



October 30, 2009

Manager of Company Announcements
Australian Stock Exchange Limited
Level 6, 20 Bridge Street
NSW 2000
By E-Lodgement

Unilife Announces Issue of Options to USA Employees Under the Employee Share Option Plan

On October 7, 2009, Unilife Medical Solutions Limited (**Company**) (ASX: UNI / OTCPK: UNIFF) invited eligible shareholders in Australia and New Zealand to subscribe for up to A\$15,000 worth of fully paid ordinary shares (**Shares**) at A\$0.85 per Share under a Share Purchase Plan offer (**SPP**) which closes today. Due to securities restrictions, the SPP could not be offered to shareholders resident in the United States (**US**), including US employees of the Company and its subsidiaries.

Given the Company's desire to provide its US employees with the opportunity to secure Shares in the Company at the same price as participants under the SPP, the Company recently offered its eligible US employees an opportunity to subscribe for options (**Options**) to acquire Shares in the Company on similar terms to the offer made under the SPP (**Employee Offer**).

Under the Employee Offer, eligible US employees were given the opportunity to acquire Options under the Company's Employee Share Option Plan to purchase up to 17,647 Shares each at an exercise price of US\$0.78 per Share (equivalent to the SPP price of A\$0.85 at the date of the Employee Offer).

The Company is pleased to announce that it received applications for 599,998 Options to subscribe for a maximum of 599,998 Shares from its US employees.

Mr Alan Shortall, Chief Executive Officer of Unilife said the Company had implemented the Employee Offer after receiving strong levels of interest in the SPP from US-based staff.

"The introduction of this Employee Offer gives our US-based staff the opportunity to invest in our Company at the same price offered to shareholders participating in the SPP. I am delighted that a significant number of our US-based staff has signalled their intention to participate in the Employee Offer. This high level of staff participation reflects the strong level of confidence and enthusiasm our team has in the current status of the Company, and it's potential to become a global industry leader. By seeking to invest in the Company in this way, our team is also further incentivised to secure the on-time delivery of key project milestones."

Options issued under the Employee Offer may be exercised at any time between 30 October 2009 and 5pm (US Eastern time) on 11 November 2009 (**Exercise Period**). Options not exercised during the Exercise Period will automatically lapse. Options exercised during the Exercise Period will only be exercisable in one of the following tranches so as to ensure consistency with the terms of the SPP:

| | | | |
|---------|----------------|--------------------------------------------|---------------|
| Offer A | 1,500 Options | Total amount payable @ US\$0.78 per option | US\$1,170.00 |
| Offer B | 6,000 Options | Total amount payable @ US\$0.78 per option | US\$4,680.00 |
| Offer C | 12,000 Options | Total amount payable @ US\$0.78 per option | US\$9,360.00 |
| Offer D | 17,647 Options | Total amount payable @ US\$0.78 per option | US\$13,764.66 |

As the issue of the Options was made under the Company's Employee Share Option Plan, approval for the issue is not being sought from the Company's shareholders.

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Shareholder / Analyst Enquiries:

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About Unilife

Unilife Medical Solutions Ltd is an ISO 13485 certified company that designs, develops and supplies innovative safety medical devices. Listed on the Australian Securities Exchange (ASX : UNI) since 2002, Unilife has FDA-registered manufacturing facilities in the US State of Pennsylvania and a proprietary portfolio of clinical and prefilled safety syringes designed for use within healthcare and pharmaceutical markets.