Medical Developments International

October 2019

Medical Developments International

Key Achievements for FY19

Penthrox®

- Sales in Europe grew 401%
- Sales into the UK grew 68%
- Global sales grew 47%
- Sales to Australian Ambulance grew 38%
- Regulatory approval in a total of 27 European countries
- Regulatory approval and launches in Hong Kong and Saudi Arabia
- Regulatory approval in Jordan
- Almost 400 new customers in Europe and 1,058 customers in total
- 359 customers in France (FY18: 248)
- 159 new customers in the rest of Europe
- 540 customers in the UK and Ireland (FY18: 385)
- Signed exclusive Penthrox® deal for China and received A$20.8m upfront cash payment
- IND submitted in China
- Regulatory submissions and preparations ongoing in USA, Iran, Iraq, South Korea and Russia
- Progressed the Paediatric Study in the UK and Ireland (nearing 60% recruitment)
- Completed recruitment for the Post Authorisation Safety Study in the UK
- Completed a Phase 1 Pharmacokinetic Study in Europe

Key Achievements for FY19

Respiratory Medical Devices

- Sales into the USA grew 62%
- Sales in Asia up 111%
- Australian Breath-A-Tech sales up 9%
- UK/EU sales down 53%

Key Achievements for FY19

Other

- Raised $24.5m via Institutional Placement and Share Purchase Plan
- CSIRO development project for new manufacturing technologies progressing
- Continued investment in clinical development programs and trials
- Received R&D Tax Incentive concession of $488,000
- Repayment of all bank debt

Penthrox®

- Market Leader for trauma pain and minor surgical procedures
- Opiate sparing, fast acting inhalational analgesic
- 85% of patients reach clinical analgesia within 6-10 breaths[1]
- A solution to a significant unmet clinical need and clinical evidence proving superior to IV morphine and other opioid analgesics
- Recommended as “First line” analgesic in European guidelines
- Demonstrated safety and efficacy profile for 30+ years
- World class regulatory dossier completed and being used to generate regulatory approvals around the world
- Manufactured in Australia

1 Coffey (2014)- STOP!: A Randomised, Double-blind, Placebo-controlled Study Of The Efficacy & Safety Of Methoxyflurane For The Treatment Of Acute Pain

