

ASX RELEASE

Ellex Medical Lasers Ltd (ASX:ELX)

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Topic: **Ellex Secures Major Distribution Deal with CenterVue**



Adelaide, Australia, 12 October 2010: Ellex Medical Lasers Limited (ASX:ELX), a global leader in ophthalmic laser and ultrasound technology, today announced that it will expand its presence in the ophthalmic diagnostics market through a strategic partnership with leading medical device manufacturer CenterVue SpA.

Effective 4 October 2010, Ellex has entered into an exclusive distribution agreement with Italian-based CenterVue to market and distribute the MAIA™ fundus perimetry system in the United States and Australia.

Designed for the diagnosis of retinal disease, MAIA™ complements Ellex's existing range of ophthalmic treatment lasers and will open up new market segments for the Company in both the United States and Australia.

"Maia provides essential technology to Ellex's target customers, and the product fits well with our existing sales, marketing and service capabilities," commented Simon Luscombe, Ellex CEO. "It also complements our breakthrough Retinal Regeneration Therapy (Ellex 2RT™) for the treatment of retinal disease."

MAIA™ is a new-generation fundus perimetry system that accurately measures macular sensitivity, fixation stability and the point of fixation – important for the diagnosis of macular health and retinal disease. The system also features a Scanning Laser Ophthalmoscope (SLO) in order to capture clear images of the retina.

"Fundus perimetry is considered a must-have diagnostic tool by many ophthalmologists and vision care professionals, enabling them to diagnose and track changes in retinal disease and its treatment," said Mr. Luscombe.

"The Maia system offers a major innovation in macular function testing, and we are excited about the opportunity to partner with CenterVue, market innovators in technologies to aid the early detection of ophthalmic disease."

MAIA™ adds another market leading technology to Ellex's growing third-party distribution business, which generated revenues of approximately \$7 million in the 2010 financial year over and above sales of the Company's proprietary products and technologies.

"Maia offers an important opportunity to expand our business and will provide additional diversity of earnings, supporting cash flow growth going forward," commented Mr. Luscombe.

Under the terms of the agreement Ellex will leverage its existing direct sales and distribution channels to sell the MAIA™ system in the United States and Australia. This new product addition is expected to significantly increase the Company's market share in the ophthalmic diagnostics market and contribute to sales revenue during the 2011 financial year.

Since the introduction of its first ophthalmic laser in 1985, Ellex has established a strong position in the ophthalmic laser market, offering a platform for growth into the broader \$12 billion global ophthalmic device market. The partnership with CenterVue follows Ellex's successful expansion into the

ophthalmic diagnostic market in 2006 with the acquisition of US-based ultrasound manufacturer Innovative Imaging, Inc.

MAIA™ will be previewed at the Ellex exhibit #4110 during the annual meeting of the American Academy of Ophthalmology (AAO) in Chicago from Saturday, 16 October.

ABOUT ELLEX

Ellex Medical Lasers Limited (ASX:ELX) is a global leader in the design and manufacture of ophthalmic laser and ultrasound systems used by ophthalmologists to diagnose and treat eye disease. With more than 15,000 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 recent years, Ellex has diversified its product range beyond lasers and ultrasound equipment to include a number of third-party ophthalmic products.

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

ABOUT MAIA

MAIA™ – Macular Integrity Assessment technology – is a new-generation instrument for macula function assessment and incorporates unique Fundus Perimetry (also known as Microperimetry) for the accurate measurement of macular sensitivity. Through its precise eye-tracker, MAIA™ provides a quantitative analysis of the patient's fixation in terms of stability and location. The system also incorporates a Line Scanning Laser Ophthalmoscope (SLO), to capture clear and detailed confocal images of the retina. With threshold sensitivity analysis software, MAIA™ processes the measured data and rapidly evaluates macular function as compared with a reference database of normal subjects. These combined technologies provide accurate measurement, tracking and documentation of the functional changes due to the disease and/or retinal treatment.

For additional information about the MAIA™, please visit centervue.com/en/pages/maia

ABOUT CENTERVUE

CenterVue SpA is a profitable, Italian-based medical device manufacturer dedicated to developing new technologies to aid the early detection of many diseases. Collectively, the CenterVue team has more than 90 years' experience in the ophthalmic industry, and includes an in-house research team. CenterVue introduced the MAIA™ microperimetry system in 2009 for the diagnosis of retinal disease and in 2010 received approval from the US Food and Drug Administration (FDA) to market the device in the United States.

For additional information about CenterVue, please visit centervue.com

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