



MLA first in Europe to cryogenically freeze stem cells for animal healthcare market

- **MLA has established fully functioning laboratory in the UK to cryogenically freeze stem cells for animal healthcare**
- **Initial investment of \$500,000 to establish clinic and launch TUTAVet business in UK and Europe**
- **First procedure by world expert in regenerative stem cell therapy for animals to be undertaken this month**
- **MLA has the exclusive rights to the technology in Great Britain and Ireland through its agreement with MediVet**
- **Actively marketing TUTAVet now in UK and Europe**

Sydney: 3rd April 2012: Medical products and distribution company Medical Australia Limited (ASX: MLA) today announced a company-transforming development with the establishment and roll out of a break-through regenerative animal stem cell therapy, under the trademark TUTAVet, into the United Kingdom and Irish markets.

MLA has secured the rights to this unique stem cell therapy technology through its licensing agreement with Australian-owned MediVet, which has pioneered the development of stem cell technology for small animals and the equine market. As well as being the distributor of this technology in Great Britain and Ireland, MLA is also an Original Equipment Manufacturer of MediVet's hardware products and consumables.

MLA has invested \$500,000 to establish its animal stem cell technology offering in Great Britain. It has a fully functioning clinic in Hampshire, England, where it can cryogenically freeze stem cells for domestic pets, small animals, and the equine market. The company believes this is the first facility of its kind in Europe.

Under the TUTAVet brand, MLA is now actively marketing this animal stem cell regenerative therapy to the UK veterinary market. Pet owners, zoos, and the equine market spend considerable sums of money treating animals with degenerative diseases such as osteoarthritis, hip dysplasia, and ligament and cartilage injuries.

By acquiring the TUTAVet technology and kit, veterinary surgeons will be able to offer surgery, harvesting, and administering of stem cells in-house in a 3 to 4 hour period. Stem cells harvested from the animal's own fat tissue are administered to accelerate the healing of muscles and joints damaged by injury, disease or degeneration. TUTAVet will also be able to cryogenically freeze stem cells and store them for customers at its facility in Hampshire.

As part of its efforts to promote the technology to the veterinary market in the UK and Ireland, TUTAVet will this month host one of the world's leading veterinary practitioners in stem cell regenerative medicine, Dr Mike Hutchinson DVM, who practices in Pittsburgh, Pennsylvania. Dr. Hutchinson has already performed more than 300 stem cell procedures using this technology.

MLA's CEO and Managing Director Mr Mark Donnison commented: "This technology is a major growth driver for MLA. It puts us in a leading position in the veterinary market in the UK and Ireland, as we are pioneering a unique technology that has immediate and significant commercial upside. Pet owners and the equine market in particular spend thousands of dollars each year on regenerative treatments for pets and animals. Our technology offers much better outcomes for animal healthcare and is competitively priced. With more than 5,000 veterinary clinics in the United Kingdom and Ireland alone, we have a large and deep market to penetrate. (continues...)

“Each veterinary clinic is likely to invest AUD\$10,000 to set up the technology offering in-house, and will spend around AUD\$900 on consumables associated with each and every treatment. This ensures MLA builds a stable annuity style revenue base from selling the technology. The fact that we also have the world’s leading expert in animal stem cell technology consulting on some procedures in the United Kingdom will also help our market presence and build acceptability with veterinary practitioners.

“For MLA this represents a major strategic development for the company as it moves us into an area of the animal healthcare industry where we are offering a more cutting edge technology with higher margins, repeat business and future cross-selling opportunities.

“We expect to sell our first kits in the coming months and we will update shareholders in the immediate term on our progress in this market, as well as on other areas of the MLA business which we are actively building.”

ENDS

For more information contact:

Mark Donnison
CEO, Medical Australia
Ph: +61 2 9466 5300

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.