Adelaide, Australia, 9 November 2009: Ellex Medical Lasers Limited (ASX:ELX), a global leader in the design and manufacture of ophthalmic laser and ultrasound systems, announced today that it has extended its current banking facility with Westpac Banking Corporation. Under the agreement, Ellex has refinanced its core debt facility with Westpac to 30 September 2011.

The Westpac debt facility limit is $7.2 million, of which $3.2 million is classified as a core debt facility and $4.0 million is classified as a working capital facility. As at 31 October 2009, the Westpac debt facility was drawn to $5.3 million and consolidated cash holdings were $2.3 million.

During the past 12 months, the Company has made positive progress in its efforts to reduce debt and improve liquidity, through a combination of stringent working capital management and operating cost reduction measures.

“A number of measures have been implemented in order to reduce corporate indebtedness,” said Mr. Victor Previn, Chairman. “Total borrowings have been reduced from $14.0 million at 31 December 2008 to $9.3 million at 31 October 2009, and the Company’s outstanding debt with Westpac is comfortably within facility limits. As a result, the Company is on a stable financial footing. Ellex is well placed to deliver further improvements in this area over the medium to longer term.”

“Ellex has a long standing relationship with Westpac and believe that this facility extension reflects Westpac’s ongoing support for the Ellex business,” commented Ms. Melanie Young, Chief Financial Officer. “The extension of the Westpac banking facility provides Ellex with a strong and stable commercial banking partner whilst we work towards further reducing financial leverage.”

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 disease. With more than 14,000 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, Germany 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 systems for ophthalmology, initiating the expansion of our product line beyond lasers.
The Ellex name has long been synonymous with excellence in technology, in quality, and in customer care. Ellex maintains the highest quality standards through product development and manufacturing, and strives to provide unmatched levels of clinical expertise and support to our customers. All of these efforts have combined to produce one of the highest levels of customer satisfaction in the ophthalmic industry.

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

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