

**ASX ANNOUNCEMENT****ADMEDUS ACQUIRES MANUFACTURING FACILITY**

- Provides infrastructure for CardioCel® production
- Provides an instant, highly skilled and experienced production team
- Accelerates scale up manufacturing of CardioCel® for global markets

**Brisbane, Australia, 12th December 2013**

Admedus, formerly Allied Healthcare Group (ASX: AHZ) today announced that it has signed a share purchase agreement to acquire an established manufacturing site from Genzyme Australasia, a Sanofi Company, to facilitate scaled-up production of its lead regenerative tissue product CardioCel® and to meet future growth in demand for this breakthrough new treatment for the repair and reconstruction of congenital heart defects. The transaction is expected to be completed as of the 31<sup>st</sup> of December, 2013.

The site in Malaga Western Australia, built in 2009, will provide fully operational infrastructure that will enable the company to service the expected global market for CardioCel®. It will also provide additional facilities to support the development and commercial manufacture of additional regenerative tissue products currently in the Admedus pipeline that utilise its platform ADAPT® tissue engineering process.

"This established site is an important acquisition for us as it allows Admedus to accelerate its manufacturing capabilities in anticipation of growing CardioCel® sales over the next 12 months and beyond," said Admedus CEO Mr Lee Rodne.

As part of the acquisition Admedus will retain the necessary staff to run the recently completed multi-million dollar state of the art facility. The leased site is fully fitted with the required clean room facilities and supporting infrastructure for Admedus to manufacture CardioCel®. The purchase price of the manufacturing facility company is nominal and includes all existing equipment at the site.

The acquisition will also provide access to highly skilled staff to support both manufacturing requirements and new product development. The staff retained are trained in operating clean room facilities as well as experienced in producing medical products for human treatments.

"This acquisition represents an important step forward for Admedus as it gives us immediate access to a fully functional facility, the necessary equipment and trained, experienced staff. As a result this will accelerate our ability to increase the manufacturing of CardioCel® as market demand grows" said Mr Rodne.

Admedus received CE mark for CardioCel® in August 2013 and anticipates approval of CardioCel® in the US in 2014.

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**About Admedus Limited**

Admedus (ASX: AHZ) is a diversified healthcare company focused on investing in and developing next generation technologies with world class partners, acquiring strategic assets to grow its product and service offerings and expanding revenues from its existing profitable medical sales and distribution business. The Company has assets from research & development through clinical development as well as sales, marketing and distribution.

Admedus is in the process of commercialising its innovative tissue engineering technology for regenerative medicine. Allied also has a major interest in developing the next generation of vaccines with a Brisbane-based research group led by Professor Ian Frazer. The vaccine programs target disease with significant global potential such as Herpes and Human Papillomavirus.

Further information on the Company can be found on [www.admedus.com](http://www.admedus.com)

**Admedus Regen**

Admedus Regen started as a research program in 2001 focusing on tissue engineering and regenerative medicine based around the proprietary ADAPT® Tissue Engineering Process. The lead program, CardioCel® is approved in Europe and is being used in Australia under the Authorised Prescriber Scheme. CardioCel® is a cardiovascular scaffold used to repair paediatric and adult heart deformities. These deformities range from routine "hole in the heart" operations to major vessel outflow tract repairs. The CardioCel® scaffold may also be used to repair leaking heart valves in paediatric and adult patients. CardioCel® has been shown to allow tissue regeneration once implanted. Some researchers postulate that stem cells play an active role in tissue regeneration\*, suggesting that CardioCel® facilitates endogenous stem cells and other cells to regenerate and repair damaged tissue.

The division is based on the patented ADAPT® Tissue Engineering Process as a platform technology to produce implantable tissue scaffolds for use in various soft tissue repair applications and for the production of replacement tissue heart valves. The ADAPT® technology is used to process xenograft tissues to produce unique implantable tissue scaffolds that are compatible with the human body. The technology has a number of advantages over current tissue treatment processes on the market, most notably the reduction of calcification post implantation and has the potential to replace many of the products that surgeons currently use for soft tissue repair.

\* Körbling&Estrov, 2003. Adult Stem Cells for Tissue Repair — A New Therapeutic Concept? NEJM Volume 349:570-582, August 7, 2003, Number 6