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Eastland Medical
Systems Ltd

The Manager,
Company Announcements Platform,
Australian Stock Exchange,
Level 4, 20 Bridge Street,
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By E-lodgement of 1 page.

MEDIA RELEASE.
Precision Angular Presentation (PAP) Update

Eastland Medical Systems Ltd (Eastland) wishes to update the market regarding the status of the commercialisation of Eastland's Precision Angular Presentation Technology (PAP).

Eastland's executives and technical team attended a recent meeting held with ANCA at their factory in Melbourne, to evaluate the progress being made in the development and integration of the PAP technology to the ANCA TX7.

Though progress has been made, there still remain outstanding issues with regard to ANCA fulfilling the terms of its contract with Eastland. These must be resolved prior to Eastland accepting delivery of the TX7 needle grinding unit.

Eastland has engaged the services of a highly experienced consulting engineer Mr Laurie Petrie. Mr Petrie will conduct an independent review of the project with both Eastlands' technical team and the relevant ANCA personnel. The purpose of the review is to determine the likelihood of ANCA meeting these deliverables in terms of the contract together with agreeing an achievable timeframe to completion.

Further to receipt of this report, Eastland expects to be in a position to update the market with a clear way forward by mid January.

For further information, please contact Mr Don O'Sullivan or Trevor Strahan.

Trevor Strahan.
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