

Innovative BioMedical Devices

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ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE

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COMMENCEMENT OF HEART VALVE FEASIBILITY STUDY

Perth, Australia; 4 May 2010: **bioMD Limited** (ASX: BOD) announces the signing of a Feasibility Study between its subsidiary, Celxcel Pty Ltd, and a leading global tissue heart valve company. Confidentiality provisions at this early stage of the study preclude disclosure of the name of the collaborating company.

Under the terms of the study proposal, the parties will use certain elements of the ADAPT tissue engineering technology to enhance the manufacturing and performance of one of the company's existing FDA approved tissue heart valves.

"This is typical of the approach that global medical device companies (with existing FDA approved devices) will consider in introducing a new process technology, such as ADAPT, to an existing product," said Michael Bennett, Managing Director, bioMD.

This study does not prevent Celxcel from partnering in similar studies with other heart valve companies.

The global market for tissue heart valves currently estimated to be US\$700 million is growing at an annual growth rate of 7% and is set for increased growth due to the introduction of new percutaneously implanted tissue heart valves for elderly patients suffering from aortic stenosis.

The feasibility study includes a series of milestones - the first one will be completed by the 1st quarter of the next financial year.

This study is a direct result from the positive outcomes observed in the first human clinical trial of the "Cardiocel" ADAPT treated cardiovascular patch. This trial confirmed that an ADAPT treated patch material does not calcify and this is the primary goal for all tissue heart valve manufacturers when deciding the ideal process they will use to treat their heart valve leaflets. Celxcel is optimistic that all the study milestones will be successfully completed.

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About bioMD Limited

bioMD (ASX: BOD) is an Australian company commercialising innovative tissue engineering technology for use in cardiothoracic and abdominal surgery. The ADAPT technology offers significant improvements to current tissue processing technologies in terms of immunogenicity and tissue durability. Its lead product, CardioCel, continues to be evaluated in a Phase II human trial in South Africa for various cardiac repair procedures. bioMD is currently maximising shareholder value via pursuit of corporate partnerships, successful completion of clinical milestones and rapid commercialisation strategies.

About the ADAPT Tissue Engineering Process

ADAPT Tissue Engineering Process (TEP) produces a bioprosthetic scaffold (extracellular matrix) made from animal tissue. Depending on the site of implantation, the patient's own cells will migrate into the matrix and stimulate site specific controlled remodelling. At the same time, new blood vessels are formed in the matrix and they deliver appropriate cells that lead to a functional tissue repair. The implanted extracellular matrix is gradually remodelled and replaced by the body's own new tissue structures.

