

8 October 2012

CathRx Ltd – Investor Update

CathRx Ltd (ASX: CXD) applied to the Australian Securities Exchange on 27 September 2012 to be removed from the official list of ASX. The terms of ASX's decision are extracted below in italics:-

DECISION

1. Based solely on the information provided, ASX Limited ("ASX") resolves to remove CathRx Ltd (the "Company") from the official list of ASX pursuant to listing rule 17.11, on a date to be decided by ASX, subject to compliance with the following conditions.

1.1. The request for removal of the Company from the official list be approved by an ordinary resolution of ordinary shareholders of the Company.

1.2. The Notice of General Meeting seeking shareholder approval to request the removal of the Company from the official list must include a statement to the effect that the removal will take place no earlier than one month after the approval is granted.

1.3. The Company must release the full terms of this decision to the market immediately.

2. ASX has considered listing rule 17.11 only and makes no statement as to the Company's compliance with other listing rules.

The Board of CathRx has determined that the delisting is in the best interests of shareholders as the benefits of being listed no longer outweigh the costs and disadvantages of being listed. A summary of the primary reasons for seeking the delisting are:

- the listing has acted as a disadvantage in licensing negotiations;
- the low level of liquidity in CathRx's shares;
- small/low value trades have had a significant impact on shareholder/company value;
- the lack of institutional interest in CathRx's shares;
- the level of CathRx's operations;
- the likely timeframe to achieve improvement in CathRx's financial performance; and
- the costs of CathRx retaining its listing.

CathRx will seek shareholder approval in relation to the delisting at its forthcoming AGM. Details of the rationale for the delisting will be included in the notice of meeting which will be circulated to shareholders shortly. If shareholders approve the proposed delisting, CathRx will be delisted on a date to be decided by the ASX which will be no earlier than one month after the date such shareholder approval is obtained.

END

About CathRx

CathRx is a medical device company which designs reprocessable cardiac catheter solutions for the treatment of people suffering from electrical problems of the heart known as cardiac arrhythmias. CathRx's proprietary diagnostic and therapeutic catheters are designed to give physicians the tools to cost effectively treat patients with speed, safety and precision.

About cardiac arrhythmias

Cardiac arrhythmia describes a group of increasingly common conditions where there is abnormal electrical activity in the heart. The beating of a normal heart is controlled by electrical impulses. When these impulses are uncoordinated the heart fails to function properly. This can result in complications ranging from fatigue to stroke and even death. More than 10 million people worldwide suffer from abnormal heart rhythms. Atrial fibrillation is the most common form of arrhythmia and



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affects over 5 million people worldwide. Current drug therapies often fail to control the problem and can have side effects. Cardiologists worldwide are increasingly using cardiac catheters to diagnose and successfully treat arrhythmias.

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