

PORTLAND ORTHOPAEDICS

3/44 McCauley Street
Matraville
NSW 2036
Australia
Tel +61 2 9666 8444
Fax +61 2 9666 8544
Email info@margron.com

News Release

Portland Orthopaedics Lists at 12% Premium

At 3pm, 21 December 2005, Sydney: Sydney-based Portland Orthopaedics Limited today listed on the Australian Stock Exchange closing the day at 28 cents, a 12 percent premium to its 25 cents issue price. The company opened at 28 cents and traded on a steady range of 27.5 to 28 cents.

Options opened at 4 cents and were allocated on a one for four basis, which lifted the opening premium to 16 percent. Options closed at 5.5 cents leaving the overall IPO premium at 17.5 percent by the end of the day's trading.

The company raised nearly \$4.1 million with the issue of close to 16.4 million new shares giving the company a starting market capitalisation of just over \$32 million and ending the day at close to \$36 million.

The offer was fully subscribed and sponsored by emerging companies specialist Axis Financial Group.

Portland Orthopaedics has developed innovative hip and knee replacement systems. The capital raising will enable commercialisation and regulatory approvals for a new range of hip and knee replacement products as well as resource additional sales and distribution in the US, Europe and Asia.

"It's terrific to join the ASX with a price premium despite the heavy IPO traffic over the past few months," said Mr David Sekel, CEO of Portland Orthopaedics.

"2006 will be a big year for the company as we envisage a roll-out of products with strong points of difference with a major sales and distribution boost."

Enquiries:

David Sekel
Portland Orthopaedics
02 9700 1533
0411 120 744

Greg Wood
Axis Financial Group
02 9375 0107

Rudi Michelson
Monsoon Communications
03 9620 3333

About Portland Orthopaedics

Portland is a developer and manufacturer of specialist hip and knee joint replacements. Portland's first product, the DTC Hip, was conceived in 1991 as standard hip implants proved inadequate in cases with substantial bone loss especially where a hip implant had already been inserted. Portland's first hip implant was trialled in 1997 and so far more than 1,700 implants have been sold, the majority in the US and Australia.

Portland has regulatory approval to sell a range of primary, revision and tumour hip replacement products in the US, Europe, Australia, New Zealand and Israel.

Portland is expanding its business from a single product focus into a multi-product orthopaedics company. The Equator Plus cup and a second and complementary range of primary hip replacements are due for market launches in early 2006. A fourth product range of total knee replacement products is also due for release in early 2006. The core technologies are all patented and future applications include shoulders, ankles and other joints.