



## ASX ANNOUNCEMENT

### IKON LEGAL ACTION – DECISION HANDED DOWN

**SYDNEY, Friday, 2 November 2018: Cellmid Limited (ASX: CDY) ('Company')** advises that a decision was today handed down by the New South Wales Supreme Court in respect of the court proceedings that have been underway between Cellmid's wholly owned subsidiary Advangen International Pty Ltd (Advangen) and Ikon Communications Pty Ltd (Ikon).

The Court has ruled that Ikon is entitled to their claim of \$939,055.65 plus interest and that the cross claim by Advangen should be dismissed. The parties have been given 14 days to agree on costs or the matter will be relisted.

Cellmid is disappointed with the Court's decision and maintains its position that Ikon failed to provide the services agreed in the contract which, in the board's view, caused the failure of the campaign.

This dispute occurred in 2015 and Cellmid is at a vastly different stage of maturity in terms of its product range and sales, advertising and marketing functions. The learnings from the Ikon contract have long been implemented and as such the Company is confident there will be no negative bearing on the business today or in the future as a result.

With the Company's consumer health products now being sold in four countries, and additional territories pending, Cellmid has experienced substantial growth and a tripling of revenue in the past three years.

The Company is in a strong position to implement its growth plans as outlined in the investor presentation on 31 October 2018. The conclusion of the matter will allow Cellmid to fully focus on those plans.

Cellmid has already expensed its legal costs to date in the relevant financial years and made an allowance, and noted it as a contingent liability, regarding this matter in its 2018 financial accounts.

**END**

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