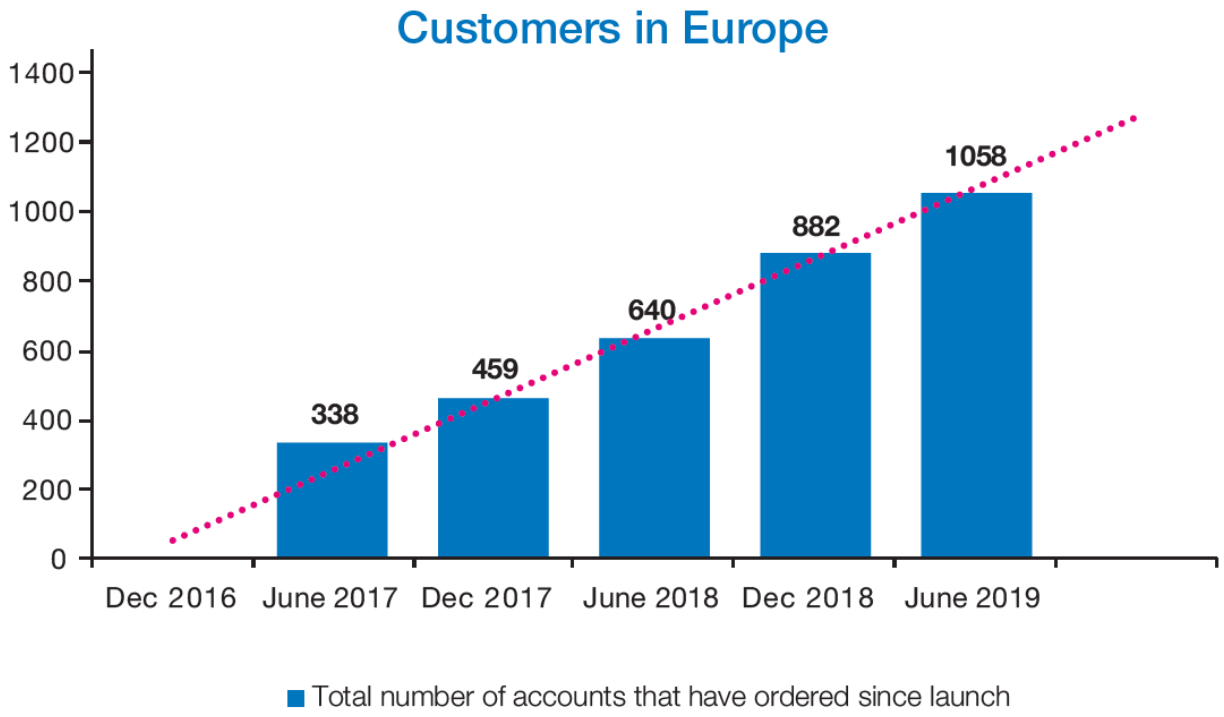
Future for Penthrox®

MVP continues to negotiate with interested parties from around the world in terms of registering and selling Penthrox®, whilst concurrently pursuing other important international regulatory submissions and preparations in countries including USA, China, Russia, Iran, Iraq, Thailand and South Korea.

Penthrox in Europe

"In market" sales in

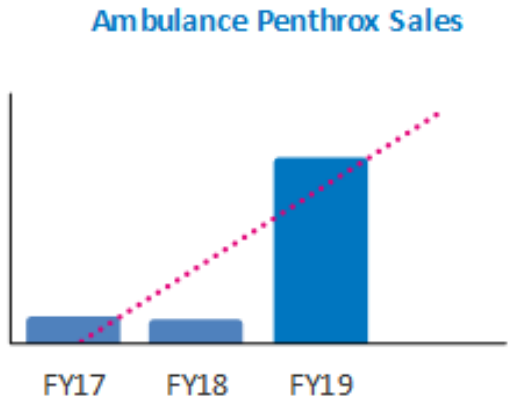
- UK grew 86%
- France grew 55%
- Europe grew 401%
- Customer numbers grew 65%
- Most major countries in Europe still to launch including Germany, Italy and Spain

