

ASX ANNOUNCEMENT

CELLMID UPDATES ON CXBLADDER LICENSE

SYDNEY, Monday, 12 December 2016: Cellmid Limited (ASX: CDY) provides this update to shareholders on recent developments regarding its midkine diagnostic license to Pacific Edge Biotechnology Limited (Pacific Edge).

Pacific Edge, a listed diagnostic company based in New Zealand, licensed midkine (MK) in 2010 for the use in its tests for the diagnosis, prognosis and disease management of bladder cancer. Cellmid has derived a total revenue of \$1,221,048 to date from the Pacific Edge license, including the \$92K royalty due to be received by Cellmid for the six months ending 30 September 2016.

Pacific Edge announced the achievement of a number of material milestones in recent months, which are expected to positively influence future royalty payments. Some of the key milestones are listed below with commentary.

Broadening reimbursement

- Signed a US Federal Supply Schedule in February 2016 providing access to the CxBladder test for 10.2 million veterans enrolled in the Veteran's Administration as well as for military personnel at 150 US Department of Defence facilities.
- In October 2016 it became Approved Provider to Tricare Health Plan Networks in the US, which provides health care to 9.4 million beneficiaries of the US Military Health system.

Expanding the utility and use of CxBladder

- In October 2016 CxBladder Monitor was adopted as a replacement for cystoscopy for low risk patients monitored for recurrence of bladder cancer by the Waitemata District Health Board.
- In December 2016 clinical study results of the same test, CxBladder Monitor, were accepted for publication in the American Journal of Urology. The study confirmed strong performance (93% sensitivity and 97% negative predictive value) of the test and the potential of it to replace cystoscopy in low risk patients.

Monitoring patients with bladder cancer is one of the most significant market opportunities for Pacific Edge as its non-invasive CxBladder represents a clear improvement in patient care. Many patients have up to 24 visits to their urologist over a 5 year period, and may also have lifelong monitoring for recurrence. Adoption by urologists will continue to depend on delivery of high quality performance data, such as the results to be published.

Increased sales

In November Pacific Edge announced interim results for the six months ending 30 September 2016 including a 67% increase in operating revenue compared with the same period in 2015.

"We congratulate Pacific Edge on these achievements" said Cellmid CEO, Maria Halasz. "As more data is expected to emerge from clinical collaborations on performance, we expect a broadening use of the CxBladder tests" she added.

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Cellmid Limited (ASX: CDY)

Cellmid is an Australian life sciences company with lead programs in multiple disease indications. The Company, through its wholly owned subsidiaries, Lynamid, Kinera and Advangen, develops and markets innovative novel therapies and diagnostic tests for fibrotic diseases, cancer, ischemic diseases of the heart and hair loss. Cellmid holds the largest and most comprehensive portfolio of intellectual property relating to the novel targets midkine (MK) and FGF5 globally. Intellectual property pertaining to midkine is being exploited through wholly owned subsidiaries Lynamid and Kinera. Advangen, Cellmid's consumer health business, sells its FGF5 inhibitor hair growth products in Australia and Japan, and currently expanding distribution in other territories. For further information, please see www.cellmid.com.au and www.evolisproducts.com.au.

Investment in life sciences companies

There are a number of inherent risks associated with the research, development and commercialisation of pharmaceutical products. Investment in companies specialising in these activities carry specific risks which are different to those associated with trading and manufacturing businesses. As such, these companies should be regarded as highly speculative. Cellmid recommends that investors seek professional advice before making an investment in its shares.