

29 June 2015

ASX ANNOUNCEMENT

Major licensing deal for Europe

Medical Developments International Limited (ASX: MVP) is delighted to announce it has agreed to a Term Sheet and will now move to contract with a significant pharmaceutical company having expertise in pain management products to distribute Pentrox® within the 28 member states of the European Union, except for the UK, Ireland, and Hungary where MDI has existing distribution agreements, and within other European countries.

The potential transaction calls for upfront and milestone payments of USD \$54.5 million including:

- USD \$7.0 million upon signing; and
- USD \$3.0 million upon receiving Marketing Authorisation approvals in France (expected very shortly) and Belgium (already received); and
- USD \$7.0 million upon receiving reimbursement in Germany, Italy, Spain and France; and
- the remaining USD\$37.5 million relates to sales milestones potentially earned over the term of the deal.

Additionally MVP will receive a gross margin on product sold to our partner, and royalties based on net sales.

Mr. Sharman said “This is a very significant deal and potentially underwrites the future success of Pentrox in Europe. Our partner estimates peak sales could be circa 10 million units per annum and it will be responsible for investing into the development of Pentrox and registering Pentrox throughout Europe.”

MVP Chairman, Mr. David Williams said “The attraction of Pentrox globally is to satisfy world demand for an inhaled, fast acting, non-addictive, non-narcotic trauma and acute pain drug. There are a large number of opportunities for Pentrox globally. We have now turned our attention to registration in North America where we have started work and there is already interest from companies wanting to represent us there.”

We expect to sign final contracts in circa 8 weeks and we will make a more detailed announcement at that time.

Enquiries:

David Williams
Chairman
+61 (0) 414 383 593

John Sharman
Chief Executive Officer
+61 (3) 9547 1888



About Pentrox

Penthrox is a fast onset, non-opioid analgesic indicated for pain relief by self-administration in patients with trauma and those requiring analgesia for surgical procedures. Penthrox has been used safely and effectively for more than 30 years in Australia with excess of 5.0 million units sold. There is growing interest in Penthrox being used in patients undergoing investigatory procedures, as well as operational procedures such as colonoscopy.

About Medical Developments International Ltd

MVP is an Australian company delivering emergency medical solutions dedicated to improving patient outcomes. MVP is a leader in emergency pain relief and respiratory products. The Company manufactures Penthrox®, a fast acting trauma & emergency pain relief product. It is used in Australian Hospitals including Emergency Departments, Australian Ambulance Services, the Australian Defence Forces, Sports Medicine and for analgesia during short surgical procedures such as Dental and Cosmetic surgery as well as in other medical applications. MVP is expanding internationally and manufactures a range of world-leading Asthma respiratory devices.