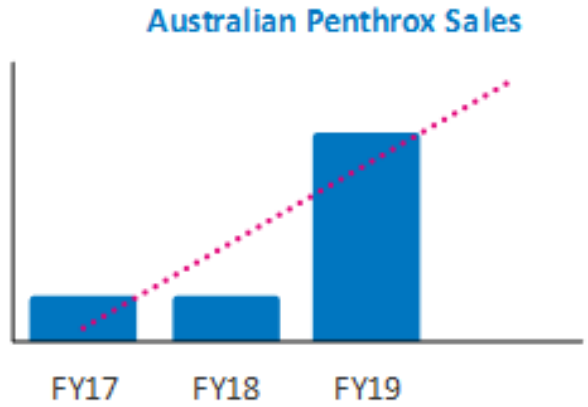


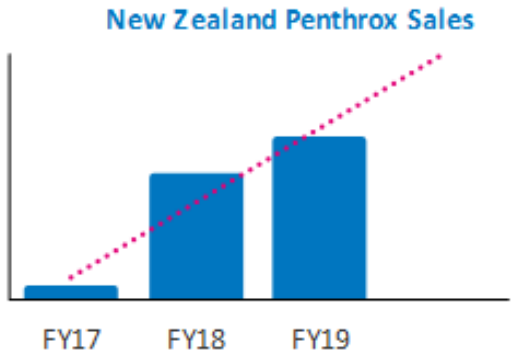
Penthrox Rest of World

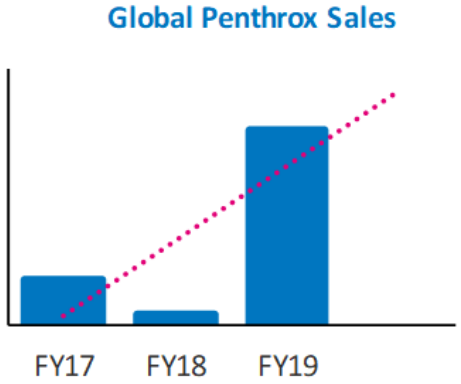
"In market" sales in

- Australia grew 32%
- Australian Ambulance grew 38%
- Customer numbers grew 65%
- New Mundipharma distribution agreement expected to deliver strong sales growth in Australia









Penthrox® in USA

Clarity from the FDA

Concession from the FDA on required animal studies

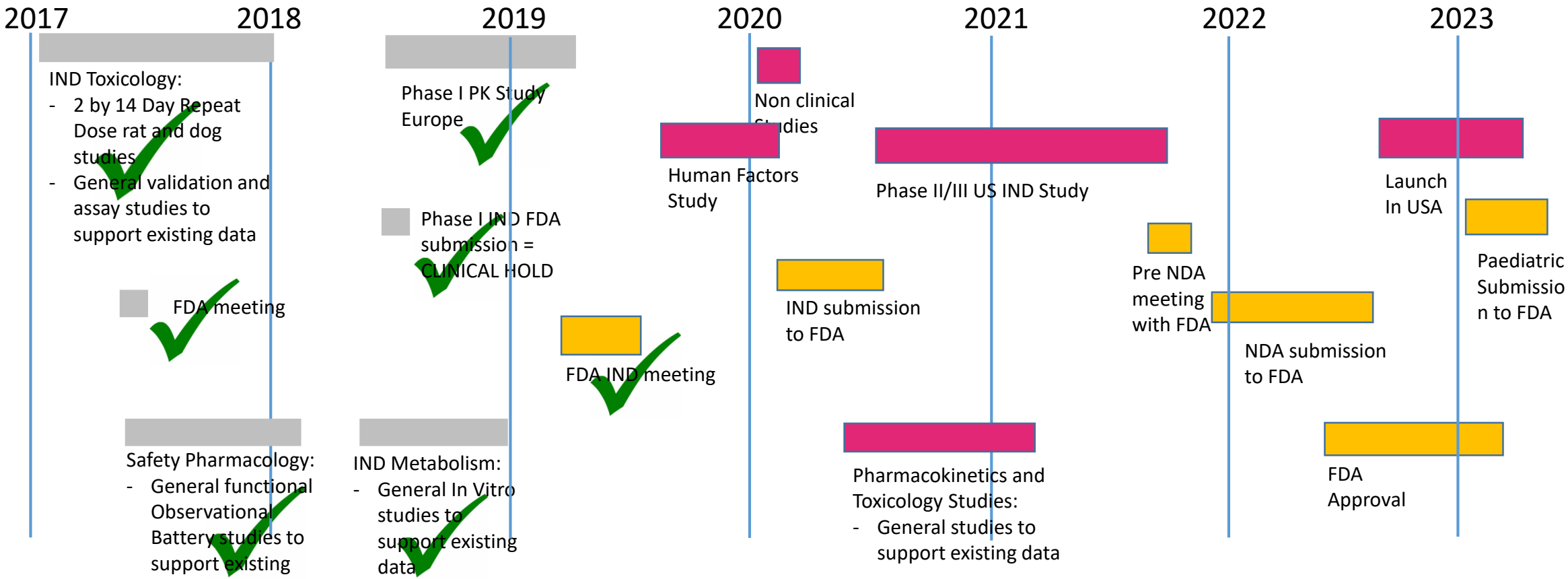
Clear pathway forward to open IND

- One pre-clinical study which mimics human dosing regimen in animals
- One Human Factors Study
- Completion of PASS in Europe
- Complete answers to questions on Penthrox device “whistle”

IND approval target H2 FY20

NOTE: The next 2 FDA meetings will be Type C meetings, therefore the FDA has 75 days from request to schedule meeting. MDI has 1 month from request to submit briefing pack.
MDI plans to submit the non-clinical study protocols to FDA for feedback prior to conducting study.
MDI plans to submit HF study protocol in FDA meeting briefing pack.

