



Level 8
261 George Street
Sydney NSW 2000
Australia
Tel: 61 2 9247 5087
Fax: 61 2 9247 7273

ABN 30 096 048 912

6 May 2005

The Manager Companies
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

(1 page by email)

Dear Madam

EXPANSION OF PRODUCT RANGE AND TGA APPROVAL

Further to the Company's announcement dated 11 February 2005, the Directors are pleased to advise that the Company has extended the Weihai Medical Polymer Group Co. Ltd ('Shandong Weigao') product range for which the Company has distribution and naming rights to include a complete range of standard non-retractable syringes and intravenous therapy devices. The Company has exclusive distribution and naming rights for these products in Australia, New Zealand and the South Pacific Rim and non-exclusive distribution and naming rights for the rest of the world, including the USA.

The Directors are also pleased to advise that Australian Therapeutic Goods Administration ('TGA') approval has been received for the following Shandong Weigao products enabling immediate sales and distribution of these products into the Australian healthcare market:

- standard 2cc, 3cc, 5cc, 10cc, 20cc, 30cc and 50cc syringes;
- 1cc insulin syringes;
- TB syringes; and
- scalp vein sets.

This TGA approval is a significant achievement and will enable the IMD Group to add to the Company's revenue capabilities by selling these medical devices into the Australian market.

Further, the Company has negotiated the rights to sell the Shandong Weigao 3cc, 5cc and 10cc manual retractable safety syringes into the USA market thereby enabling the Company to expand its distribution capabilities into the largest global market for safety syringes. The Company expects that FDA approval for these products will be received later this calendar year.

The Shandong Weigao safety syringe is a second generation manual retractable device which has the added features over first generation manual retractable syringes of a luer lock function for the needle hub and a locking device which inhibits the syringe being re-engaged.

For further information, contact Robert Krakowiak on (61 2) 42717255 or Sam Mann on (61 2) 92475087.

Yours sincerely

A handwritten signature in black ink, appearing to read "Peter J. Nightingale", with a stylized flourish at the end.

Peter J. Nightingale
Company Secretary

pjn3019