



**CHAIRMAN'S ADDRESS
TO
THE 2015 ANNUAL GENERAL MEETING
OF
MEDIGARD LIMITED**

Shareholders and Staff – welcome to the twelfth Annual General Meeting of Medigard Limited.

Firstly, thank you for attending and your continued interest and support for Medigard. To tell you that you and almost all shareholders, are patient is not adequate. I must record the value of this patience to us – it strengthens our resolve and has given us the best and only reward that we receive for our endeavours throughout this long drawn out journey. Thank you all.

Where are we at? After so many years and so many reports it is obvious that definitive events are few and far between and plans for so many reasons, disrupted. To me the problem has been in two parts: the technology and the marketplace. The company was floated to give opportunity to a then (and still) valuable technology through research and development. The opportunity also was for shareholders to join in the rewards and build a Company that could take the technology forward to great heights. The former has been frustrating and disappointing. The technology through application and skills has been validated. Unfortunately the solution has to date not been able to “meet the market” due to costs of manufacture. The key problem has been the retention of vacuum and the polymers necessary to the construction. These are newly invented and as a consequence – expensive. Hence our price problem – but it will get better! We are talking about a small downward movement in component, that’s how sensitive the

market is to cost. If we can close this gap, all the promises of a suite of instruments will be fulfilled.

Sol Millennium is fully committed and continues to make every effort to deliver on its expectations and ours. They have supported us financially and are optimistic. First sales are in. Not massive – advisedly so – on the basis that we are not overcommitting and awaiting return orders which will give substance to our claims.

We at Medigard with Sol M are doing our utmost to resolve all issues and I have and thank the best team to do this - our Medigard people. Their application, contribution and loyalty – without present reward, is beyond words of approbation. I have the same to say of our shareholders for their loyalty.

Thank you.

Don Channer