



ASX/MEDIA RELEASE

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MLA secures new supply contract with UNICEF

- Awarded tender to supply needle cutters by UNICEF's head office in Denmark
- MLA has visibility with UNICEF on a global scale
- First contract awarded to supply Indian market

Sydney: 10 May 2011: Medical products and distribution company Medical Australia Limited (ASX: MLA) is pleased to announce that it has secured a prestigious new contract in the global healthcare sector – supplying needle cutters to the United Nations International Children's Emergency Fund (UNICEF).

The contract, which will generate immediate revenue, was awarded to MLA by UNICEF's head office in Copenhagen, Denmark which gives MLA visibility with UNICEF on a global scale. The company has been working in partnership with UNICEF for 12 months to develop a product that meets World Health Organisation (WHO) specifications for needle cutters.

Needle cutters are used extensively in UNICEF's third world relief programs and this contract has been awarded to initially supply the Indian market. Given the extensive product development undertaken in partnership with UNICEF, MLA expects the company to secure additional supply contracts for other international markets in which UNICEF operates.

MLA's Chief Executive Officer Mark Donnison said this new contract with UNICEF is a prestigious win for the company and reflects the MLA's growing international reputation in the healthcare product development and supply market.

"This is very pleasing achievement for MLA, and while we secure revenue immediately, the real value is in the partnership we have developed with UNICEF and the market exposure it will deliver. We are confident that following a stringent 12-month development program we have delivered a successful, user-friendly and safe product that can be rolled out into multiple markets. This is the product that BMDI built its "safety injection" reputation on and is unique in the marketplace. It is also the first piece of new business in this area for many years, and is a testament to the efforts of our MEA sales team.

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“UNICEF has carried out work in almost 200 countries so we expect that our product development and supply partnership will expand in the near future. The fact that we were awarded this tender by UNICEF’s head office in Denmark ensures we have greater visibility with them at a global level, and this gives us added confidence in our ability to expand our relationship.

“MLA’s tender pipeline continues to grow and we are pursuing a number of new supply agreements in Australia and new international markets across the Middle East, the UK and Europe. The organic growth opportunities we are securing from our global supply chain are potentially very significant,” Mr. Donnison said.

Product for UNICEF tender is already being shipped with revenue expected to be booked in the current quarter.

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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.