

PRESS RELEASE

Ellex Medical Lasers Ltd (ASX:ELX)

Adelaide, Australia

Date: 15 October 2007

Release: Immediate

Topic: John Marshall and Kevin McGuinness Appointed to Ellex Board



Adelaide, 15 October 2007 – Ellex Medical Lasers Limited (ASX:ELX), a global leader in the design and manufacture of ophthalmic laser and ultrasound systems, announced today the appointment of Professor John Marshall and Kevin McGuinness to its board of directors to underpin the growth strategy of the company. Following two successful acquisitions and a capital raising in the past twelve months, Ellex's expanded board provides experience and industry specific knowledge to guide the company through its next phase of growth.

Professor John Marshall is an internationally recognized expert on laser and light bio-effects in the field of ophthalmology. He is currently Frost Professor of Ophthalmology at the Rayne Institute and Head of the Department of Ophthalmology at United Medical and Dental Schools of Guy's and St Thomas' Hospitals, University of London. Professor Marshall is also the Chairman of Ellex's Medical Advisory Board. Professor Marshall is the co-inventor of the world's first diode laser for ophthalmology and the inventor of excimer laser technology for refractive surgery. During the past thirty years, his research has shed light on the mechanism underlying age-related, diabetic and inherited retinal disease, and on the development of lasers for use in ophthalmic diagnosis and surgery.

Kevin McGuinness joined Ellex in October 2002 as Chief Financial Officer and Company Secretary. He was appointed Chief Operating Officer in May 2006. Mr. McGuinness has over 20 years of senior financial and operational management experience in public and private companies. He was formerly Chief Financial Officer of Nautilus Australia Limited, an ASX-listed company with annual revenues of A\$90 million. Prior to this, he was Director of Finance and Operations of Urban Pacific Limited a subsidiary of Macquarie Bank Ltd, where he managed commercial and financial elements of complex development projects.

"John and Kevin are excellent additions to the Ellex board during a period of growth and transition," said Victor Previn, Chairman of the Board at Ellex. "John's global stature and track record developing new technologies in ophthalmology will help Ellex identify and act on the best opportunities to leverage our ophthalmic sales platform and further grow our business. Kevin's knowledge of our operations and finance expertise will better serve our shareholders as a member of our board in addition to his role as COO."

ABOUT ELLEX

Ellex Medical Lasers Limited (ASX:ELX) designs, manufactures and markets a complete line of lasers and diagnostic ultrasound systems used by ophthalmologists to diagnose and treat eye diseases. With more than 12,000 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, Japan and Australia, and a network of distribution partners in more than 100 countries. In December 2006 Ellex acquired Innovative Imaging, a leading provider of diagnostic ultrasound devices for ophthalmology, initiating the expansion of its product line beyond lasers. 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 +61 8 8104 5200 | M +1 415 377 2390

pfalzon@ellex.com

Kevin McGuinness, COO

Ellex Medical Lasers Limited

82 Gilbert Street, Adelaide, SA, 5000

W +61 8 8104 5200 | M +61 409 673 610

kmcguinness@ellex.com