9 185 Macquarie Street Sydney NSW 2000 Australia
Phone 61 2 9233 5015 • **Fax** 61 2 9232 5313



It is here noted that:

- (a) the Orchid paternity-SNP panel was recently approved by AABB (American Association of Blood Banks), and
- (b) the Orchid forensic-SNP panel is the same panel used in USA to help identify the victims of the September 11th, 2001 terrorist attacks on the World Trade Centre. This forensic panel will now support the new forensic testing service being established at our Melbourne laboratory.

While the precise financial terms of the agreement are covered by confidentiality, we can indicate that the immediate benefit to GTG is estimated to be around US\$2.1M (A\$3.2M). In addition, GTG stands to receive licensing fees if Orchid exercises its option to secure a license to the GTG non-coding patents to cover Orchid's future activities.

Similarly, GTG will pay Orchid license fees and royalties on the future revenues these new products and technologies will generate for GTG in Australia, New Zealand and South East Asia, according to mutually agreed terms and conditions.

Other license agreements are also now being negotiated by GTG and details will be announced as appropriate.

Yours faithfully,

Dr. Mervyn Jacobson
Executive Chairman