

March 27, 2015

Invitation to invest in the future of Admedus

Dear Shareholder,

As an eligible shareholder, you are entitled to participate in the Rights Issue that was announced on Wednesday, March 18, 2015.

The funds raised in this Rights Issue will be used to further develop the Company by progressing our development programmes towards targeted milestones, growing revenue for CardioCel® and our infusion products, and progressing our interests in Ian Frazer's next range of immunotherapies - targeting treatments against infectious diseases and cancers.

Over the past two years, Admedus has made significant progress into international markets, in particular with the launch of our lead regenerative tissue product, CardioCel®, and progressing the HSV-2 vaccine into a Phase II clinical study.

The expansion of our footprint across the US, Europe and into Asia, as well as our ability to guarantee our supply chain by producing CardioCel® at Admedus' bio-manufacturing facility, provides the Company with a solid base for future growth.

Admedus' research and development team has continued to develop products based on our proprietary regenerative tissue engineering technology, which have potential to add significant new revenue streams to our product portfolio in the future.

Funds from the capital raising will be invested to expand the range of products within the ADAPT® Tissue Engineering pipeline and to provide further clinical evidence to support the benefits of CardioCel®. We also plan to expand the use of CardioCel® beyond the initial target market for the repair of congenital heart defects into heart valve repairs and reconstructions, and vascular repairs.

Admedus continues to invest in immunotherapy research, supporting the work of renowned academic Professor Ian Frazer and progressing the immunotherapy programmes into value-creating clinical studies. This core technology has broad potential as a platform for a range of immunotherapies targeting significant diseases, including viral and bacterial diseases and cancers.

In 2014, Admedus successfully completed the HSV-2 vaccine Phase I study and is currently recruiting patients for the HSV-2 vaccine Phase II study, with interim results anticipated towards the end of 2015. These results will be an important inflection point for the programme.



ADMEDUS

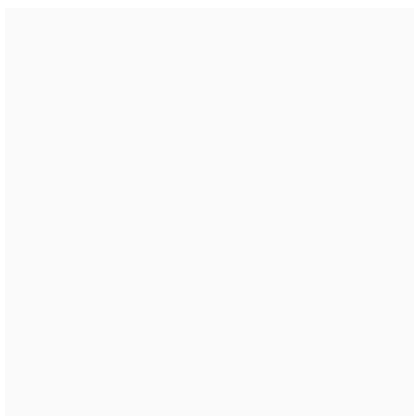
Accompanying this letter, you will find an Offer Document and acceptance form which details how you can participate in the offering. You will also find a summary of how the funds raised will be used in the Offer Document. Eligible shareholders will also be able to apply for additional shares if there is a shortfall from the Rights Issue. Ineligible shareholders are invited to contact the Company.

Morgans stockbrokers is supporting Admedus with respect to this Rights Issue and can be contacted on 1800 777 946.

On behalf of the Board of Directors at Admedus, I would like to thank you for considering this Rights Issue. We have a clear vision for growing revenues, continued product development and working in important research areas to build a global healthcare company for shareholders. We greatly appreciate your continued support.

Yours sincerely,

Mr Chris Catlow
Chairman



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