

7 June 2013

ASX ANNOUNCEMENT

TAIWAN DISTRIBUTION AGREEMENT SIGNED

Analytica (ASX:ALT) is pleased to announce the signing of a distribution agreement for the AutoStart® Infusion System with a major medical products distributor in Taiwan – Taiwan Allied Dragon Inc (TAD)

TAD Chairman, Mr Cotch Liao, commented: "With the distribution agreement executed we can start the regulatory process. The AutoStart Infusion System offers advanced features and many benefits, we are planning to register it in a separate category to avoid it being confused with the everyday burette." On the topic of the market, Mr Liao indicated: "Taiwan has a market roughly the size of Australia, with a good health system backed by the Government and Health Insurance companies. We feel confident that once regulatory approval is given we can aggressively market the product and capture at least 10% of this market within 24 months. This would be a strong result for a new product but the technology is innovative and addresses a number of issues with the current burette designs."

Estimates by Wise-Owl Pty Ltd (Report 30th November 2011) of sales in Australia of burettes put the value of the market at \$88 million.

"We are delighted to be working with such a capable, dynamic organisation, Taiwan Allied Dragon Inc, to introduce our AutoStart Infusion System to the Taiwanese market. This agreement facilitated by South-South Capital partners brings an exciting opportunity to Analytica to grow our international presence." Analytica chairman Dr Michael Monsour confirmed.

About the Market

Taiwan, consists of a market of 23 million people with a gross domestic product (GDP) of USD467 million, with a GDP per capita of USD37,000 similar to Australia USD39,000. The medical system consists of over 507 hospitals (approximately 90% private) and 20,628 clinics representing approximately 180,000 beds. With a strong health system, 6.9 beds per 1000 population (global average 4.3 beds per 1000 population), the required characteristics are present for the Auto Start Infusion System's successful market penetration.



About Taiwan Allied Dragon Inc

Established in 2002 TAD has a strong knowledge of the health market through ownership of hospitals and the manufacture and export of medical technologies. Involvement in the health sector, as hospital stakeholders, gives them access to a range of decision makers in the Health Ministry, National and Private Hospital networks.

Next Steps

TAD will manage the regulatory approval for the Auto Start Infusion System in the ensuing months and will undergo trials at local hospitals as part of the market entry process.

International Markets

This distribution agreement is the result of the marketing agreement with South-South Capital partners to take our AutoStart Infusion System into South East Asia and South America.

The negotiation of the distribution agreement for Brazil is progressing well.

Analytica is still in high level discussions with a major US based multinational for distribution in the North America market.

Analytica would also like to announce recent discussions have commenced with a major European multinational with a view to the introduction of our AutoStart Infusion System into the European market.

For, and on behalf of the board,

Dr Michael Monsour

Chairman, Board of Directors

AutoStart® Infusion System.

The AutoStart Infusion System consists of a burette fitted with the Analytica AutoStart and AutoFlush features.

In hospitals, care facilities, and emergency response vehicles, burettes are used to accurately measure the amount of medicine or fluid injected into patients intravenously (IV). The purpose of the burette is to avoid accidental fluid overload.

Normal burettes require manual refilling and can also suffer from irregular flow rates. Nurses often need to manually check the IV fluid as there is risk of blood clots forming which may obstruct the intravenous canula if the burette is unattended. The AutoStart system also addresses the risk of air embolism (air entering the blood stream, extremely dangerous) with an industry leading shutoff value.

Labour Efficiencies

The AutoStart Infusion System has several advantages over regular burettes. It is designed to automatically refill the IV fluid allowing regulated, constant, and accurate medicine dosage flow from the device from the IV infusion bag. While this saves nursing time, it also diminishes the chances of blood clots forming in the patient and by preventing air entering the line, substantial time is avoided re priming the IV line.

The AutoStart feature frees up to 20 minutes of nursing time per patient, per medication event. Average nurse wages in Australia are \$45 per hour. As each patient may be medicated three times per day, the savings per burette may be up to \$45/day, or seven times the cost of a standard burette (\$6) to the hospital.

The AutoFlush is a feature incorporated into Analytica's AutoStart Infusion System. The AutoFlush reduces usage of other medical consumables, is more hygienic, and reduces litigation risks for hospitals.

Material Savings

Standard burettes require flushing with separate saline-filled syringes after IV drug delivery. The AutoFlush feature allows for flushing with saline directly from the IV bag.

Additional flushing syringes or ampoules are therefore not required, saving an estimated \$2.50 per medication event. This may save 6-8 ampoules, or \$18 per day.

Improved Hygiene and Legal Risks

Apart from cost savings to the hospital, an AutoFlush system reduces the chances of bacterial contamination of the IV fluids and therefore the risk of septicaemia, which can be fatal as IV fluids goes straight into the blood stream of the patient. This may also lead to less litigation for hospitals and health systems.

Analytica Limited (ASX:ALT) is an Australian company dedicated to the design, development and supply of a range of Class I and IIa medical devices.