

ASX ANNOUNCEMENT

ADMEDUS ANNOUNCES PLACEMENT AND RIGHTS ISSUE

- Completes heavily oversubscribed placement for \$12 million
- 1 for 7 Rights Issue to existing shareholders at \$0.07
- Places Company in a strong financial position

Brisbane, Australia, 18th March 2015

Admedus Limited (ASX: AHZ) is pleased to announce that it has completed a heavily oversubscribed placement to institutional and sophisticated investors to raise \$12 million through the private placement of ordinary shares at an issue price of \$0.07.

The Company will also undertake a 1 for 7 non-renounceable pro-rata offer of shares at an issue price of \$0.07 to eligible shareholders (**Rights Issue**). The Rights Issue will raise approximately \$16 million (before costs) if fully subscribed and will not be underwritten. Any shortfall under the Rights Issue will be placed by the directors at their sole discretion.

More information regarding the Rights Issue will be set out in the Offer Document, to be mailed to eligible shareholders in accordance with the timetable below.

“This capital raising places the Company in a strong financial position, and allows us to continue to build our sales teams and ongoing sales activities across the group as well as make significant progress in our regenerative tissue product development and immunotherapy programs” said Admedus CEO, Mr. Lee Rodne.

Funds raised from the placement and rights issue will be used to support ongoing programmes within the Company; specifically:

- Expanding the sales teams in Europe and North America to build the foundation that has been established over the past 12 months with CardioCel[®] being used in 60 centres globally;
- Post-market studies and further product development to expand the use of CardioCel[®] in cardiovascular surgical applications, such as heart valve repairs;
- Expansion of the ADAPT[®] regenerative tissue product portfolio; and
- Fund the Human papillomavirus (HPV) therapeutic vaccine Phase Ib study and supporting research activities for the Admedus Vaccine programs.

Shareholders on the register as of 7pm (AWST) on 26 March 2015 will be entitled to participate in the Rights Issue.

Admedus is a growing healthcare company with an established revenue stream, its first regenerative tissue product available in the major markets and an exciting therapeutic vaccine programme.

The anticipated major drivers for Admedus over the next 12 months and beyond are:

- Continued sales growth for CardioCel® in Europe, North America and Asia
- Building on the success of CardioCel® to expanded use of the product in cardiovascular applications
- Expanding the regenerative tissue portfolio for surgical applications beyond its use in the repair of cardiovascular defects
- Continuing the work with Professor Ian Frazer, to develop exciting immunotherapy programmes based on his novel platform technology, including important Phase II interim study data due in the second half of 2015.

“The next 12 to 36 months will be important for Admedus as we grow revenue across the Company as well as expand our product development and R&D effort with a goal of continued revenue growth across a number of products” said Mr. Rodne”

The key milestones for the Company in the coming 12 months include:

Regenerative tissue portfolio and CardioCel®

- Increase number of centres using CardioCel® globally
- Growing sales in the US, Asia & Europe
- Additional market approvals for CardioCel® in Asian markets
- Initiation of CardioCel® market expansion studies such as a Tri-leaflet Aortic Heart Valve Repair Study
- Expanded regenerative tissue portfolio

Immunotherapies

- HSV-2 Phase II interim data H2 2015
- Complete and analyse preclinical HPV studies
- Initiation of HPV Phase I

“Admedus continues to grow as a specialist healthcare company, with the increase in sales of CardioCel® across Europe, Asia and North America, the Herpes vaccine in a Phase II clinical study with interim data due towards the end of this year and the HPV therapeutic vaccine also heading into clinical trials” said Mr. Rodne.

Morgans is Lead Manager to the placement and the Rights Issue, supported by WG Partners.

The key dates for the Rights Issue are:

Event	Date
Ex Date	24 March, 2015
Record Date	26 March, 2015
Dispatch of Offer Document	30 March, 2015
Closing Date	14 April, 2015
Issue of Shares under the Rights Issue	20 April, 2015

These dates are indicative only and the Company retains the right to vary any of the dates without advance notification to shareholders. However, any alteration to the dates will be notified to the ASX.

Optionholders should note that in order to be able to participate in the Rights Issue they will need to exercise their options and further details will be provided to them shortly.

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About Admedus Limited

Admedus (ASX: AHZ) is a diversified, global healthcare company. Our focus is on investing in and developing next generation technologies with world class partners, acquiring strategic assets to grow product and service offerings and expanding revenues from our 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. We also have a major interest in developing the next generation of vaccines with a Brisbane-based research group, led by Professor Ian Frazer. The vaccine programmes target disease with significant global potential, such as Herpes and Human Papillomavirus.

Further information on the company can be found on www.admedus.com

About Admedus Vaccines

Admedus Vaccines was founded in 2000 by founder-inventor Professor Ian Frazer as a private, unlisted company to develop and commercialise patented technology for improving immune responses to DNA vaccines, licensed by UniQuest Pty Ltd and developed at the University of Queensland. The company has laboratories within the Translational Research Institute at the Princess Alexandra Hospital in Brisbane. The company's overall objective is to utilise its unique optimisation technology to produce prophylactic and/or therapeutic DNA vaccines for a range of infectious diseases and cancers in humans.

About Admedus Regen

Admedus Regen started as a research programme in 2001, focusing on tissue engineering and regenerative medicine based around the proprietary ADAPT® Tissue Engineering Process. The lead programme, CardioCel®, is approved in Europe, Asia, the US and Canada and is being used in Australia under the Authorised Prescriber Scheme.

Admedus Regen 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.

About CardioCel®

CardioCel® is a type of cardiovascular scaffold that can be used to repair congenital heart deformities and more complex heart defects.

It is 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 heart valves. 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 the product facilitates endogenous stem cells and other cells to regenerate and repair damaged tissue.

CardioCel® is the Admedus Group's lead regenerative tissue bio-implant used in repairing heart defects, including the repair of heart valves. It is engineered via the Admedus Group's proprietary ADAPT® tissue engineering process to produce a durable, collagen scaffold with handling properties preferred by surgeons that avoids calcification, while supporting native cell infiltration, growth and differentiation.