



Medica Holdings Ltd
ACN 079 253 606
Level 12, Toowong Towers
9 Sherwood Road, Toowong
Queensland Australia 4066
PO Box 820, Toowong
Queensland Australia 4066
Telephone +61 7 3871 3455
Facsimile +61 7 3871 3477
Email: medica@medica.com.au

16 June 2003

Company Announcements Office
Australian Stock Exchange Ltd (ASX)
4th Floor, 20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

Please find herewith a commercially sensitive announcement “**Medica appoints new director, flags more aggressive strategy**”, together with Appendix 3X - Initial Directors Interests Notice, to be distributed to the market immediately.

Yours sincerely

NICHOLAS MATHIOU
Finance Director



Media Release
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Medica appoints new director, flags more aggressive strategy

Medica's Chairman, Mr John Hasker, is pleased to announce the appointment of Bob Watson to its board of directors.

Bob has over 20 years executive management experience in the Information Technology industry in Australia and the United Kingdom. His corporate roles have included Chief Executive Officer of Mayne Nickless Computer Services, Data Sciences International (in the U.K.) and Lend Lease Employer Systems.

He is also a successful entrepreneur and has established and developed a number of successful businesses in the areas of consulting and project management, software development and systems integration and IT labour contracting.

Bob has also been a director and advisor to a leading Australian technology investment bank and has significant experience in mergers, acquisitions and capital raising. He is a director of several unlisted companies including Seek Communications and currently manages his personal venture capital and investment portfolio.

In announcing the new appointment, Dr Kevin Healey, the company's Managing Director said, "Medica is privileged to have such an experienced and highly regarded board of directors. The appointment of Bob Watson brings another set of credentials, in particular, his success as an entrepreneur. Bob has a proven ability to drive company growth and Medica looks forward to taking advantage of his skills and experience."

"It is our view that the future growth of the biotechnology industry will involve a significant rationalization of resources and the successful companies will be those that can offer growth and attract the limited capital available to the industry in Australia."

"Medica intends to ensure that it has the skills and positioning to participate in this growth," he said.

Dr Healey further elaborated some of the highlights from Bob Watson's career.

- In 1993/4 he negotiated and established an outsourcing/services business as a joint venture between Lend Lease and IBM. IBM Global Services was launched in 1994 with over 1,300 employees and annual revenues in excess of \$350 million. It is now Australia's largest IT services business, with contracts under management of over \$5 billion and includes Telstra as a joint venture partner.



- In 1995 Bob became the CEO and co-founder of Icon Pty Ltd to provide IT labour to major Australian businesses and government departments. Within 3 years it was the industry leader, had grown to an annualized revenue of \$180 million and employed 1800 IT professionals in all Australian states, NZ, Hong Kong and Singapore. The company was acquired by Adecco (the world's largest recruitment and labour hire business) and Bob was appointed the CEO for all of Adecco's regional businesses, with a combined turnover of approximately \$1 billion per annum.
- In 1999 Bob became a non-executive director and advisor to SEEK Communications Limited, Australia's largest on-line employment classified site and one of Australia's fastest growing companies

Dr Healey concluded, "The appointment of Bob Watson recognizes that the biotechnology industry needs to harness the skills and experience of a broader cross-section of industry and we look forward to a productive association".

A copy of Appendix 3X – Initial Directors Interests Notice follows this announcement.

About Medica Holdings Limited

Medica is an ASX-listed Pooled Development Fund that invests in the biotechnology sector. It established Cytopia and owns approximately 79% of the company. It also owns 18.6% of Alchemia, which is developing carbohydrate-based drugs and approximately 39.5% of Xenome, which is developing new drugs derived from venoms for the treatment of neurological disorders. Under the PDF Scheme, Medica's shareholders are generally exempt from tax on profits or capital gains from the sale of shares and, if they elect, on dividends.

For further information please contact:

Dr Kevin Healey
Managing Director
Tel: 0409 413 402

Mr Nicholas Mathiou
Finance Director
Tel: 07 3871 3455

or visit our website at: www.medica.com.au.

APPENDIX 3X
INITIAL DIRECTOR'S INTEREST NOTICE

NAME OF ENTITY: MEDICA HOLDINGS LIMITED

A.B.N.: 41 079 253 606

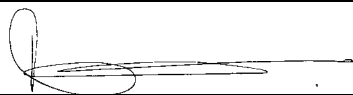
We, Medica Holdings Limited, give ASX the following information under listing rule 3.19A.a and as agent for the director for the purposes of section 205G of the Corporations Act.

NAME OF DIRECTOR: MR ROBERT WATSON

DATE OF APPOINTMENT: 16 June 2003

<u>PART 1</u> Director's relevant interests in securities of which the director is the registered holder	
Number and class of securities:	
<u>PART 2</u> Director's relevant interests in securities of which the director is not the registered holder	
Name of holder and nature of interest: (provide details of the circumstances giving rise to the relevant interest)	Daleford Way Pty Ltd Power to control voting or disposal of the securities indicated below.
Number and class of securities:	1,649,092 Ordinary Shares
<u>PART 3</u> Director's interests in contracts	
Detail of contract:	
Nature of interest:	
Name of registered holder: (if issued securities)	
No. and class of securities to which interest relates:	

Signed:


Mr Robert Watson

Date: 16/06/03

Signed:


Mr Nicholas Mathiou, Company Secretary

Date: 16/06/03