

ASX ANNOUNCEMENT

Allied Healthcare Increases Stake in Coridon to over 44%

Brisbane, Australia, 27th April, 2012

Allied Healthcare Group (ASX: AHZ) announced today that post the recent capital raising it has invested a further \$1 million into Coridon, increasing its holding in the company to 44.4%. Allied has increased its investment in Coridon as the Company progresses towards its Phase I study for a herpes vaccine and makes further progress on its HPV therapeutic vaccine program.

"Increasing our holding in Coridon is part of our strategy of focusing on unique drug programs with global implications. Our investment is timed as Coridon progresses its development programs," said Allied Healthcare Group Managing Director Mr Lee Rodne.

"We will continue to increase this holding as Coridon pushes towards its Phase I trial and beyond - as outlined during the recent capital raising."

Coridon was founded in 2000 by Professor 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.

Prof Frazer's prior work resulted in the development of the successful cervical cancer vaccines - Gardasil®, marketed by Merck, and Cervarix, marketed by GlaxoSmithKline. Part of Coridon's current program is targeting the development of a follow-up vaccine to this, offering therapeutic as well as preventative qualities.

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 herpes virus vaccines.

Coridon's herpes vaccine program has shown very positive animal data in clearing the virus, with longer term follow up data showing continued persistence of the immune response. Coridon is expecting to present additional data on this program at the upcoming 4th Annual Australian Vaccines and Immunotherapeutics Development Meeting in Brisbane 2-4 May 2012.

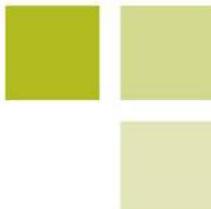
Allied Healthcare Group retains the ability to invest further in Coridon on the same terms established with the initial investment by Allied into Coridon in 2009.

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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 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

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.

