

ASX ANNOUNCEMENT

4 November 2011

NOTICE OF RELEASE OF RESTRICTED SECURITIES

Notice is hereby given in accordance with Listing Rule 3.10A that the following restricted securities will be released from escrow on 31 October 2011:-

5,000 Ordinary Shares

On behalf of the Board



Daryl Holmes
Managing Director

ABOUT 1300SMILES LTD

OVERVIEW OF THE COMPANY'S BUSINESS

The company owns and operated full-service dental facilities at twenty-one sites, mainly in the ten major population centres in Queensland. The company continually seeks to expand its presence into other geographic areas throughout Australia. It does so by establishing its own new operations and by acquiring existing dental practices. The administration and corporate offices are in Townsville.

1300SMILES enables the delivery of services to patients by providing the use of dental surgeries, practice management and other services to self employed dentists who carry on their own dental practices. The services provided by the company allow the dentists to focus on delivery of dental services rather than on the administrative aspects of carrying on their businesses. The dentists pay fees to the company for the provision of these services under a Dental Service Agreement with the company. In some circumstances the company also employs qualified dentists.

The dentists who use the company's services range from new graduates to experienced dental professionals. Several dentists who use the company's services have special interests and experience in such areas as endodontics, oral surgery, implants and periodontics and cross-refer work to other dentists who use the company's services.

The company provides comprehensive services in the areas of marketing, administration, billing and collections, and facilities certification and licensing to all participating dentists. The company also provides all support staff, equipment and facilities, and sources all consumable goods using the buying power which derives from such a large group of dental businesses.

FUTURE DEVELOPMENTS

The company's core objective is to continue to increase profits and shareholder returns while providing a rewarding environment for our staff and the dentists using our facilities.

The company aims to achieve a combination of organic growth in its existing locations and the addition of new practice management facilities.

The key drivers for future growth of the company are:

- Increasing profits by attracting more dentists to our existing facilities and expanding those facilities which are already at full capacity;
- Assisting dentists who already practice within the 1300SMILES system to increase their turnover and income through benchmarking, training and mentoring;
- Acquiring substantial existing practices where we can do so on favourable terms;
- Establishing new practices in existing and new regions (greenfield sites);
- Managing dental facilities owned by others.

DENTIST ENQUIRIES

Owners of dental practices who are interested in unlocking the goodwill value of their businesses (or freeing themselves from all the management hassles) are invited to contact Dr. Daryl Holmes, Managing Director, on 07 4720 1300 or on md@1300SMILES.com.au

Qualified dentists who wish to know more about joining one of our established facilities are also encouraged to contact Dr. Holmes directly, email dentalcareers@1300SMILES.com.au or visit our website www.dentalcareersaustralia.com.au