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18 January 2005

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

(1 page by email)

Dear Madam

TGA APPROVAL

The Directors are pleased to advise that Australian Therapeutic Goods Administration ('TGA') approval has been received for the range of products as set out in the Company's announcement dated 20 December 2004.

As previously announced, IMD Group Limited's wholly owned subsidiary, Bio Medical Operations Australia Pty Ltd ('BMOA') negotiated an agreement with Shandong Zibo Shanchuan Medical Instrument Co. Ltd ('Shanchuan') of China for the distribution of a complete range of standard non-retractable syringes and intravenous therapy devices, including:

- standard 2cc, 3cc, 5cc, 10cc, 20cc, 30cc and 50cc syringes;
- 1cc insulin syringes;
- TB syringes; and
- scalp vein sets, one of the most common medical devices used in hospitals around the world.

Under the agreement, BMOA has full and unrestricted access to sell these products to all world markets. These Shanchuan products are white labelled and badged as IMD Group products. In addition to the Australian TGA approval, these products are already CE Mark accredited.

This approval is a significant milestone for the Company and will enable the Company to add to the revenue capabilities of the group by selling these medical devices into the Australian market.

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

Yours sincerely

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

Peter J. Nightingale
Company Secretary

pjn2897