



ASX/MEDIA RELEASE

US HIP CUP PATENT

Thursday, 24th July 2008: Leading Australian developer and manufacturer of prosthetic implants and medical devices, Advanced Surgical Design & Manufacture Limited (ASX:AMT) announced today that a standstill agreement entered into with Portland Orthopaedics (ASX:PLD) to facilitate negotiations being carried out for some months to seek a commercial outcome to alleged infringements by PLD against ASDM's Hip Cup Patent, granted in May 2008, as well as a related US patent dating back to 2001 has expired.

While the patent infringement is not material to ASDM's current operations, it is considered that this ASDM developed technology is valuable, and as such ASDM must retain the right to deal in intellectual property developed by ASDM in any and all markets in which ASDM operates.

ASDM lodged a patent infringement suit against PLD in California in June 2008. The suit deals with PLD's Equator Cup and alleged infringements against both of ASDM's hip cup patents. ASDM reserves its rights with regard to the patent infringement suit but will continue to seek a commercial outcome.

In addition to the manufacture and sale of medical devices, ASDM's business includes the potential commercialisation of ASDM developed technologies, such as the Hip Cup, via out-licensing or sale. The Hip Cup is not one of the eight products which ASDM has in production or development (either directly or in collaboration). It is one of 16 patent families held by ASDM. In the absence of a resolution of the matter, we have commenced this process, and will pursue it, to protect our valuable intellectual property.

ENDS

Contact Details:

Dr Greg Roger
Chief Executive Officer
Advanced Surgical Design and Manufacture Limited
T: 61 2 9439 4448

ABOUT ADVANCED SURGICAL

Advanced Surgical designs and manufactures medical devices. Its principal product is the Active Knee, a prosthetic implant of which more than 3,000 have been implanted including 600+ in 2007. This product is supported by a range of Orthopaedic accessories and surgical tools and other Orthopaedic products.

Advanced Surgical 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.

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