



London, UK - 12 February 2004

Agreement

Virtue Broadcasting Plc ("the Company") today announces that it has exercised an option to acquire 298,633 shares in its Australian subsidiary Virtue Broadcasting Pty Ltd ("Virtue Australia") from Edgewise Solutions Pty Ltd. This transaction takes the Company's holding in Virtue Australia to 82.99% from 62.99%.

In consideration, the Board of Virtue has, today, authorised the issue and allotment of a total of 1,707,541 ordinary shares of 0.1 pence each. Application will be made for the new shares to be admitted to AIM and trading in the new shares is expected to commence on 19 February 2004.

Commenting, Chairman Mike Neville said today: "The Australian operation has continued to show improvements in performance since the half year and has now established itself firmly in the Australian market place following the recent acquisitions. We have taken this opportunity to acquire a further stake in the business to enable the group to take more control".

For more information contact:

James Ormondroyd, Finance Director
Tel: +44 (0) 20 7785 6000
Email: investorrelations@virtuebroadcasting.com