

ASX/MEDIA RELEASE

ASX: MLA 5th July 2011

MLA Secures Master Distributorship for MediVet in United Kingdom

- **Exclusive Master Distributorship for secured for England, Wales, Scotland, and Ireland**
- **Will be operated by MLA's 100% owned business in London**
- **MLA now has both OEM and distribution agreements in place with MediVet**
- **UK Business manager experienced and well connected in animal healthcare market**
- **Expected to be a major growth platform for MLA outside of Australia**
- **MLA positioned for growth in FY2012**

Sydney: 5th July 2011: Medical products and distribution company Medical Australia Limited (ASX: MLA) today announced a significant new organic revenue growth opportunity with the signing of an exclusive Master Distribution Agreement with global animal healthcare company and OEM partner, MediVet Pty Ltd ("MediVet") for the United Kingdom market.

MLA will become the sole distributor for MediVet's products in England, Wales, Scotland and Ireland. MediVet has developed a ground-breaking patented stem cell regenerative medicine for the animal healthcare sector.

A veterinary practice that wants to offer the MediVet adipose stem cell process is required to purchase proprietary hardware upfront, valued at US\$10,000, and then order procedure packs based on a minimum \$US\$2,000 order value per month.

MediVet's product is receiving strong support in the equine market in particular, and over 200 veterinary practices in the United States now provide the product with growing sales in the Middle East and Asian markets.

MLA already has an experienced business manager based in London with extensive expertise and customer contacts in the animal healthcare sector in the United Kingdom. MLA is now actively marketing the MediVet stem cell process to veterinary clinics and equine centres throughout the UK. With over 10,000 practices operating in the region, the master distributorship presents a major future revenue driver for MLA commencing this financial year.

MLA's Chief Executive Officer Mark Donnison commented: "This distribution agreement represents a major growth platform for MLA in a new international market. We have been working with MediVet for over a year as a trusted and proven Original Equipment Manufacturing (OEM) partner. This latest agreement illustrates the value that MediVet places on its relationship with MLA, and that we are clearly delivering results.

"Given MLA is MediVet's OEM partner, we are well placed to control the entire supply chain for these new markets, from manufacturing through to sales and distribution. Off the back of our success in these markets, we expect to secure additional territories to expand our exclusive distributor status.

"MLA is in good shape, and this new organic growth development is another avenue to fast track revenue growth from FY2012 onwards whilst at the same time delivering acceptable margins. We expect to announce more contract wins and supply agreements in the coming weeks."

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Medical Australia Limited (ASX : MLA) 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.