



PRESS RELEASE

Ellex Medical Lasers Ltd (ASX:ELX)
Adelaide, Australia

Date: 16 March 2006

Release: Immediate

Topic: Ellex Launches new Brand at ASCRS Trade Show in San Francisco

Shifts Focus to Direct Marketing of its Ophthalmic Lasers

Ellex Medical Laser Ltd. (ASX:ELX), a world leading designer and manufacturer of laser systems for the ophthalmic industry, announced today from the ASCRS trade show being held in San Francisco that it will establish Ellex, as its worldwide brand name, consistent with its name on the Australian Stock Exchange. Ellex will replace the brand name “Laserex” on products, and the US and Japan subsidiaries will also adopt Ellex, to be consistent in one global brand representation.

In addition, Ellex will relocate its global sales and marketing headquarters to the San Francisco Bay Area during the second half of 2006, in a strategic move to be closer to its three main markets in North America, North Asia and Europe. The global sales and marketing headquarters will be directed by Peter Falzon, CEO of Ellex, and will develop and implement sales, marketing and service strategies to continue the momentum in sales penetration evident in its recently released half year results for FY06.

Ellex has an installed base of more than 10,000 photodisruptors, photocoagulators and selective laser trabeculoplasty (SLT) laser systems. Today, two thirds of the company’s revenue is derived from new products released in the past three years as a result of aggressive investment in R&D and distribution with a sole focus on the ophthalmic laser market.

Providing therapeutic solutions to the three largest disease segments in ophthalmology — cataract, retina and glaucoma — Ellex is the only company focused entirely on the \$200 million non-refractive ophthalmic laser market and intends to become the leading supplier under the Ellex brand.

Peter Falzon, CEO of Ellex, said, “The launch of the Ellex brand reflects a strategic decision to market our products directly to ophthalmologists while moving away from our seven year relationship with Lumenis. The company’s core strengths include the know-how that comes from 20 plus years of engineering and manufacturing laser systems for eye doctors. We believe

our customers and our shareholders will be best served by Ellex' direct participation in the marketplace." On March 1, 2006 Ellex announced its FY06 first half financial results to the Australian Stock Exchange, which included 73% growth of its own brand product sales and 150% growth in profit compared to the same period of the prior year. "We are very pleased with the progress made to transition from a laser engineering and manufacturing company to a brand that is recognized by ophthalmologists. We are now ready to move the "storefront" of our business to San Francisco, which ideally positions the company to drive growth in our key markets."

In line with Ellex' stated strategy to become the preferred direct supplier of premium laser systems to the ophthalmic community, the company recently announced it had exercised its right to end its OEM supply agreement with competitor Lumenis Ltd. effective March 2006.

ABOUT ELLEX

Ellex Medical Lasers Ltd. (ASX:ELX) designs, manufactures and markets a complete line of lasers used by ophthalmologists to preserve vision and fight blindness. With more than 10,000 systems delivered to the market, Ellex has evolved since 1985 from a manufacturing company of primarily OEM products, to direct marketing of its own branded products through subsidiaries in the United States and Japan and a network of distribution partners in more than 50 countries. Ellex maintains a strong emphasis on intellectual property and research into new and better treatments to manage and treat the leading causes of blindness.

For additional information about Ellex and its products, please visit www.ellex.com

FOR FURTHER INFORMATION, please contact:

Peter Falzon, CEO
Ellex Medical Lasers Limited
82 Gilbert Street, Adelaide, SA, 5000
W (08) 8104 5200 | M +1 415 377-2390
peter.falzon@laserexmedical.com

Kevin McGuinness, CFO
Ellex Medical Lasers Limited
82 Gilbert Street, Adelaide, SA, 5000
W (08) 8104 5200 | M 0409 673 610
kevin.mcguinness@laserexmedical.com