Penthrox® in USA



Penthrox® in China

IND submitted and validation process has begun

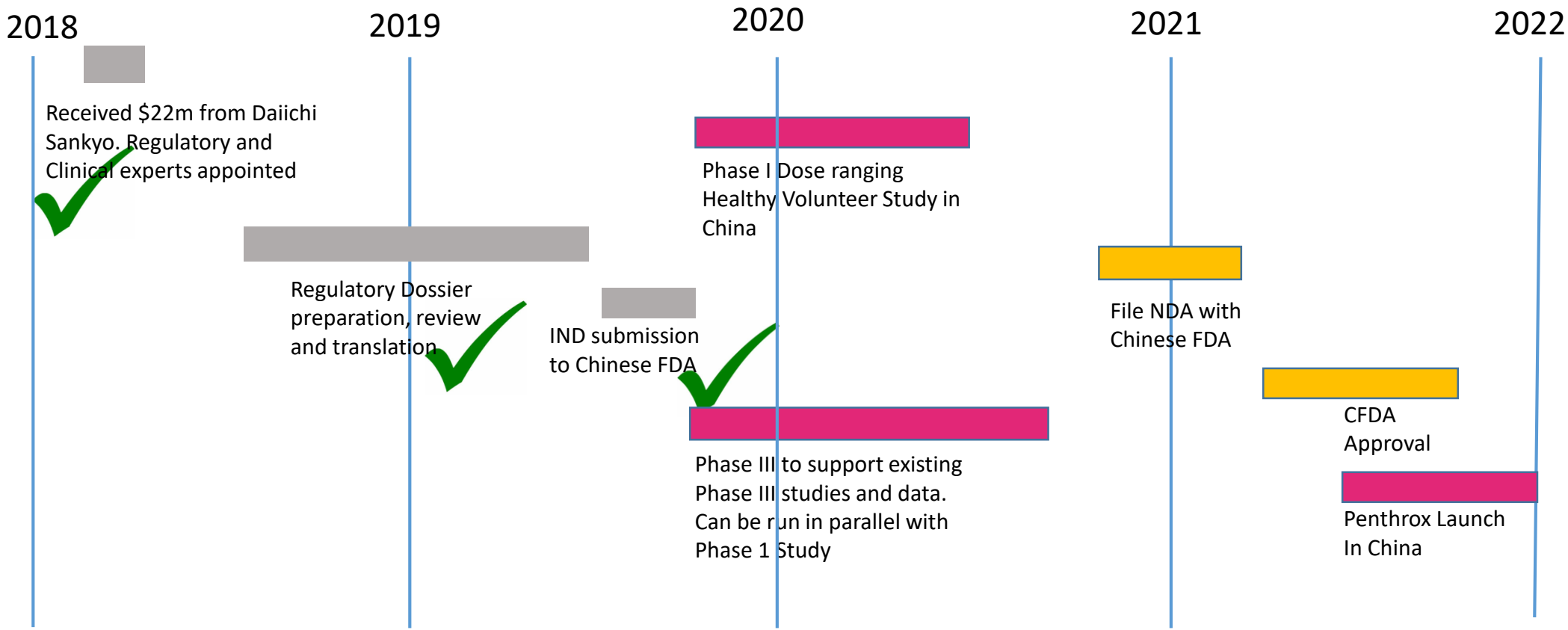
MVP has received questions and the IND approval is expected during 2019

MVP beginning site selections and protocol training for the hospitals, sites and support organisations like labs to participate

