



15 June 2016

## Shareholder Update

I refer to the Company's previous advices that some (limited) orders had been placed for the Blood Collection Device.

The Directors are pleased to advise that sales numbers to April 2016 have been confirmed and the first royalty payment of US\$27,900 is due to be received by Medigard Ltd this week.

As previously noted, although the Blood Collection Device has met with very positive market response, the high cost of materials required for its manufacture, and the strength of the US Dollar, have meant sales were initially slow and limited. However in recent months there have been encouraging and regular sales in markets not previously addressed, including hospitals in Asia and the Middle East.

The Directors of Medigard Ltd are also pleased to report that enhancements are continually being made to the Blood Collection Device to address the problem of material cost. At the same time further progress is being made on the Flash Back Needle which will be bundled with the Blood Collection Device on completion which is planned for 2017.

The Directors of Medigard Ltd and Sol Millennium Medical remain determined and committed to the success of Medigard's safety medical devices.

**PATRICIA BOERO**

**Company Secretary**