



18 January 2016

ASX ANNOUNCEMENT

New Long Term Incentive Plan

The Board of Directors is pleased to announce it has agreed to a Long Term Incentive Plan "LTIP" with Mr. John Sharman, the CEO of Medical Developments International Limited (ASX: MVP) to encourage his long term commitment to the business.

The key plan features are summarised as follows:

- A grant of 400,000 options with a strike price of \$2.50 but vesting only when the MVP share price has been above \$4.50 at all times for 60 continuous ASX Trading days. These options will expire 28 February 2017.
- A grant of 400,000 options with a strike price of \$2.50 but vesting only when the MVP share price has been above \$5.50 for 60 continuous ASX Trading days. These options will expire 30 September 2017; and
- A grant of 200,000 options with a strike price of \$2.50 but vesting only when reimbursement is approved for Pentrox in Germany or Registration is approved in Germany (whichever occurs first). These options will expire on the 31 December 2016.

All outstanding options will be cancelled if Mr. Sharman leaves or is otherwise no longer employed at MVP for any reason. When the LTIP delivers an entitlement to an equity interest via the prevailing share price hurdle, Mr. Sharman will have 3 months to exercise the relevant options, after which the relevant options will lapse. In each case, 60% of the new shares issued by exercising options will be escrowed for a period of 12 months from issue date.

MVP thanks Mr. Sharman for his ongoing effort and commitment toward making MVP a global pharmaceutical company.

This announcement is a high level summary of the LTIP, comprehensive detail of which will be included in the FY16 Annual Report.

Enquiries:

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About Medical Developments International Ltd

MVP is an Australian company delivering emergency medical solutions dedicated to improving patient outcomes. MVP is a leader in emergency pain relief and respiratory products. The Company manufactures Pentrox[®], a fast acting trauma & emergency pain relief product. It is used in Australian Hospitals including Emergency Departments, Australian Ambulance Services, the Australian Defence Forces, Sports Medicine and for analgesia during short surgical procedures such as Dental and Cosmetic surgery as well as in other medical applications. MVP is expanding internationally and manufactures a range of world-leading Asthma respiratory devices.