

ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE

29 April 2013

Company Announcements Office
Australian Stock Exchange Limited
10th Floor, 20 Bond Street
SYDNEY NSW 2000

Dear Sir/Madam,

Re: Appendix 4C - Quarterly Report

Please refer to the 'Appendix 4C' attached for details for the period ended 31 March 2013 for the Group.

- **Allied finishes quarter with \$3.77M**
- **Sales up 8% for YTD, forecast for > \$7M for the year**
- **Allied files 510(K) application with FDA for CardioCel**

The Company had a cash balance of \$3.77M at the end of the quarter. This will provide the Company with sufficient capital to achieve its major milestones, including the initial approval and launch of CardioCel[®] and see the initiation of the first clinical study for the DNA vaccine program.

The Company has generated over \$5.4M in revenue to date this financial year, up 8% for the year to date and indicating continued strong growth in revenue. The Company also completed a successful Share Purchase Plan during the period to strengthen its cash balance.

During the quarter Allied filed its 510(K) marketing approval submission with the FDA for CardioCel[®]. CardioCel[®] continues to be used in patients to treat and repair congenital heart defects via the Authorised Prescriber Scheme in Australia, announced in the previous quarter. Furthermore, surgeons based in Melbourne and Brisbane have now been approved to use CardioCel[®] in patients. This was supported by additional data from the Phase II extension study which showed patients progressing well 4 years after receiving CardioCel[®], with these patients showing no signs of calcification, a unique feature of the CardioCel[®] product.

The Company anticipates additional early access approvals at key centres in Australia in the coming months and full regulatory approval of CardioCel[®] in at least one jurisdiction in 2013.

Over the last quarter Allied also announced positive results from its regenerative tissue franchise in the areas of hernia repair, pelvic floor repair and stem cell seeding. These results support the existing work with CardioCel[®] and show the potential for Allied to build a strong pipeline of products in the regenerative tissue area.



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The Company is now advancing its pre-commercial launch activities in preparation of approvals and launching CardioCel® in overseas markets.

The Company also further invested in its DNA vaccine programs led by Professor Ian Frazer as the lead herpes vaccine advances towards clinical trials expected to start in the first half of 2013.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S. Mann', with a stylized, cursive script.

Stephen Mann
Company Secretary

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

Allied Healthcare Group Limited

ABN

36 088 221 078

Quarter ended ("current quarter")

31 March 2013

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Receipts from customers	1,644	5,290
1.2	Payments for		
	(a) staff costs	(862)	(2,356)
	(b) advertising and marketing	(44)	(157)
	(c) research and development	(227)	(539)
	(d) leased assets	-	-
	(e) other working capital	(1,778)	(5,205)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	4	8
1.5	Interest and other costs of finance paid	(1)	(5)
1.6	Income taxes paid	-	-
1.7	Other – R&D Tax Concession	-	295
Net operating cash flows		(1,264)	(2,669)

		Current quarter \$A'000	Year to date (9 months) \$A'ooo
1.8	Net operating cash flows (carried forward)	(1,264)	(2,669)
1.9	Cash flows related to investing activities		
	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	(200)	(400)
	(c) intellectual property	(19)	(54)
	(d) physical non-current assets	-	(17)
	(e) other non-current assets	-	-
1.10	Proceeds from disposal of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	-
1.11	Loans to other entities	-	-
1.12	Loans repaid by other entities	-	-
1.13	Other (provide details if material)	-	-
	Net investing cash flows	(219)	(471)
1.14	Total operating and investing cash flows	(1,483)	(3,140)
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	2,815	4,396
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	-	-
1.18	Repayment of borrowings	-	-
1.19	Dividends paid	-	-
1.20	Other / Transactions with Non-controlling interests	452	452
	Net financing cash flows	3,267	4,848
	Net increase (decrease) in cash held	1,784	1,708
1.21	Cash at beginning of quarter/year to date	1,988	2,064
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	Cash at end of quarter	3,772	3,772

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	75
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Consultancy services \$66k
Directors fees \$9k

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

The Company holds an overdraft facility of \$500,000 which is completely unused at the end of the current quarter. .

Reconciliation of cash

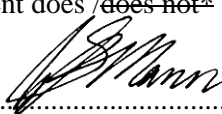
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	3,772	1,988
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)		3,772	1,988

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	
5.2	Place of incorporation or registration	
5.3	Consideration for acquisition or disposal	
5.4	Total net assets	
5.5	Nature of business	

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does ~~/does not*~~ (delete one) give a true and fair view of the matters disclosed.

Sign here:  Date: 29 April 2013
(Company Secretary)

Print name: Stephen Mann

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.