



12 July 2010

GENETIC TECHNOLOGIES - ANIMAL HEALTH BUSINESS UPDATE

Dear Valued GTG Customer,

Firstly, thank you for your ongoing support of GTG's animal health business. There have been some recent changes to the Company's animal health business which I would like to make you aware of. Firstly Mr George Sofronidis no longer works for GTG or any of its related corporate entities (eg: Frozen Puppies Dot Com). Dr Amanda Chin will be assuming George's responsibilities from this point forward, Amanda's contact details are Amanda.chin@gtglabs.com Tel: 0403 217 616 or Freecall 1800 822 999. Please feel free to contact Amanda directly from this point forward.

Secondly, there is no basis to the rumour that GTG is planning on discontinuing its animal health operations or that GTG is closing down. This is simply not true. GTG remains the leading provider of animal genetic testing services in the region, with a range of proprietary animal diagnostic testing products. GTG is committed to excellence in canine genetic health and as the preferred/exclusive provider of a range of invaluable and essential tests for healthy canine breeding, we fully expect this to continue into the future.

One other concern we would like to immediately dispel is that GTG would no longer store or process people's canine samples and data. This is absolutely not the case. The DNA samples and results currently stored at GTG will continue to be safely stored here at the labs and will be available to you for your information or for further genetic testing upon request.

The Company employs a team of 20 laboratory personnel and client support/marketing staff who are focused on the delivery of genetic health testing to breeders, veterinarians and animal lovers alike. Again, we thank you for your continued support.

Yours sincerely

A handwritten signature in blue ink, appearing to read "P. MacLeman". The signature is fluid and cursive, with a small "for" written below it.

Dr Paul D R MacLeman
Chief Executive Officer