

14 October 2019

ASX ANNOUNCEMENT

ADMEDUS INKS \$A36.2M DEAL FOR CARDIOCEL® AND VASCUCEL® PATCH BUSINESS

Transaction Highlights:

- Admedus has sold the distribution rights to its CardioCel® and VascuCel® product range for \$A36.2 million (including all earnouts) to LeMaitre Vascular Inc.
- \$A22.8M upfront payment plus two instalments of \$A1m each after 12 months and 36 months
- Up to \$A11.4M on earn-out payments for a total \$A36.2M (at the current \$US0.67/\$A1 rate), subject to achievement of certain milestones
- Up to 3-year manufacturing contract with 20% margin above cost to AHZ
- Retain entire IP portfolio for ADAPT® enabling continuation of product development pipeline
- Transitions Admedus to focus on advancing its Transcatheter Aortic Valve Replacement (TAVR) programme and other potential products
- The transaction is non-dilutive, underpinned by manufacturing revenues and reduced operating expenses and headcount

Admedus Limited (AHZ or the Company) announces the sale of its CardioCel® and VascuCel® patch business to U.S based LeMaitre Vascular Inc. (NASDAQ: LMAT, 'LeMaitre'), for up to \$A36.2M (\$A22.8M upfront) in cash payments to Admedus. These products originated from the Company's proprietary, regenerative bio-scaffold platform technology, being used to address multiple cardiovascular procedures and repairs. LeMaitre is a global provider of implants and devices for the treatment of peripheral vascular diseases.

"This transaction is a transformational milestone for Admedus, realising the value from its CardioCel® and VascuCel® products. Importantly, the deal firmly positions the Company for its next growth phase anchored by its ground-breaking TAVR programme," Admedus Chief Executive Officer, Wayne Paterson, said.

"This is what management set-out to achieve for shareholders two years ago. The partnership strategy was possible only after we built a credible product profile over the past two years.

Admedus Limited

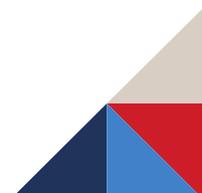
Registered Office:

Suite 302, Level 3, 9 Sherwood Rd, Toowong, Queensland 4066

Customer Service:

T: 1300 550 310 F: 1300 880 398 International: T: +61 (0)7 3152 3200 F: +61 (0)7 3152 3299

E: info@admedus.com W: admedus.com



“We are pleased to transition CardioCel[®] and VascuCel[®] to LeMaitre, a bonafide leader in the cardiovascular space. LeMaitre’s sales infrastructure and scale will propel the clinical credibility and brand profile Admedus has already established for CardioCel[®] and VascuCel[®]. We anticipate LeMaitre’s channel will successfully expand the adoption of these products.”

The CardioCel[®] product range is the only one to have achieved ten years without calcification or degradation in man – a significant benefit to patients otherwise forced to undergo recurrent operations. Surgeons use CardioCel[®] products to treat congenital heart defects, vessel and cardiovascular repairs, and peripheral vascular reconstruction. VascuCel[®] is used as a patch in great vessel repair, peripheral vascular reconstruction and suture line buttressing.

Under the agreement terms, Admedus receives \$A22.8M upfront followed by deferred payments of \$A1M each at 12 months and at 36 months. Additionally, the Company may receive up to \$A11.4M in earn-out payments as follows:

- \$A3.0M on obtaining certain regulatory approvals under European Medical Devices Directorate Regulation
- \$A0.7M on Admedus completing all testing and documentation to extend the shelf life of the CardioCel[®] and VascuCel[®] products from 36 months to at least 60 months in the United States
- Up to \$A3.73M if gross revenue from LeMaitre CardioCel[®] and VascuCel[®] product sales exceed \$A29.8M in the first 12 months or \$A1.8M if gross revenue from product sales exceed \$A22.4M in the first 12 months
- Up to \$A3.73M if gross revenue from LeMaitre CardioCel[®] and VascuCel[®] product sales exceed \$A44.7M in the second 12 months or \$A1.8M if gross revenue from product sales exceed \$A33.5M in the second 12 months
- \$A0.2m for completion of reporting procedures by 31 October 2019

(All amounts at the current \$US0.67/\$A1 rate.)

Admedus retains manufacturing rights for up to three years and will continue manufacturing CardioCel[®] and VascuCel[®] at its Malaga facility in Western Australia for LeMaitre. The manufacturing agreement ensures Admedus a 20% margin over cost.

Admedus retains sole-control on all intellectual property for the underlying ADAPT[®] technology platform/process, including its breakthrough TAVR device and single-piece 3D aortic valve.

“The transaction provides a significant injection of non-dilutive capital and streamlines operations with cost reductions from a reduced headcount and operating expenses.

“Admedus is now configured to focus on product innovation led by the TAVR programme and other large market opportunities based on its scientifically and commercially validated ADAPT[®] platform.

“Admedus plans its first-in-human studies for its single-piece 3D aortic valve in 2020. Based on Admedus’ current laboratory and animal study findings – combined with the highly differentiated anti-calcification properties of all products generated using the ADAPT[®] technology – there is potential for single-piece 3D aortic valve and TAVR devices to be breakthrough for patients,” Admedus Chief Executive Officer, Wayne Paterson, concluded.

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About LeMaitre Vascular Inc. (NASDAQ: LMAT)

LeMaitre Vascular Inc is a provider of devices, implants and services for the treatment of peripheral vascular disease, a condition affecting more than 200 million people worldwide. The Company develops, manufactures and markets disposable and implantable vascular devices to address the needs of its core customer, the vascular surgeon. The Company's diversified product portfolio consists of brand name devices used in arteries and veins outside of the heart. Additional information can be found at www.lemaitre.com.

About Admedus Limited (ASX: AHZ)

Admedus Ltd is a structural heart company delivering clinically superior solutions that help healthcare professionals create life-changing outcomes for patients. Its focus is on developing next generation technologies with world class partners.

For more information:

Admedus@we-buchan.com

www.admedus.com

Twitter: @Admedus

Facebook: www.facebook.com/pages/Admedus