

ELLEX MEDICAL LASERS LIMITED (ELX) ASX RELEASE

FOR IMMEDIATE RELEASE

20 June 2005

Ellex Announces Solitaire Release & R&D Reorganisation

Ellex Medical Lasers Limited (ELX) advises that following the successful conclusion of the development phase for the Solitaire photocoagulator and the introduction into production, engineering and product development will be consolidated back into Adelaide.

As a result Ellex will close its US R&D facility at Fremont in California. With this change, Ellex advised that R&D spend will be lower in the next financial year than in the last two financial periods.

CEO, Peter Falzon, said that with the Solitaire pilot production nearing completion and a positive response from customers to date, he expected this product to make a significant contribution to revenues in future years.

“We believe the investment over the past two years has been extremely valuable both in terms of the product and knowledge gained by the organisation. We expect to utilise this knowledge in future retinal product releases.”

Ellex advised that costs associated with the closure of the US R&D facility would not be substantial with most of the equipment being transferred to Adelaide.

The company retains its US Sales and Marketing office in Minneapolis and a marketing and administration office in California.

ABOUT ELLEX

Ellex Medical Lasers Limited leads the world in the supply of innovative integrated laser systems for use by eye surgeons throughout the world under its brand “Laserex”. Ellex has been manufacturing lasers for more than 15 years and our extensive range includes Nd:YAG Laser Photodisruptors and Green Laser Photocoagulators for retinal treatment. Ellex is currently pioneering the development of Selective Laser Trabeculoplasty (SLT) as a treatment for elevated IOP in patients with Glaucoma and is the only manufacturer of the SLT/YAG combination Laser.

For more information about the company log on to our web site at www.ellex.com.au

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