



ASX/Media Release

MEDEC announces the placement of up to 8.5 million shares with new strategic international investors.

28 April 2006: Perth based health care equipment company MEDEC Limited [ASX: MAA] has signed an agreement for the placement of up to 8.5 million shares.

More than 100 million MAA shares have been traded in Germany since MEDEC's securities commenced trading on German stock exchanges in February 2005. Several reputable international investors have now agreed to provide further funding to MEDEC.

For this purpose, MEDEC has signed an agreement with the international investment bank Gebhard & Co Wertpapierhandelsbank AG, for the private placement of up to 8.5 Million shares at \$0.215 per share to be finalised by 15 June 2006. This placement shall increase the cash reserves of MEDEC from a present level of \$4.1 million to \$6.0 million, providing the funding for planned future acquisitions.

"The group of International investors are well connected in the European health care, wellness and fitness industry; said Josef Plattner, the CEO of MEDEC. " I therefore expect the International Investors to support MEDEC in the growth of the European operations by providing industry contacts with synergy effects. The investors have also agreed to support MEDEC in structuring our operation to meet the requirements of our growing business in Europe".

For further information please refer to www.medec.com.au and our new product www.caloriefit.info.

Josef Plattner 08 94507411 marion@medec.com.au
Chief Executive Officer

About MEDEC

MEDEC is an Australian based health care equipment company that was listed on the ASX in October 2003. The MEDEC group of companies and its subsidiaries has several product ranges including the award winning Athlegen brand, which is Australia's market leader in treatment tables for the wellness industry and the innovative MEDEC energy medicine products. The recently launched MEDEC Calorie-fit expands the product range to weight management and fitness.

Since its establishment in 2001, the MEDEC group has grown substantially. MEDEC's major market at present is Europe with manufacturing and marketing facilities and joint ventures with 2 franchise companies in the weight management and fitness industry. More than 50 franchise outlets are expected to take over the application, sales and promotion of the MEDEC product range.

MEDEC / Athlegen operate showrooms in all Australian capital cities as well as in Germany. 15 international distributors display MEDEC products in showrooms to the wellness and health industry. The products have been sold to more than 30 countries.

The focus of market expansion is presently on Europe, South East Asia, China and USA.

MEDEC Limited

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