

12 August 2005



Eastland Medical
Systems Ltd

The Manager,
Company Announcements Platform,
Australian Stock Exchange,
Level 4, 20 Bridge Street,
Sydney. N.S.W. 2000

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**MEDIA RELEASE.
EASTLAND REVENUE GROWTH FORECASTS**

Eastland Medical Systems Ltd, its subsidiaries and Associated Companies (Eastland ®) have achieved a major milestone over the past 12 Months by establishing an international distribution network which provides the foundation for substantial growth in revenues for Eastland. Eastland is focused on the markets of Southern Africa, UK, Europe, Australia and Asia, the growth markets that have greatest need for Eastland's range of Health care products.

Eastland's Australian revenues over the past 12 months have risen over 50% to almost \$8m. This level of Australian growth is forecast to continue over the coming financial year. Following the UK investment in International Medical Devices PLC (IMD) and the South African Investment in Eastland Medical Systems South Africa (EMSSA) and as a result of the aggressive growth plans for these businesses, revenues from these markets are expected to reach, within the next 12 months, in the order of \$50 to \$55 million at an annualised rate. With the product pipeline, experienced management, staff, distribution and sales networks in place these forecasts are considered as achievable.

The Company has recently announced a Share Purchase Plan, which is an exclusive offer to existing Shareholders of Eastland Medical Systems Ltd to further invest in their Company. The funds raised from this Offer will be used to fund corporate acquisitions in these markets and fund their growth. Eastland will announce when current negotiations to expand Eastland's international network are completed.

Eastland is a medical products supply company, vertically integrated from R&D, manufacturing, distribution to sales of safe devices and safe medical products. It has a particular focus on safer healthcare, the prevention of infectious diseases and the aged health care markets. Eastland has a large and very valuable portfolio of Intellectual Property (*refer to ASX Announcement of 30 June for full Patent List*) that provides security and exclusivity in a very competitive international market place.

F.D. O'Sullivan.
Managing Director
Eastland Medical Systems Ltd

Unit 6
680 Murray Street
West Perth
Western Australia
6005

PO Box 898
West Perth
Western Australia
6872

Don O'Sullivan – 08 9481-1844 David Whitelaw- 08 9481-1844

61 8 9481 1844
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