

ASX/MEDIA RELEASE

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BMDI TUTA POSTS STRONG FIRST QUARTER SALES OF \$2.1 MILLION

- Signs and extends several supply and distribution agreements.
- New distributors appointed for BMDI TUTA and Clements.
- General Manager Sales and Marketing appointed.
- Business Development Manager for Asia / Middle East appointed.
- First quarter operating with new manufacturing and Supply Chain partner.
- Continuing to pursue organic growth and acquisition opportunities domestically and internationally.

Sydney, Australia: Medical products manufacturer and distributor **BMDI TUTA (ASX: BMI)** today reported first quarter sales of \$2.1 million for the three months to 30 September 2009, broadly in line with budget. During the period, the business renewed and extended important supply contracts in New South Wales, Victoria and Queensland, and strengthened its presence in the Western Australian market.

BMDI TUTA also continued to invest in its senior team, creating two new strategic roles – Business Development Manager for Asia and the Middle East, and General Manager, Sales and Marketing.

The period also marks the first full quarter in which BMDI TUTA has partnered with its new manufacturing and Supply Chain partner in China, and the results have been particularly encouraging.

BMDI TUTA's Managing Director Gary Lewis said the first quarter performance positions the company well for the coming year. "First quarter sales of \$2.1 million are pleasing and give us a strong foundation for the year ahead. We expect to continue to increase sales as the year progresses, and in September alone, we achieved sales of over \$800,000, which was 20% above August sales and a sign that month-on-month sales continue growing.

"Particularly pleasing is the progress we have made in other areas of the business during the first quarter. We have secured a number of key government IV and sharps collector contract extensions and renewals, and have been successful in attracting a number of former and new customers across the country.

"We have also significantly strengthened our senior team to drive organic growth, domestically and internationally. Salinda Ratnayake has been appointed Business Development Manager for Asia and the Middle East and will spearhead BMDI TUTA's efforts in securing supply contracts in these markets. Salinda, who previously headed up the company's joint venture with Ceylinco

International, signed up new distributors in Malaysia for both BMDI TUTA and Clements during the quarter, and is pursuing a number of opportunities across the region.

"Mark Donnison has also been appointed as General Manager, Sales and Marketing, commencing 12 October 2009. He brings over 20 years experience in sales, marketing and management in the healthcare industry and has worked with leading healthcare organisations such as Alphapharm, Astra Zeneca and Smith Kline. We have been operating for nearly 12 months without a head of sales and marketing, so Mark's experience and focus will no doubt pay off handsomely for the company."

Mr. Lewis said BMDI TUTA's new Supply Chain partner is performing well and the company is now starting to benefit from the significant investment it has made in its global Supply Chain.

"This is the first full quarter in which we have worked with our new Supply Chain partner and the results are very encouraging. We have replenished our warehouse, and cleared the majority of our back orders. Our Supply Chain gives us the capacity to pursue much larger orders in the markets in which we are operating.

"BMDI TUTA is currently pursuing a number of significant manufacturing and supply contracts in international markets and the investment in our Supply Chain positions us well to secure these opportunities," he said.

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BMDI TUTA Limited (ASX : BMI) is a medical company engaged in the manufacture, distribution and sale of a broad range of medical devices used by healthcare facilities and critical care services in global markets. The Company is a leader in Intravenous (IV) Medication Delivery Systems, Surgical Irrigation, Suction and Oxygen Therapy, Safety Sharps Collection and Reuse Prevention and specialised Diagnostic and Laboratory Equipment. Our products are used in three broad areas of healthcare, Human Health; Biological Collection, Processing and Laboratory; and Animal Health.