

ASX ANNOUNCEMENT

Allied Healthcare announces Coridon license to vector technology

- **Coridon progressing towards Phase I study**
- **Coridon licenses vector technology to support DNA vaccine program**
- **Coridon contracts US facility to manufacture the Phase I vaccine**

Brisbane, Australia, 17th April, 2012

Allied Healthcare Group (ASX: AHZ) announced today an update on the progress of Coridon, its investment company founded by Professor Ian Frazer and working on developing the next generation of vaccines. Included in these activities, Coridon has entered into a license agreement with Nature Technology Corporation (NTC) and has contracted VGXI Inc in the US for production of clinical material for the Phase I study scheduled to begin later this year.

NTC has specifically designed safe, minimalised and antibiotic-free selection vectors, which offer superior expression of recombinant proteins in mammalian cells. These vectors have been designed to comply with US Food and Drug Administration (FDA) and European Medicines Agency (EMA) regulatory guidance. The use of this vector improves the overall benefit of the vaccine by driving the in vivo transcription and translation of the genetic material.

"Access to this technology will allow the Coridon vaccine to fully maximise its gene expression and therefore improve the performance of the vaccine" stated Allied Healthcare CEO Mr Lee Rodne "these are important steps forward to the initial Phase I study for Coridon which will provide validation of the Coridon technology".

Coridon's Herpes vaccine, which was recently announced to be 100% effective in protecting animals against Herpes Simplex Virus 2 infection, incorporates the NTC8485 antibiotic-free expression vector. The guidance from US and European regulatory bodies seeks to eliminate non-essential sequences and to avoid use of antibiotic resistance genes where feasible.

In addition to the vector technology, Coridon also receives access to use NTC's HyperGRO fermentation technology, which provides for high yield and cost effective DNA production. The manufacturing of the Herpes vaccine utilising the HyperGRO technology has now commenced with VXGI Inc.

The Phase I study for Coridon's herpes vaccine is scheduled to begin later this year.

Neil Finlayson, Coridon CEO said: "This is an important agreement for the company to be able to access this leading technology and cements the relationship we have built up with NTC dating back to late 2009."



Coridon is developing the next generation of vaccines for the prevention and treatment for a range of infectious diseases and cancers in humans. Coridon's DNA vaccine technologies differ from conventional vaccines in that they offer both preventative and therapeutic value.

VGXI is a contract manufacturing organization that specializes in the production of DNA plasmids under cGMP for human clinical trials. With over 12 year's experience, VGXI has manufactured products for numerous DNA vaccine and gene therapy trials in the USA, Europe and Asia. The company manufactures an approved veterinary product in Australia called LifeTide® SW5.

For more information, please contact:

Dr Julian Chick, Chief Operating Officer Allied Healthcare Group Tel: +61 03 9620 5454

Media:

Paul Dekkers

Buchan Consulting

+61 2 9237 2800

pdekkers@buchanwe.com.au

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 and is a major investor in Brisbane based Coridon Pty Ltd, led by Professor Ian Frazer developing next generation vaccines for global markets.

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

About Coridon

Coridon was founded in 2000 by the founder inventor Prof Ian Frazer as a private unlisted company, to develop and commercialise patented technology for improving immune responses to DNA vaccines licensed by UniQuest Pty Ltd and developed at the University of Queensland. The company has laboratories within the research facility at the Princess Alexandra Hospital in Brisbane, working in collaboration with the University of Queensland's Diamantina Institute. The company's overall objective is to utilise its unique optimisation technology to produce prophylactic and/or therapeutic DNA vaccines for a range of infectious diseases and cancers in humans. Product development is currently focused on herpesvirus vaccines.

About Coridon's optimised technology

Coridon has 6 granted US patents protecting its codon optimisation DNA technology, which enhances protein expression in the cell or tissue targeted and results in an improved humoral response. The second component of the technology, also patent protected, is to use a mixture of DNAs encoding ubiquitinated and non ubiquitinated proteins. This strategy enhances the degradation of the protein and optimises T cell responses, while preserving structural epitopes necessary for B cells responses, resulting in vaccines with prophylactic and therapeutic potential.



ABN 35 088 221 078

Level 1, 197 Adelaide Terrace
Perth Western Australia 6000

PO Box 6879 East Perth
Western Australia 6892

T +61 (0)8 9266 0100

F +61 (0)8 9266 0199

E info@alliedhealthcaregroup.com.au

www.alliedhealthcaregroup.com.au

About Nature Technology Corporation

Nature Technology Corporation is a biotechnology company that provides industry partners with world class technology platforms, including safe and efficacious non-viral vectors (plasmids) and processes for gene therapy and DNA vaccination vector production. NTC also provides cost effective outsourcing of product development services including synthetic gene design, vector construction, plasmid DNA manufacturing and recombinant proteins. For information, visit www.natx.com.

About VGXI

VGXI is a leading provider of DNA plasmid manufacturing and development services for DNA vaccine and gene therapy research. The Company has an outstanding track record of success in manufacturing plasmid products under cGMP conditions for client companies' clinical studies in the US and Europe, and its cGMP and non-cGMP products have passed rigorous reviews by several international regulatory agencies. VGXI's ability to work with unique requirements and create custom manufacturing solutions is based on its patented manufacturing process, flexible cGMP production facility, and experienced development team. The recently announced research and pre-clinical production services extend the range of high-quality, research grade materials utilizing the same efficient service. This rapid turnaround program provides consistent materials to build a reliable pre-clinical dataset. For information, visit www.vqxii.com.



ABN 35 088 221 078

Level 1, 197 Adelaide Terrace
Perth Western Australia 6000

PO Box 6879 East Perth
Western Australia 6892

T +61 (0)8 9266 0100

F +61 (0)8 9266 0199

E info@alliedhealthcaregroup.com.au

www.alliedhealthcaregroup.com.au