



31<sup>st</sup> October 2005  
ASX Companies Announcements Office,

Via:- asx.online.com

**Appendix 4C – Quarterly cash report**

Dear Sirs,

Attached is the company's appendix 4C for the quarter ended 30<sup>th</sup> September 2005.

Expenditure in the quarter includes a reduction in trade and other creditors of \$508,000 from the position as at 30<sup>th</sup> June 2005. With customer receipts taken into account the cash spend in the quarter was \$686,000 and continues to trend down. This is consistent with the company's expectations of reducing annual spend to approximately \$2.5m

As announced today the company is undertaking a Securities Purchase Plan (SPP) to all shareholders. Subject to the finalisation of an underwriting agreement the SPP will be underwritten by Taylor Collison Limited to a maximum of \$1.0m. The amount to be raised under the SPP is being limited to a maximum of \$2.0m.

These new funds along with existing resources will be sufficient working capital for at least the next two quarters based on the company's forward projections.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Paul B Magoffin', is written over a light blue horizontal line.

Paul B Magoffin,  
Company Secretary

**Probiomics Limited**  
(formerly VRI BioMedical Limited)  
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# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

Probiomix Limited

ABN

97 084 464 193

Quarter ended ("current quarter")

30 September 2005

### Consolidated statement of cash flows

		Current quarter	Year to date (3 months)
		\$A'000	\$A'000
<b>Cash flows related to operating activities</b>			
1.1	Receipts from customers	349	349
1.2	Payments for (a) staff costs	-350	-350
	(b) advertising and marketing	-178	-178
	(c) research and development	-166	-166
	(d) inventories	-282	-282
	(e) other working capital	-222	-222
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	4	4
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other	-	-
<b>Net operating cash flows</b>		<b>-845</b>	<b>-845</b>

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter \$A'000	Year to date ( 3 months) \$A'000
1.8 Net operating cash flows (carried forward)	-845	-845
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-8	-8
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	-8	-8
<b>1.14 Total operating and investing cash flows</b>	-853	-853
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc. (net of costs)	957	957
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other - Government grants	-	-
<b>Net financing cash flows</b>	957	957
<b>Net increase (decrease) in cash held</b>	104	104
1.21 Cash at beginning of quarter/year to date	403	403
1.22 Exchange rate adjustments to item 1.20	-	-
<b>1.23 Cash at end of quarter</b>	507	507

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	40
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions	
	Refer covering letter	

**Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

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**Financing facilities available**

*Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

## Reconciliation of cash


Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	507	403
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.21)		507	403

## Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	
5.2	Place of incorporation or registration	
5.3	Consideration for acquisition or disposal	
5.4	Total net assets	
5.5	Nature of business	

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:   
 Company Secretary)

...Date: 31<sup>st</sup> October 2005

Print name: Paul B Magoffin

## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to

disclose additional information is encouraged to do so, in a note or notes attached to this report.

2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
  - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
  - 9.2 - itemised disclosure relating to acquisitions
  - 9.4 - itemised disclosure relating to disposals
  - 12.1(a) - policy for classification of cash items
  - 12.3 - disclosure of restrictions on use of cash
  - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.