



26 October 2015

Company Announcements Office
Australian Securities Exchange
Exchange Centre
20 Bridge Street
Sydney, NSW 2000

Dear Sir/Madam

ASX ANNOUNCEMENT (ASX: MDC) – AGM Shareholder Update

Please find attached a copy of the update provided to shareholders at the AGM today.

Yours Sincerely

Sean Hall
Managing Director

Prologue

Since listing on the ASX we have experienced a busy and exciting time in our Research and Development side of the business but some difficulties in our nutraceutical sales area of activity.

- **Nutraceutical Products Division**

We are pleased to advise that the development of new products for the market is ahead of our previous forecasts. As at today's date we will have 18 products in the market place by the end of October 2015. By the end of January 2016 we expect to have at least 22 nutraceutical products launched into the market. Notwithstanding the foregoing our sales to date are behind forecast due to delays in the manufacturing and delivering of our products. In the last two weeks our manufacturing issues have been overcome and as a result our sales have started to show an improved trend.

- **Research and Development**

Progress in this side of our business has been exciting with work in progress being ahead of schedule in all areas of our R & D programmes in regard to Obesity, Chronic Kidney Disease, Depression, Ageing, Non-opioid pain management, NanoCelle Atorvastatin, NanoCelle Insulin and NanoCelle Cannabis.

In recent weeks we have been granted ethics approval to progress to two separate human trials using Medlab's nanotechnology delivery platform which was developed for Medlabs cannabis research. The key to our Nanocelle technology is delivering less of the Atorvastatin or insulin compound, bypassing stomach/intestinal absorption and producing a repeatable therapeutical dose by way of a spray in the buccal area of the mouth. Having now received ethics approval we have already commenced trials with proof of concept products in production by late November 2015.

Conclusion

Overall as stated above we are delighted and excited with our progress in R & D especially with cannabis in our Pain Management area. While sales to date have been disappointing due to manufacturing issues we now believe we are on top of this problem and the recent upsurge in sales confirms this fact.

SEAN HALL
Managing Director