

COMPANY ANNOUNCEMENT

ADMEDUS FINISHES YEAR WITH GROWING REVENUE AFTER COMPLETING CODE RED REVIEW

- Code Red review complete and Company growing with an exciting 2017 ahead
- Sales strong in first half compared to previous year
- TAVR prototype development underway
- VascuCel® introduced in the US
- Positive interim Ph II HSV-2 results
- Immunotherapies to initiate HPV related Head and Neck cancer study in 2017

Brisbane, Australia 23 December, 2016

Admedus Limited (ASX: AHZ) today announced continuing progress on the back of the restructure resulting from the 'Code Red' review and is now positioned for strong growth, global expansion and continued portfolio expansion.

"The Code Red review was essential for Admedus and has transitioned Admedus into a high potential global healthcare business" stated Chair and Interim CEO, Mr. Wayne Paterson.

Admedus anticipates finishing the year with sales considerably stronger than the previous year and on track to achieve the forecast \$21M in annual revenue across the Company as announced in July 2016. The Company will provide additional details on its financials in its half year report to be released in February 2017.

ADAPT™ Portfolio

The Company continues to progress it's ADAPT™ portfolio. Now with three products on the market, CardioCel®, VascuCel® and CardioCel® Neo, the Admedus development team are focused on expanding the Company's product portfolio.

At the 2016 AGM, Mr. Paterson announced that Admedus would begin development of a new product for the +US\$5bn transcatheter aortic valve replacement (TAVR) market utilising its ADAPT™ technology. Admedus is currently working with engineers to develop the best TAVR valve for patients, with the first prototype due early in 2017. The Company will have the advantage in this market as it will be able to incorporate ADAPT™ tissue which has shown to have better outcomes for cardiovascular patients, not calcify and has the

strength and durability for better post-operative performance in the valve position.

In 2017 Admedus anticipates bringing to market a curved patch, an important complimentary product for surgeons that currently have no alternative product to use in some complex vessel reconstructions. The product has been developed and is now in formal testing ahead of seeking regulatory approval.

Immunotherapies

In 2016 Admedus reported initial encouraging data from the HSV-2 study and in 2017 anticipates to get the full data from the study.

The immunotherapies team is also making progress on the HPV program, with a planned HPV related Head and Neck clinical study anticipated to be initiated in 2017. This will be an important clinical milestone for the Company, particularly given the strength of the team, and in particular Professor Frazer, in the HPV area.

As highlighted at the 2016 AGM, the immunotherapies team have an active RNA therapeutic vaccine underway, also targeting HPV, and will look forward to an exciting 2017 ahead.

2016 has been a transitional year for Admedus and over the last 7 months the Company has placed itself in a position for an exciting future. The Board of Directors would like to thank all Shareholders for their support during 2016 and wish everyone the best for the holiday season and New Year.

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About Admedus Limited

Admedus (ASX: AHZ) is a specialist 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 has commercialised its innovative tissue engineering technology for regenerative medicine in four continents. 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 CardioCel®

CardioCel® is a single-ply bio scaffold that remains functional, durable and free from calcification. Engineered with Admedus' proprietary ADAPT™ technology, CardioCel® provides superior restorative structural heart repair and reconstruction. Long-term clinical studies using CardioCel® have shown no calcification eight years' post-implantation. CardioCel® is used in leading heart centres around the world.

CardioCel® benefits include:

Optimised Clinical Performance, CardioCel® is indicated for use in pericardial closure and the repair of cardiac and vascular defects including intracardiac defects; septal defects; valve and annulus repair; great vessel reconstruction, peripheral vascular reconstruction and suture line buttressing.

- Strong, durable aldehyde-free repair
- Time-dependent controlled restoration, free from calcification and graft failure
- Terminally sterilized for reduced risk of infection

Enhanced Procedural Efficiency

- Ready to use off the shelf
- Excellent haemostasis—resists suture line bleeding
- Broadest indication for all cardiovascular needs

Improved Handling Characteristics

- Elasticity and strength facilitates dynamic and static cardiovascular repair
- Pliability that provides you with optimal tactile experience
- Responsive to varying placement controls