

21 June 2006

For Immediate Release to the Newcastle Stock Exchange:

**COSMEDICS AUSTRALIA LIMITED: MAJOR CONTRACT NOTICE / ASSET DISPOSAL NOTICE**

Cosmedics Australia Limited wishes to announce that it has reached agreement for the mutual termination of Deed of Assignment of Patents, dated 9<sup>th</sup> March 2005, whereby Cosmedics had planned to manufacture and distribute the ENSI Safety Syringe. The directors have formed the view that the company would be unable, in the immediate future, to complete that agreement by the raising of the necessary \$2,200,000.

The company has also agreed to sell the manufacturing plant and equipment, the trade marks, and FDA approval relating to the syringe. Both of these agreements are subject to approval of documentation by both parties and the transaction will be subject to any requirements of the Newcastle Stock Exchange.

Bronte Douglass  
Chairman