

MLA secures exclusive distribution rights for DualCap System™ in Australia and New Zealand

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- Excellent fit for MLA as Company focuses on market opportunities in the area of infection control
- MLA assessing further partnerships to strengthen product range and drive growth
- Company now solely focused on growth and development of Human Healthcare business following divestment of MediVet

Sydney, 8 February 2016: Human healthcare company Medical Australia Limited ("MLA", the "Company") is pleased to announce that the Company has enhanced its product range by securing exclusive distribution rights for the market leading DualCap System™ in Australia and New Zealand

The patented DualCap System[™] has been clinically proven to significantly reduce instances of intravenous (IV) associated infections and was the first IV disinfection system of its type to be approved for use by the US Food and Drug Administration (FDA). The DualCap System[™], now approved by the TGA, is considered to be a market leading product and is widely used in hospitals across the United States*.

MLA will initially focus on marketing and promoting DualCap® to the public and private hospital sectors in Australia where the Company already has numerous contracts and supply agreements in place, before rolling the product out into the New Zealand market. The Company will also leverage its existing partnerships and networks in key regions across South East Asia to pursue further sales opportunities on a non-exclusive basis.

MLA is greatly encouraged by this partnership, which is a direct reflection of the Company's focus on the area of infection control, in particular hospital acquired infections (HAI). In Australia, HAI is the most common complication affecting hospital patients, with approximately 200,000 occurrences every year directly contributing to some 7,000 deaths¹.

Further, instances of HAI (50% of which are preventable) place a huge burden on the healthcare system, adding an extra cost of between AUD\$12,000 to AUD\$31,000 per procedure², and resulting in over 850,000 extra bed days required for treatment every year³. Accordingly, MLA feels that this critical area of healthcare not only represents a compelling market opportunity, but will also allow the Company to make a positive contribution to the sector overall.

Medical Australia's Chief Executive Officer, Mr Darryl Ellis, commented: "We are very pleased to be the exclusive distributor of DualCap® in Australia and New Zealand, as this proven system will be a useful adjunct and enhancement to MLA's wider product range."

"The issues of infection control and HAI are becoming increasingly critical for all in the healthcare sector and are a particular focus for MLA. With a unique and diverse collection of products and protocols specifically designed to meet this need, the Company is well placed to leverage a growing market opportunity, while also helping healthcare professionals to achieve better outcomes for all."

"Now that we have finalised the divestment of our interest in the MediVet business, our sole focus is on the continued growth and development of the Human Healthcare business. We are currently assessing a number of strategic alliances that may further strengthen our product range, and I look forward to updating shareholders on our progress in this regard in the near future."



*More information on the DualCap System™ can be found at: http://dualcap.com/

¹Source: Dept of Health and Ageing. Australian Guidelines For The Prevention and Control of Infection in Healthcare: Consultation Draft. Canberra. 2010 ²Source: Spelman DW. 2: Hospital-acquired infections. Med J Aust. Mar 18 2002;176(6):286-291

³ Graves, Nicholas and Halton, Kate A. and Paterson, David and Whitby, Michael (2009) The economic rationale for infection control in Australian hospitals. Healthcare Infection, 14(3). pp. 81-88

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ABOUT MEDICAL AUSTRALIA LIMITED

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.