

ASX ANNOUNCEMENT

8 SURGEONS GET APPROVAL TO USE CARDIOCEL® IN ADULT PATIENTS

- **Approved under Authorised Prescriber Scheme (APS)**
- **CardioCel® continues to gain support from key Cardiothoracic surgeons**
- **CardioCel® to be used in adult heart patients**

Brisbane, Australia, 8th October, 2013

Allied Healthcare Group (ASX: AHZ) today announced that an additional eight surgeons at The Prince Charles Hospital in Brisbane have been approved to use CardioCel® to repair and treat heart defects in adult patients under the Authorised Prescriber Scheme (APS).

"This is an important approval for Allied as it represents the first department wide team of cardiac heart surgeons to gain early access to use CardioCel® for treating and repairing heart defects in adult patients. The adult market has the potential to significantly expand the market and revenue for the Company considerably" stated Allied Healthcare Group CEO Mr Lee Rodne.

CardioCel® recently received its CE mark in Europe for use in both children and adults.

There are now 14 surgeons in Australia that are authorized to use CardioCel® for the repair of heart defects with over 60 patients having successfully received the tissue implant since the initial procedure was performed.

"We are extremely encouraged by the growing support for CardioCel® from Australian and International surgeons and these early access approvals further validates the importance of CardioCel® in the future treatment of heart defects" said Allied Healthcare Group CEO Mr Lee Rodne.

CardioCel® is a cardiovascular tissue patch used to repair heart deformities including repairing and reconstructing heart valves. CardioCel® has unique properties making it suited for use by surgeons as a regenerative cardiac repair tissue, as well as delivering key benefits to patients compared to existing surgical approaches.

The adult market is significant and in the UK alone there are over 30,000 cardiac surgery procedures per annum.

Allied Healthcare Group has filed for marketing approval for CardioCel® in the US FDA.

Videos on CardioCel® can be viewed at:

<http://www.alliedhealthcaregroup.com.au/video>



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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 commercialising 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 programmes target disease with significant global potential like Herpes and Human Papilloma virus.

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

Allied's Regenerative Medicine Division

Allied's regenerative tissue engineering technology started as a research program in in 2001 focusing on tissue engineering and regenerative medicine based around the proprietary ADAPT[®] Tissue Engineering Process. The lead programme CardioCel[®] has successfully completed a number of animal studies and a Phase II human clinical trial. CardioCel[®] is a cardiovascular patch used to repair paediatric heart deformities. These deformities range from routine "Hole in the Heart" operations to major vessel outflow tract repairs. The CardioCel[®] patch may also be used to repair leaking heart valves in paediatric 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 patches for use in various soft tissue repair applications and for the production of replacement tissue heart valves. The ADAPT[®] technology is used to process animal derived tissues to produce unique implantable tissue patches 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. This technology has the potential for medical professionals to use regenerative products instead of synthetic products currently used in 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



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