ASX ANNOUNCEMENT

ALLIED HERPES VACCINE PHASE I TRIAL UPDATE

- First 2 cohorts in herpes therapeutic vaccine trial successfully dosed
- No safety issues raised in first human trial of vaccine
- Herpes therapeutic vaccine has potential to meet major unmet medical need

Brisbane, Australia, 3 September 2013

Allied Healthcare Group (ASX: AHZ) today announced the first two of five cohorts in its ongoing Phase I herpes simplex virus 2 (HSV-2) DNA vaccine study have been successfully dosed, with no safety issues raised.

The therapeutic vaccine developed by Professor Ian Frazer and his science team targets herpes simplex virus 2 (HSV-2), the strain of the virus most commonly associated with genital herpes and is designed to both prevent transmission of herpes as well as treat those who have already been exposed.

"The study is progressing well, with the first participants being dosed and no safety issues reported. Currently there is no curative treatment for herpes and there is a major unmet medical need, meaning our herpes therapeutic vaccine has huge market potential," said Allied Healthcare Group CEO Mr Lee Rodne.

The trial is being run by Q-Pharm Pty Ltd at the Royal Brisbane and Women’s Hospital and is exploring 5 doses of the vaccine targeting herpes virus. A total of 20 healthy (HSV free) volunteers are needed for the trial, which is to run from August – September this year, with interim results anticipated towards the end of this year.

"It is quite exciting to initiate the study at Q-Pharm in Brisbane. This study will provide important information as to the effective dose and to demonstrate that our vaccine approach works," said Professor Ian Frazer.

The vaccine is administered intradermally. The outcomes of the Phase I trial will demonstrate the vaccine’s safety and how well tolerated it is, as well as showing whether the vaccine generates a robust immune response.

Currently, there is no cure for herpes and the infection is life-long. Current therapy for HSV-2 involves antiviral drugs which can reduce, but not eliminate, outbreaks and viral shedding and so they reduce but cannot prevent the spread of the virus.

In the US the Center for Disease Control estimates that 16% of all people between the ages of 15 and 49 are infected with HSV-2.

People interested in participating in this trial should contact Q-Pharm on 1300-QPHARM or 1300 774 276 or email volunteers@qpharm.com.au for full details or visit www.qpharm.com.au.
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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 commercialising its innovative tissue engineering technology for regenerative medicine. Allied also has major interest in developing the next generation of vaccines with a Brisbane-based research group led by Professor Ian Frazer. The vaccine programmes target disease with significant global potential like Herpes and Human Papilloma virus.

Further information on the Company can be found on www.alliedhealthcaregroup.com.au.

About the technology

The technology is based on 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.

About Genital Herpes

This disease often results in recurrent painful sores in the genital area. HSV-2 is the major causative agent of genital herpes. As well as pain and discomfort to infected individuals, the virus can have serious health implications for babies born to infected women. Herpes is also believed to aid in the transmission of HIV. Current herpes treatment involves the use of antiviral drugs which can reduce, but not eliminate, outbreaks and shedding and therefore do not prevent spread of the disease. According to research reported in Biomed Central’s journal BMC Infectious Diseases, the economic burden of genital HSV infection and resulting complications has been estimated to be greater than $1 billion annually in the USA alone.