

ASX ANNOUNCEMENT

CELLMID PLACEMENT TO STRATEGIC INVESTOR

SYDNEY, Friday, 15 December 2017: Cellmid Limited (ASX: CDY) (the **Company**), is pleased to advise that it has received \$1 million in the form of a strategic investment into fully paid ordinary shares at 38 cents per share from USA based investor, Mr Dennis Eck. The Placement Shares will be issued at market, without a discount to the previous day's closing price (Thursday, 14 December 2017).

Mr Eck, now a professional investor, has 40 years' senior management experience in the retail sector including beauty. Mr Eck is a significant donor to charitable organisations in addition to his private investments.

Mr Eck will be advising the Board of Cellmid on US retail strategy in 2018 as part of the Company's ongoing campaign to access the premium retail market for its evolis® branded FGF5 inhibitor hair loss products.

In July 2016 Cellmid embarked on a US market strategy for its evolis® branded hair loss and anti-aging hair care products when it signed an agreement with hair product specialist, Colour Collective. Since then, the Company has developed the evolis® Professional branded anti-aging hair care products, successfully completed manufacture of the range and secured prestige retail distribution with Neiman Marcus and Soft Surroundings in the USA.

"It is very exciting to secure support from a strategic investor of Dennis Eck's industry experience and wisdom. We are looking forward benefiting from his insights into retail" said Maria Halasz, Chief Executive Officer of Cellmid.

Details of the Placement

Under the Placement Cellmid will issue 2,700,000 shares at 38 cents each to the investor representing \$1,026,000. The issue price for the Placement Shares is 38 cents, which is the closing price of the shares immediately before the date of the placement on Thursday, 14 December 2017. The Placement Shares are expected to be issued on Tuesday, 19 December 2017 and they will rank equally in all respects with existing ordinary shares from the issue date of allotment. The Placement Shares will be issued in accordance with LR7.1 and will not require shareholders' approval.

End

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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.

Advangen Limited and hair growth products

Advangen Limited is Cellmid's wholly owned subsidiary engaged in the development and sale of anti-aging hair care products. Advangen has a range of FGF5 inhibitor hair growth products which are sold in Australia and Japan with a USA launch currently ongoing. Advangen has a rich portfolio of hair growth and anti-aging hair care assets which include formulations of products on market, trademarks, patents and patent applications, proprietary assays and manufacturing processes.

Midkine (MK)

Midkine is a growth factor that is highly expressed during embryonic development. Midkine modulates many important biological interactions such as cell growth, cell migration and cellular adherence. These functions are relevant to cancer, inflammation, autoimmunity, ischemia, nerve growth/repair and wound healing. Midkine is barely detectable in healthy adults and only occurs as a consequence of the pathogenesis of a number of different disorders. Midkine expression is often evident very early in disease onset, even before any apparent physical symptoms. Accordingly, midkine is an important early marker for diagnosing cancers and autoimmune diseases. Finally, midkine is only evident in a disease context, and targeting midkine is not expected to harm normal healthy tissues.

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.