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MARKET ANNOUNCEMENT
FOR IMMEDIATE RELEASE

SAFETY MEDICAL PRODUCTS LIMITED
(Subject to Deed of Company Arrangement) (the "Company")
A.C.N. 007 817 912

Australian Securities and Investments Commission
Corporations Act 2001 – Section 340 – Order

Further to the earlier announcement released by the Deed Administrators on behalf of the Company, the Company wishes to advise that on the 15th October 2010, under subsection 340 (1) of the *Corporations Act 2001* (**Act**), the Australian Securities and Investments Commission (**ASIC**) made an order relieving the Company, with effect from the date of this order until 15 April 2011, from compliance with the requirements of Part 2M.3 of the Act in relation to the financial years and half years specified below.

1. The Company's continuing obligations for the half-year ended 31 December 2009;
2. The financial year for the Company ended 30 June 2010; and
3. The half year for the Company ending on 31 December 2010.

The Company sought this relief from ASIC as the Company remains under the control of Deed Administrators and consequently does not have the financial capacity to pay for the preparation and audit sign off of the identified sets of accounts.

The effect of the order is to relieve the Company of its financial reporting obligations until such stage as it is able to prepare and lodge the accounts, or 15 April 2011, whichever is the earlier.

The Company is seeking to reinstate on the Australian Stock Exchange (**ASX**) and will lodge the outstanding accounts with ASIC prior to that time.

The ASIC Order providing this relief was provided to ASX as the earlier announcement.

Dated this 15 October 2010

By order of the Board