

MEDIVAC LIMITED

ABN 64 055 747 941

7 August 2015

BOARD RESTRUCTURE, RECEIPT OF \$200,000 CONVERTING LOAN AND MARKET UPDATE

Highlights

- Appointment of Phillip Pryor as Chairman;
- Appointment of Craig Hitchings as Executive Director and Company Secretary;
- Capital raising initiative that has received a commitment for a total amount of \$200,000 loan from sophisticated investors (**Loan**);
- Proceeds to be used predominately to finalise the outstanding Half-Year and Annual Report and on-going corporate overheads.

Board Restructure

The Directors of Medivac Limited ("Medivac" or "the Company") (ASX: MDV) are pleased to announce the appointment of Mr Phillip Pryor as Chairman of the Company.

Mr Pryor served as the Chief Executive Officer at Australian Institute of Refrigeration, Air Conditioning and Heating (AIRAH). Mr. Pryor has also been employed at Amcor, Watyl Paints, BTR Nylex and Brick and Pipe Industries. He also served as a Director of Essendon Football Club and International Marketing Partnerships now called Terragen. Mr. Pryor has been a Non-Executive Director of Ft8 (UK) PLC since January 2009. He has been a senior company manager and Director for over 30 years, working for prominent Australian and International companies, with extensive experience throughout Asia. He is a Fellow of the Australian Institute of Company Directors. Mr. Pryor holds a Bachelor of Economics.

Current Non-Executive Director Craig Hitchings has moved into the role of Executive Director and Company Secretary and Rodger Johnston will resign as Managing Director, but continue on in the role of a Non-Executive Director.

Mr Hitchings will receive a salary of \$25,000 for his role as Executive Director.

Non-Executive Director Peter Elliott has resigned as Non-Executive Director. The Directors would like to thank Mr Elliott for his contribution and experience he brought to the Company.

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Loan Agreement Details

The Company has signed a Converting Loan Agreement to receive \$200,000 from sophisticated investors.

The key terms of the Convertible Loans are as follows:

- 15% interest per annum;
- a total of a 6 month term;
- the Convertible Loans are secured;
- the conversion price under the Convertible Loans will be at \$0.002 per share and any shares issued on conversion are subject to shareholder approval.

Market Update

With the recent Board changes and capital injection, the Company will move forward to completing all outstanding financial reports required by the ASX to be re-quoted.

The Company's ongoing remuneration strategy will be aimed at attracting, motivating and retaining the right people to contribute to the turnaround and future success of the organisation.

The Board's three month plan is to achieve the following:

- Complete the audited accounts and recommence trading on the ASX;
- Conduct the AGM and present a detailed business plan and strategy;
- Complete a further \$300,000 capital raising (advanced discussions with an underwriter have already taken place);
- Pursue a number of growth opportunities; and
- Continue to seek liquidity solutions for a number of existing investments.

Summary

The Board assures shareholders that they continue to focus on restoring shareholder value sooner rather than later and believe that this new investor interest and support, combined with their ongoing commitment of time, expertise and effort will deliver the long awaited turnaround of the Company.

The Board thanks shareholders for their patience and looks forward to sharing more positive outcomes with its growing shareholder base.

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For further information, please contact the Company Secretary on +61 2 9232 5995.

Yours Sincerely,

Phillip Pryor
Chairman