



PRESS RELEASE

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Medigard lodges supplementary prospectus

Medical devices company Medigard Limited on Tuesday said it had lodged a supplementary prospectus to extend its initial public offer period until January 30, 2004.

Chairman Don Channer said the company would also lower its minimum amount to \$3.4 million, with the funds set to further the development of its three unique medical devices including a retractable syringe, a blood collection device and an IV cannula/catheter.

Mr Channer said the needle in each of Medigard's products retracts as a result of a vacuum driven mechanism, which enhanced safety and lowered costs of production.

"While investor interest has been strong, given the distractions which inevitably arise in the weeks leading up to Christmas and the number of new capital raisings, the board considers it appropriate to change the timing and structure of the issue," he said.

Mr Channer said Medigard's patented technology meant there were no cumbersome or costly springs with the devices all made from mouldable plastics.

He said prototypes of the three devices were being produced in the lead up to clinical testing and the company had realistic commercialization milestones in place.

"The simplicity of the design means there is a relatively short road to commercialization with clinical trials for the retractable syringe and blood collection device expected within six months," he said.

"The approval process for medical devices is less complex than for drugs and will aid us in establishing revenue streams quickly."

Mr Channer said the disposable syringe market worldwide is now estimated to generate sales of about US\$2.5 billion per annum, with the market predicted to grow rapidly. The blood collection and catheter markets are also significant and growing.

"We remain committed to and confident of Medigard's future," he said.
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