ASX/MEDIA RELEASE

ASDM SIGNS LANDMARK PERIPHERAL ACCESS DEVICE (PAD) LICENSING DEAL

SYDNEY 6 July, 2010 - Leading Sydney medical device design, manufacturing and marketing company, Advanced Surgical Design and Manufacture Limited (ASDM) (ASX: AMT), today announced the signing of a Deed of Commercialisation with AllVascular and its principal, Professor Rodney Lane, to commercialise the device and treatment for saving limbs threatened with amputation due to gangrene.

In the Western world approximately 1,000 limbs are amputated each day due to smoking and diabetes related gangrene. These amputations only occur after all available treatments have been tried.

This landmark licensing of the Intellectual Property for the PAD and HELP treatment for threatened limbs allows ASDM direct access to an annual global market of in excess of $5.0B.

The PAD and HELP treatment has already proved successful in its pilot study. ASDM is the sponsor of a larger multicentre trial for the HELP treatment which is underway in Sydney, and interest has already been expressed in Germany to pioneer the treatment in Europe.

ASDM will now take control of all aspects of commercialisation of the PAD with a view to accelerating the speed to market of the treatment and the device. Dr Greg Roger, CEO and Managing Director of ASDM, commented “We now have the opportunity to bring focus and resources to bear on this great opportunity. ASDM’s diligent efforts in developing this device while maintaining a positive operating cashflow business give us the experience and means to make this a great success for ASDM and patients”.

Professor Rodney Lane said: “ASDM has been key in proving up this technology and is now the ideal partner to take the device and treatment to market”.

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ABOUT ADVANCED SURGICAL DESIGN AND MANUFACTURE

ASDM designs, manufactures and distributes medical devices. Its principal product is the Active Knee, a prosthetic implant of which more than 4,000 have been implanted. This product is supported by a range of Orthopaedic accessories and surgical tools and other Orthopaedic products.

ASDM provides a highly effective integrated service to surgeons building on its strengths in design and engineering. Core capabilities that underpin this service are integrated design and engineering, regulatory/compliance competency, manufacturing, distribution and customer service.

The company has built an extensive patent and product development portfolio through collaborative research relationships with universities, companies and surgeon inventors that extends beyond orthopaedics. These collaborations are yielding promising projects in several specialities with strong prospects for commercialisation over the next few years.

ABOUT PERIPHERAL ACCESS DEVICE

Peripheral Vascular Disease affects millions of people to varying degrees. For many patients, stents or bypass procedure effect a cure or at least an improvement in the condition. Usually this condition first shows up as pain after a period of walking, progressing until the pain is relentless, preventing sleep and there is ulceration of the lower leg and finally gangrene starting in the toes, moving up the leg and requiring amputation. It is a miserable condition causing great distress and a huge economic burden on the health system with the requirement for dressing of ulcers, loss of productivity and the inevitable surgical interventions. For the 3,000 plus Australians who undergo amputation each year, the disability and 40% mortality within the year following surgery make this a terribly serious condition.

Where there are isolated lesions causing the poor flow of blood to the foot a stent or bypass procedure may help the patient. However, when the disease becomes widespread there is no clear area to improve and the condition usually deteriorates. The HELP treatment (Hyperperfusion of the limb, pumping blood through the PAD at increased pressure and flow) reverses this process using the PAD to stimulate the patient's own blood vessels to enlarge and grow parallel arteries to restore normal blood supply to the lower limb.

For more information, please visit www.asdm.com.au