- Phase I PK
- Phase III Bridging Trauma
- Phase III Bridging Acute Pain

Approval expected 2021

Penthrox® in China



Clinical Trial Pipeline

Start up | Ongoing | Completed | * Partner study

Respiratory devices

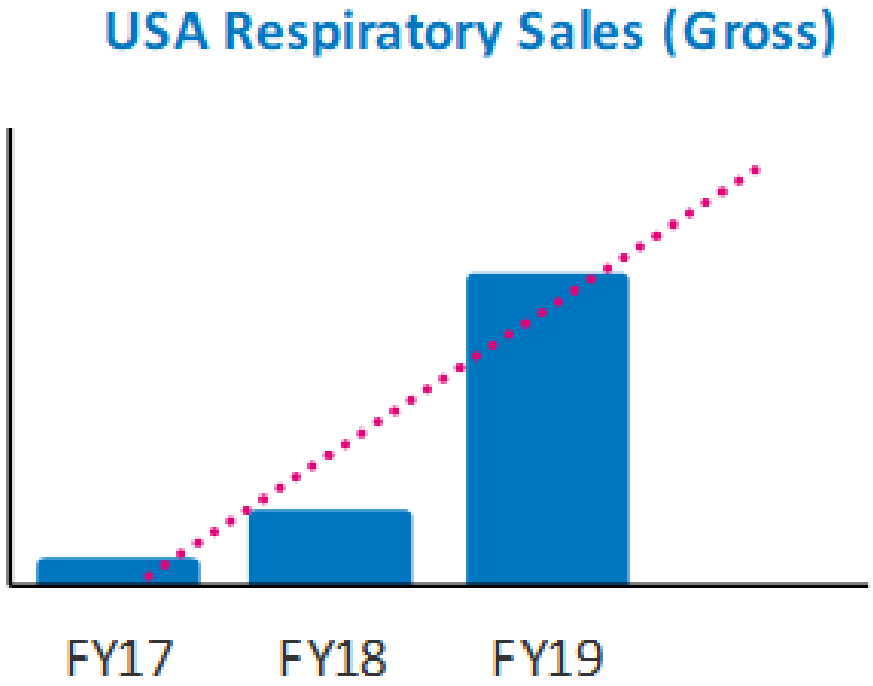
MVP offers a range of devices that can be used to help patients manage and take control of their asthma and COPD.

- Space Chamber Plus™ anti-static spacer range
- Space Chamber Plus™ spacer
- Space Chamber™ Autoclavable
- Compact Spacer Chamber Plus™
- Space Chamber Slim™
- Breath-A-Tech™ spacer range
- Breath-A-Tech® Cardboard Spacer
- Breath-Alert® peak flow meter
- EZ-fit face masks
- KDK oxygen regulators
- Respiratory Functional Testing (RFT) Spacer
- Econo Spacer

Respiratory devices

USA

- Sales to USA grew 62%
  Strong growth expected in FY20
- Pilot program with 200 CVS stores and own label Walmart launch expected FY20



Other

- Global sales down 5% but due almost entirely to UK issue
- Strong sales growth in Asia which is expected to continue

Continuous Flow technology

Medical Developments International (MDI) has worked with Australia's Commonwealth Scientific & Industrial Research Organisation "CSIRO" for almost 10 years on this project.

CSIRO is a world leading scientific academy backed by the Australian governments with approximately 5000 scientists.

Together with MDI, CSIRO has a team of dedicated scientists working to develop global technology to manufacture small molecule pharmaceuticals.

We intend for our Continuous Flow "CF" process API manufacturing technologies to be covered by Patents (applications and pending) or kept as Trade Secrets depending on the market.

Continuous Flow technology

Our Continuous Flow technology delivers:-

- Increased yields – though better process conversion
- Increased purity – through better process control
- Better control over entire process – test in real time
- Lower cost of production
- Lower capex
- Less waste
- Smaller footprint
- Quicker to scale-up
- Safer

CF has the capacity to reduce the cost of API manufacturing by more than 50% compared to batch processing. In some cases, the savings will be significantly greater.

