

ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE

30th January 2015

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 31st December 2014 for the Group.

- *Revenue for the group continues to grow to \$4.8M for the half year*
- *Significant progress with the immunotherapy programmes*
- *CardioCel[®] being used in Europe, Asia, North America and Australia*

During the past quarter, the group had total sales of \$2.5M, up 23% from the corresponding previous period and up 10% from the previous quarter this financial year. The company has \$9.6 million in cash. CardioCel[®] sales for the first half of the year were around \$1M. Admedus is also expecting to receive R&D tax rebates this financial year.

The number of centres using CardioCel[®] in both Europe and the US continues to rise. Currently, CardioCel[®] is used in 26 centres in Europe and 23 centres in the US and the Group has continued to expand the market for CardioCel[®] in the second quarter with Health Canada granting a marketing licence and the Company achieving Special Access approval for its use in Singapore.

Admedus will continue to seek additional approvals in other jurisdictions as part of the global launch of CardioCel[®].

In collaboration with Professor Ian Frazer and his team, the Company also made significant progress with the immunotherapy vaccine programmes. During this period, the Company announced ethics approval for the HSV-2 Phase II clinical study, which is being initiated, with interim results anticipated towards the end of 2015.

In addition, the Company also announced the latest HPV pre-clinical data which showed compelling results for the HPV therapeutic vaccine. The results showed in the TC-1 model 100% survival and over 87% tumour clearance. Having now successfully completed a number of pre-clinical studies with extremely positive results, the team is working to progress the HPV programme into clinical studies.

The Company has also been well-represented at a number of conferences, with presentations at the Biotech showcase in San Francisco and several presentations and events featuring CardioCel® at The Society of Thoracic Surgeons (STS) meeting in San Diego earlier this week. The STS meeting is an opportunity for the sales and medical teams to continue interactions with thought leaders and the surgeons working in the cardiothoracic area.

Admedus is scheduled to present at the BIO CEO and investor Forum in New York on Monday morning the 9th of February and at the ASX Spotlight conference on the 5th of March, also in New York.

Admedus anticipates 2015 to be another strong year for the Company as revenues continue to grow and the global uptake of CardioCel® continues. The Company is also making significant clinical progress with the immunotherapy programmes.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S. Mann', written in a cursive style.

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

Admedus Limited

ABN

35 088 221 078

Quarter ended ("current quarter")

31 December 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from customers	2,316	4,593
1.2 Payments for		
(a) staff costs	(3,129)	(6,038)
(b) advertising and marketing	(116)	(253)
(c) research and development	(852)	(1,110)
(d) leased assets	-	-
(e) other working capital	(2,850)	(6,792)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	17	58
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes refunded	(2)	(19)
1.7 Other – Commercialisation Australia Grant	-	-
1.8 Other – WA Innovation Voucher Program Grant	-	-
Net operating cash flows	(4,616)	(9,561)

	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	(4,616)	(9,561)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	(3)	(43)
(d) physical non-current assets	(217)	(298)
(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	-	(165)
Net investing cash flows	(220)	(506)
1.14 Total operating and investing cash flows	(4,836)	(10,067)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	18	86
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		
Net financing cash flows	18	86
Net increase (decrease) in cash held	(4,818)	(9,981)
1.21 Cash at beginning of quarter/year to date	14,420	19,583
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	9,602	9,602

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	171
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 \$105k

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 Group 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	9,602	14,420
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	9,602	14,420

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: 30 January 2014
(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.