

MLA secures new distribution agreement with Smith & Nephew

- Smith & Nephew is a global, high technology medical device business
- Smith & Nephew to distribute TUTA products on exclusive basis in Canada
- MLA to receive immediate revenue from agreement
- Demonstrates MLA's competency for global expansion without the need for further capital expenditure

Sydney: Tuesday, 19th August 2011: Medical products manufacturer and distributor Medical Australia Limited (ASX: MLA) is pleased to report that it has signed a new distribution agreement with the Canadian arm of medical device company, Smith & Nephew.

Smith & Nephew is an industry leader in more than 100 markets across its three main Global Business Units - Orthopaedic Reconstruction and Trauma, Endoscopy and Advanced Wound Management. These businesses jointly offer over 1,000 product ranges, with Smith & Nephew's global revenue in the six months to 2 July 2011 over \$2 billion.

The agreement will see Smith & Nephew distribute TUTA irrigation products on an exclusive basis throughout Canada, in what is further testament to the quality reputation of the TUTA brand. The agreement also demonstrates MLA's ability to expand globally without the need for significant capital expenditure.

MLA's Chief Executive Officer Mark Donnison said: "This agreement is yet another milestone for MLA. We have been working on developing our presence in the North American market for some time and we are delighted to have an agreement in place with such a strong global player as Smith & Nephew.

"For a company such as Smith & Nephew to have confidence in the TUTA product is a coup for MLA and demonstrates the growing market appeal of our brands. This agreement is further evidence of MLA's continued organic growth"

"We have done a lot of work over recent years to validate our quality systems to ensure we manufacture quality products at the right price, and this has led to companies such as Smith & Nephew having the confidence to partner with MLA"

Mr. Donnison said MLA has additional distribution agreements, OEM opportunities and new supply agreements it is currently pursuing.

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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.