Continuous Flow technology

Benefits of Continuous Flow vs Batch Process for Penthrox

1. Better overall process control
   - 40% better reaction conversion
   - 90% better overall yield conversion
   - Significantly reduced impurity profile
2. Fast scale-up capability
   - Increase output up x10+ on same footprint
3. Safer Environment
   - Reduced manual handling
   - Controlled energetic process (exotherm)

Continuous Flow technology

MDI is developing its core flow technology into several generic APIs currently manufactured under standard batch processing.

Examples of this are:

- **LIDOCAINE (USP):** Estimated USD $3.5 billion global sales
- **DICHLOFENAC:** Estimated USD $6.0 billion global sales
- **SALBUTAMOL:** Estimated USD $6.0 billion global sales
- **ISO-/DES-/SEVOFLURANE:** Significant improvements in handling highly toxic & corrosive Fluoride intermediates under safe flow conditions. Estimated USA $3 billion global sales market
- **CANNABIDIOL:** Early stage development in producing CBD in high purity (>98%)

Continuous Flow technology

Lidocaine update

- Lidocaine (base/HCl) produced at >99.9% purity – meets USP42 & EP8.0
- Pilot scale capable of producing kilograms/hr (completed)
- Commercial scale expected to produce >100kgs per day (under qualification)
- Minimal change to footprint from Pilot Plant to Commercial scale
- Material has been tested to and passes all specifications of Lidocaine USP monograph

Financial Performance

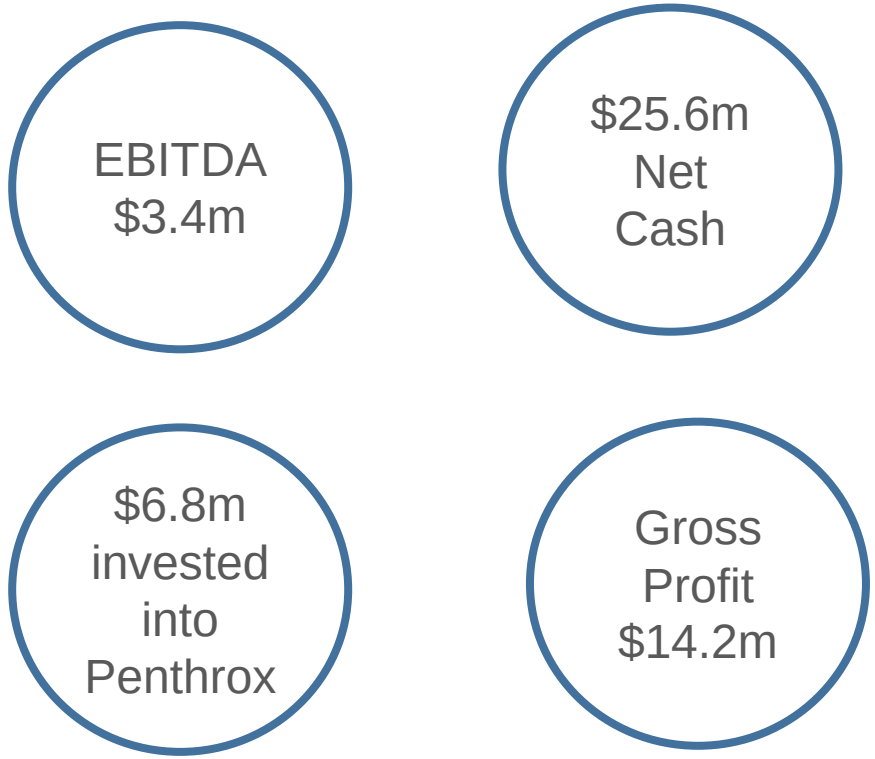
Cash receipts were $62.2m
(including capital raise and China deal)

Nil debt

Net Profit after Tax increased 327%

EBITDA increased 55%

Fully Franked ordinary dividends of 4.0 cps



Outlook

Strong sales growth across Penthrox and Respiratory Devices

Regulatory approvals for development program in China and USA and Russia

Commercialisation of first Continuous Flow technology for Lidocaine

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