

24 December 2015

ASX ANNOUNCEMENT

MVP acquires Avita Medical's Australian Respiratory Business

Medical Developments International Limited (ASX: MVP) is delighted to announce that it has signed an agreement to acquire the respiratory business of Avita Medical Limited (ASX: AVH). Avita's respiratory business includes the *Breath-A-Tech* branded range of products, which is the leading brand of asthma space chambers in the Australian pharmacy and hospital markets.

The total consideration is circa \$2.64m comprising \$2.2m cash plus (at MVP's option) either 125,000 new MVP shares escrowed for 6 months (adjusted based on the 5-day VWAP prior to completion) or \$0.44m of cash.

MVP CEO Mr. John Sharman said: "The acquisition of Breath-A-Tech and associated respiratory products will transform MVP's Australian respiratory business and establish MVP as market leader throughout Australia in asthma respiratory devices. The acquisition significantly improves MVP's gross margins and is expected to be EPS positive from the start."

The transaction is expected to complete by early February 2016.

Enquiries:

David Williams
Chairman
Medical Developments International Ltd
0414 383 593

John Sharman
Chief Executive Officer
Medical Developments International Ltd
03 9547 1888

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.

About Avita Medical Ltd

Avita Medical develops and distributes regenerative products for the treatment of a broad range of wounds, scars and skin defects. Avita's patented and proprietary collection and application technology provides innovative treatment solutions derived from a patient's own skin. The Company's lead product, ReCell®, is used in the treatment of a wide variety of burns, plastic, reconstructive and cosmetic procedures. To learn more, visit www.avitamedical.com.