



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

ABN 30 096 048 912

3 February 2005

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

(1 page by email)

Dear Madam

CHINESE DISTRIBUTION AGREEMENT SIGNED

The Directors are pleased to advise that IMD Group Limited has signed a distribution agreement with Zhongxing Asia Infinite Tech and Trading Co. Ltd ('ZAIT') of Beijing for the distribution of all IMD Group products.

ZAIT will distribute the current IMD Group product range including the manual retractable safety syringe, medical sharps waste containers and the Nomosharps™ needle disposal system in the city of Beijing in the Peoples Republic of China.

ZAIT, a medical distribution company with extensive contacts in the Beijing hospital sector, has been chosen after extensive due diligence by IMD Group's China office as a suitable distributor for the region.

This appointment is significant for IMD Group as it is the first distribution agreement signed by the Company in China, one of the world's fastest growth opportunities for the consumable medical device market. IMD Group views China as a high growth opportunity for its products and will be exploring further distribution opportunities in wider China.

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 "P. Nightingale", with a stylized flourish at the end.

Peter J. Nightingale
Company Secretary

pjn2907