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ASX ANNOUNCEMENT

Penthrox licensing deal for Russia

Medical Developments International Limited (ASX: MVP) is delighted to announce it has signed a new distribution agreement with JSC Lancet (Lancet) to distribute Penthrox® in Russia.

The agreement includes milestone payments of AUD \$2.3 million.

Lancet is one of Russia's leading and fastest growing pharmaceutical companies and act as Russian distributors for companies such as Novartis, GSK, Pfizer, Bayer, AstraZeneca, Teva, Roche and others. In recent years Lancet has achieved approval of a number pharmaceutical products from the Russian Ministry of Health. As part of this agreement Lancet will pay the substantial costs of the clinical trials, registration and approval of Penthrox in Russia.

Lancet's initial estimate of the acute trauma pain market is that over time Penthrox sales could be circa 2 million units per annum in Russia.

The CEO of MVP, Mr. John Sharman said "This is an exciting deal for MVP. Russia has 143 million people and is a significant global market. We are delighted to announce Lancet as our partner for Russia and we believe they are the right group to ensure our success."

Mr. Anton Zybin, Managing Director of Lancet said: "Penthrox represents an exciting growth prospect for Lancet. We are experts in the Russian regulatory process and we believe Penthrox can be the market leader in the acute pain market."

The Chairman of MVP Mr. David Williams said "Russia, like most countries, see the value in moving away from opioid based analgesia for pain management. The interest in Penthrox from Russia has been strong and MVP have appointed what we believe to be the best partner to grow Penthrox in Russia and gives us a significant beach head in Eastern Europe."

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About JSC Lancet

JSC Lancet supplies pharmaceuticals and healthcare equipment to Russian hospitals and healthcare centers. Lancet is one of the fast growing pharma company in Russia with sales of approximately 15.3 billion Russian Rubles (circa \$340m AUD). The company's partners include Novartis, GSK, Pfizer, Bayer, AstraZeneca, Teva, Roche and others.

About Pentrox

Pentrox 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. Pentrox 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 Pentrox 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 Pentrox®, 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.