

ASX ANNOUNCEMENT

Allied closes SPP, bringing total capital raised to \$4.6M

Brisbane, Australia, 23 January 2012

Allied Healthcare Group (ASX: AHZ) today announced it has closed its Share Purchase Plan (SPP), raising \$2.9M. Together with the \$1.7M placement completed in December 2012, Allied has raised a total of over \$4.6M, placing the company in a strong position for 2013.

"We welcome the new shareholders participating in the placement and appreciate the ongoing support of our existing shareholders and their support of the SPP," said Chairman Chris Catlow.

"We are looking forward to an exciting year ahead and these additional funds will support our marketing and clinical development activities".

The majority of funds will be allocated to the preparation and market launch of CardioCel® and further building the Company's regenerative tissue franchise. This business is expected to start generating revenue this year.

Funds will also be used to invest further into the Allied's DNA vaccine programs. The lead program, targeting herpes virus infections, is scheduled to enter into Phase I studies this year with some initial results scheduled for release before the end of the year.

"This capital raising places Allied in a strong financial position and comes at a key point in the Company's development. It will enable us to focus on getting our first regenerative product approved and launched, as well as giving us additional resources to progress our earlier stage vaccine programs," said Managing Director Lee Rodne.

"We are expecting 2013 to be an exciting year for Allied as we approach some major value creating milestones." The major anticipated milestones for the Company this financial year include:

- European approval for CardioCel®
- 510 K submission to the FDA for CardioCel®
- Initiation of the Phase I HSV clinical study
- Stronger revenue from the sales and marketing division

The Lead Manager for the placement and SPP was RBS Morgans.

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About Allied Healthcare Group Limited

Allied Healthcare Group Limited (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.

Allied Healthcare Group is in the process of commercializing its innovative tissue engineering technology for regenerative medicine. Allied also has 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 like herpes and Human Papillomavirus.

Further information on the Company can be found on www.alliedhealthcaregroup.com.au.



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