

29th July 2011

Company Announcements Office
Australian Securities Exchange

4C Statement

Attached is Nanosonics' Appendix 4C Consolidated Statement of Cash Flows for the quarter ended June 2011 and the year to date.

Nanosonics is pleased to announce that during the quarter ended June 2011 the Company received cash of \$710,000 as a reimbursement of R&D expenditure in respect of the year ended 30 June 2010 and \$895,000 from the exercise of share options.

As previously indicated, the Company has commenced sales into the United States and has shipped a significant proportion of the \$2.4M initial order which has been received by GE Healthcare. Early payment has been received in the current quarter for the shipments that have been delivered.

GE Healthcare has confirmed that demand for the Trophon EPR is strong and growing. Customer responses have been extremely positive, recognising the benefits of the Trophon EPR in terms of providing a safer, faster and more convenient solution for high-level disinfection.

To support the roll-out of the Trophon EPR in the United States, Nanosonics has established substantial infrastructure including the creation of its US subsidiary, Nanosonics Inc. Nanosonics' activities in the US are led by Ron Bacsikai, President Nanosonics Inc. and John Corbett, US Program Manager.

Nanosonics continues to scale up its production capability and is collaborating closely with GE Healthcare to ensure that production and shipments to the US remain on time and are consistent with GE's demand forecasts.

Nanosonics is targeting October 2011 for the release of the upgraded International 220V version of the Trophon EPR. This will improve production economies of scale and give Nanosonics access for full commercial release to European, Asia/Pacific markets and beyond.

Dr Ron Weinberger
CEO

For more information please contact Ron Weinberger, CEO on +61 2 8063 1600.

About Nanosonics

Nanosonics Limited is developing a portfolio of decontamination products designed to reduce the spread of infection. The Company owns intellectual property relating to a unique disinfection and sterilisation technology which can be suited to a variety of markets.

Initial market applications are designed for the reprocessing of reusable medical instruments. The Company's first product is designed to disinfect Ultrasound Transducers. In parallel with the commercialisation of this product, Nanosonics is also developing other medical applications and exploring opportunities for its proprietary technology in other industries.

For more information about Nanosonics please visit www.nanosonics.com