



MEDICAL DEVELOPMENTS INTERNATIONAL LIMITED

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ASX RELEASE

MEDICAL DEVELOPMENTS STARTS TO DELIVER ON BLUE SKY

Medical Developments International Limited (MDI), is a pharmaceutical and medical devices company based in Springvale, Melbourne, and known for its 'Green Whistle' pain delivery drug and device.

The Company which floated in December last year reports that its enhanced marketing efforts are beginning to bear fruit nationally and internationally.

- Tasmanian Ambulance Service, which had previously been the only State ambulance service in Australia not using our methoxyflurane and Pentrox Inhaler, has now become a customer and placed its first order.
- A distribution agreement with Richard Thomson Pty Ltd, a subsidiary of New Zealand public company EBOS Group Limited, has been signed to market and distribute the Company's Asthma management products; Space Chambers and Peak Flow Meters to hospitals and pharmacies in Australia.
- The Company was recently awarded a sole supply contract of Peak Flow Meters to the NZ Government.

In FY2005, MDI expects to generate in excess of \$1 million in additional sales from these arrangements. Net profit margins as a percentage of revenue are expected to be maintained.

- The international marketing of the Company's products is bringing positive reactions. The Company hopes to announce shortly its first contract to export the Pentrox Inhaler.

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