

**ASX ANNOUNCEMENT**

**CELLMID AND PACIFIC EDGE SIGN CANCER DIAGNOSTIC LICENSE**

- Pacific Edge (PEB) licensed Cellmid's midkine diagnostic technology for use in their recently launched bladder cancer test
- Revenues from the bladder cancer test are expected to commence in 2010
- The terms include upfront and milestone payments and royalties

**SYDNEY, 19 May 2010 - Cellmid Limited (ASX:CDY)**, a biotechnology company developing midkine related diagnostic and therapeutic products and **Pacific Edge Biotechnology Limited (PEB)**, a company with a portfolio of diagnostic and prognostic tools for cancer have entered into a non-exclusive license agreement for the use of CDY's midkine technology in PEB's bladder cancer test.

Cellmid will receive upfront and milestone payments in addition to royalties on product sales.

PEB has recently launched its bladder cancer test in Australia and New Zealand and is planning the launch of the product in the USA during the course of 2011. Pursuant to this license PEB will be able to incorporate CDY's midkine cancer marker in its bladder cancer test for early detection and prognosis as well as monitoring disease recurrence.

Midkine is a validated early tumour marker with a role in the formation, progression and metastasis of cancer. Midkine levels are significantly elevated in blood and urine in the early stages of tumour formation and high midkine levels are associated with poor prognosis in a number of cancers.

"Pacific Edge already has a high performance assay for the diagnosis of bladder cancer. Our validation studies to date indicate that incorporating midkine into our current portfolio of markers will add clinical value to this product" said David Darling, Chief Executive Officer of Pacific Edge.

"This is our second diagnostic license in seven months and yet another validation of midkine as an early tumour marker. Importantly, it is also an opportunity to have a product on the market almost immediately" said Maria Halasz, Chief Executive Officer of Cellmid.

Bladder cancer is the 9<sup>th</sup> most prevalent cancer in the world and the 4<sup>th</sup> most common cancer in men. Globally there will be in excess of 360,000 new incidences of bladder cancer this year and it is estimated that they will result in excess of 47,000 deaths.

**Contact**

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**About Cellmid Limited (ASX: CDY)**

Cellmid Limited is a biotechnology company listed on the Australian Stock Exchange. The Company is the owner of the most comprehensive intellectual property portfolio around midkine globally. Midkine is a significant novel therapeutic and diagnostic target. It is a native protein expressed during early cancer formation as well as at the onset of a number of inflammatory processes. Cellmid is committed to the commercialisation of its portfolio of therapeutic and diagnostic products. In addition to its product development programs Cellmid is actively seeking partners for some of its non-core assets.

**About Pacific Edge Biotechnology Limited (PEB)**

Pacific Edge Biotechnology Limited (PEB) is a listed Dunedin, New Zealand, based biomedical company developing and commercialising technology for cancer detection and management. The company develops simple-to-use and highly accurate diagnostic and monitoring tools for the early detection, diagnosis, characterisation and management of cancers. These tools use multiple biomarkers for improved accuracy. Pacific Edge currently has tests for the early detection of bladder cancer and for the monitoring of recurrence of bladder cancer.

**Investment in biotechnology companies**

There are a number of inherent risks associated with the research, development and commercialisation of pharmaceutical products. Investment in companies specialising in these activities carry specific risks which are different to those associated with trading and manufacturing businesses. As such, these companies should be regarded as highly speculative. Cellmid recommends that investors seek professional advice before making an investment in its shares.