MEDIGARD LIMITED
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5 August 2010

Manager of Company Announcements
Australian Stock Exchange Limited
Level 6, 20 Bridge Street
SYDNEY NSW 2000

By e-lodgement **No of pages: 2 inclusive**

Market Announcement

After discussions with ASIC, the Company hereby retracts certain statements relating to the manufacturing and distribution deals potentially delivering up to USD$40 million revenue within 5 years (**Retracted Statements**) made in its ASX announcement on 26 May 2010.

The Company made the Retracted Statements to give its shareholders and the market generally an estimate on the potential revenue that could be generated in the medium term should all of its suite of products be successfully commercially exploited in the United States. The Retracted Statements were not couched in terms of and were never intended to give shareholders or investors statements or inferences in relation to Company profitability or any return on Company shares generally.

The Company notes that statements regarding the proposed revenue to be generated by the it, should it successfully commercialise its entire suite of products, can only be made on a reasonable basis and if required, be verified by an independent expert. As the Company is seeking to commercialise at first instance its United States FDA approved blood collection device (**BCD**) and subsequently its range of retractable syringes it is not presently in a position to provide a statement in this regard and, consequentially withdraws the Retracted Statements.

The Company recommends that no investment decisions be made on the basis of the Retracted Statements.

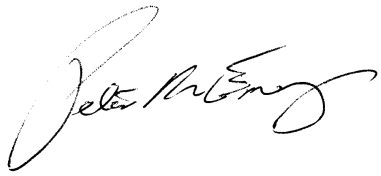
The Company will continue to make announcements regarding the status of the distribution and manufacture of the BCD and in relation to the subsequent commercialisation of its suite of retractable syringes in due course.

The Company will shortly lodge with the ASIC a supplementary prospectus to the Prospectus lodged with the ASIC on 27 July 2010 which shall set out the details included in this announcement.

Yours faithfully

Peter Emery

Chief Executive Officer



For further information contact:

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