

16 MEDIGARD (MGZ)

CEO: PETER EMERY

MARKET CAP: \$6M

REVENUE '09: \$169, 505

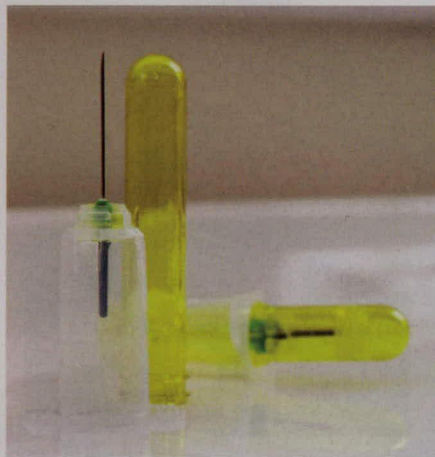
STAFF: 7

ESTABLISHED: 1999 (LISTED 2004)

MEDIGARD got the medical sector excited last year when it announced a retractable syringe and blood collection device it was working on, but struggled to move from product development to commercialisation.

The company announced in December 2009 that it had entered a heads of agreement with a US medical device manufacturer to produce the company's blood collection device.

The announcement does not appear to have created any enthusiasm in the market



for the stock, with the share price dropping some 35 per cent since a high in December 2009.

But CEO Peter Emery, says the company is on the cusp of making it happen.

"We are on the threshold of signing a manufacturing and distribution deal in the US," says Emery.

"It has taken a while, but we are confident we have identified a good group of people. The timing now is critical. It is frustrating being in (the) medical devices industry, but people are very happy with our products and we continue to receive good feed back."

The company plans to raise another \$5 million to progress agreements in the US to set up production equipment and assembly.

"All the prototypes were made in China, but we have decided to manufacture and distribute the product in the US. Most of the production will be automated, so labour costs are not an issue and the made in America tag is a good factor," he says.

Chairman Don Channer and director Peter Clark are majority shareholders of Medigard, owning 50 per cent between them.