

MLA completes final phase of MediVet divestment

- **Company accepts \$US100,000 as final consideration for MediVet interest**
- **MLA now fully focussed on growth and development on Human Healthcare business**

Sydney, 17 June 2016: Healthcare company **Medical Australia Limited (ASX: MLA)**, (“**Medical Australia**”, the “**Company**”) is pleased to announce that the Company has now completed the final phase of divesting its interest in MediVet Biologics (“**MediVet**”), its former US based Animal Healthcare business.

The Board of Medical Australia, being mindful of their fiscal obligation to the Company and its shareholders, have taken the decision to accept a payment of \$US100,000 as final consideration for the transfer of certain IP held by the Company, completing the divestment of MLA’s interest in MediVet to Mr Jeremy Delk, CEO of MediVet Biologics. This amount is in addition to the \$A72,000 MLA has already received as consideration for its 60.5% shareholding in MediVet.

While the Board initially anticipated that it may receive greater further consideration, that being 10% of the proceeds from any further sale of MediVet’s assets up to \$US2,000,000 (ASX 22 December 2015), it considers that this is unlikely to occur in the near term, and that it would be in the best interests of both parties to finalise this divestment and full transfer of IP.

Medical Australia’s Chief Executive Officer, Mr Darryl Ellis, said: “After careful deliberation, the Board of Medical Australia has decided to accept this payment as final consideration for its MediVet interest and by doing so has completed this divestment so that we may now fully focus on our growing healthcare business.”

“As previously communicated to shareholders, this divestment has allowed the Company to return to cash flow positive trading, as demonstrated by MLA’s most recent Appendix 4C Quarterly Report.”

– ENDS –

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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 & Laboratory equipment and, Infection Control.