

15th June 2004
The Companies Announcements Office,
The Australian Stock Exchange Limited,
SYDNEY

VIA: asxonline

ISSUE OF BONUS OPTIONS TO SHAREHOLDERS

The Board of Directors of VRI BioMedical Limited (ASX: VRI) has resolved to issue bonus options to all shareholders on the following terms:-

1. One new bonus option for every five ordinary shares held in the company on the record date.
2. No consideration will be payable for the Options
3. The exercise price will be \$0.25 per share
4. The Options will expire on or before 30th June 2006.

Application will be made to ASX to have the options listed. The Company is in the process of finalising a prospectus which will detail the terms and conditions of the bonus options including the record date, which is expected to be in July 2004.

The Chairman of VRI Mr Jim Grant said that the bonus issue of options was to reward shareholders for their loyalty to the company as it continues its transition from a research & development company to commercialisation of products including the proTract™ range which began selling through Australian pharmacies this month.

For further information on the above please contact:

Dr Peter French, Managing Director on 02/9209 4268 or Paul Magoffin, CFO on 02/9209 4269