CELLMID

ASX ANNOUNCEMENT

REPORT ON CELERA LICENSE

- **Celera presented results of their 6 biomarker lung cancer diagnostic panel**
- **The study shows 83% sensitivity and specificity in non-smoking lung cancer patients**

SYDNEY, 25 May 2011: Cellmid Limited (ASX: CDY) has received a report from Celera Corporation in relation to its lung cancer diagnostic licence (details of the license are included at the end of this announcement). The report included the results of the recently completed study in patients who never smoked and used Celera's six biomarker lung cancer diagnostic panel.

Celera's assay was tested in a study involving more than 600 blood samples and the results were presented on 4th April 2011 at the annual meeting of the American Association for Cancer Research (AACR) in Orlando, Florida. The six biomarker test showed 83% sensitivity and specificity in non-smoking lung cancer patients. Celera expects to use this panel of biomarkers when CT (computer axial tomography) tests show irregularities in patients.

"In addition to intentional CT scans for lung cancer, many people undergo chest scans for heart disease prevention or other conditions and incidental nodules appear in the lungs that may or may not be benign" said Dr Charlie Birse, associate director of product development at Celera Corporation. "This panel of biomarkers would allow these imaging tests to be further evaluated and provide a degree of certainty in diagnosis" he added.

"Lung cancer is the leading cause of cancer deaths. Up to 85% of people with lung cancer are diagnosed in late stages and have less than 15% chance of survival beyond five years" said CEO of Cellmid, Maria Halasz. "Given early diagnosis up to 60% of lung cancer patients may survive for five years or longer. Clearly, this represents a significant opportunity to improve clinical outcome" she added.

Although most lung cancers are attributable to tobacco smoking approximately 20% of all lung cancer patients have never smoked. Celera is expected to conduct further validation trials on additional specimens using the six biomarker panel.

The abstract of Celera's presentation at the annual meeting of the American Association for Cancer Research is available at
http://www.abstractsonline.com/Plan/ViewAbstract.aspx?sKey=3143326d-b0b1-4408-9077-09ac88372faa&cKey=893f62df-d759-4b0b-a3f9-0c50716ef3e5&mKey={507D311A-B6EC-436A-BD67-6D14ED39622C}

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License between Cellmid Limited and Celera Corporation for lung cancer diagnosis
In October 2009 Cellmid Limited licensed to Celera Corporation midkine as a biomarker for the early diagnosis, prognosis and disease monitoring of lung cancer to be used in Celera's proprietary biomarker panel. The terms of the license are confidential but involve upfront and milestone payments and royalties on product sales.

Cellmid Limited (ASX: CDY)
Cellmid is an Australian biotechnology company developing innovative novel therapies and diagnostic tests for inflammatory diseases, heart attack and cancer. Cellmid holds the largest and most comprehensive portfolio of intellectual property related to midkine and midkine antagonists globally. The Company's most advanced clinical development program is for the treatment of acute myocardial infarction (AMI) utilising the midkine protein. Cellmid is also developing anti-midkine antibodies for the treatment of inflammatory and autoimmune disorders. In addition, Cellmid is commercialising midkine as a biomarker for cancer diagnosis. Elevated midkine concentration in the blood and other body fluids is strongly indicative of cancer. Cellmid's first product, the MK-ELISA, is a blood test that sensitively and accurately measures serum midkine levels.

Midkine (MK)
Midkine is a multifunctional 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, because midkine is only present in a disease context, targeting midkine does not harm normal healthy tissues.