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FOR IMMEDIATE RELEASE

AMDL INC. ANNOUNCES INAUGURATION OF AMDL DIAGNOSTICS, INC.

(TUSTIN, CA) August 20, 2009/PRNewswire – AMDL Inc. (NYSE Alternext US: [ADL - News](#)), a US-based pharmaceutical company with major operations in China, announced the inauguration of AMDL Diagnostics Inc. (ADI), a new wholly-owned subsidiary that will focus on the research, development, manufacture and international sales of Onko-Sure™-- AMDL's proprietary, regulatory approved *in vitro* diagnostic (IVD) cancer test.

Since the start of FY2009, AMDL has made significant progress in commercializing Onko-Sure™ for both the domestic and international markets, achieving planned milestones that include:

- **Increased market awareness both domestically and internationally;**
- **Expanded product availability through signed distribution agreements with partners in the US, Canada, Asia and India;**
- **Preparation for the future through a signed collaboration agreement with Mayo Clinic for development of the next-generation version of Onko-Sure test; and,**
- **Engagement with industry experts, scientists, physicians and business development consultants in the scientific and medical communities to assist in furthering ADI's commercializing efforts.**

The establishment of a separate subsidiary allows AMDL to concentrate specific resources to the successful execution of that plan. ADI intends to achieve goals set forth in its 5-year plan by securing adequate financing, significantly broadening its distribution network, and continuing to research, develop, and commercialize current and future diagnostic products. ADI's management believes sales of Onko-Sure™ test kits are likely to exceed US\$100 million per year by the end of FY2014. Current projections for ADI indicate FY2009 sales of approximately \$1 million and generating a small loss for the year, and sales of approximately \$17 million with over \$13 million in earnings in FY2010.

"Today's announcement underscores our commitment and focus on building AMDL for the future," stated Mr. Douglas MacLellan, Chairman and CEO of AMDL Inc. "To date, our China operations have overshadowed the consequential revenue opportunity of Onko-Sure™ -- a potentially life-saving IVD test for literally millions of cancer patients worldwide. By establishing a separate subsidiary with specific resources dedicated to the division we believe we are in a tremendously stronger position to capitalize on the cancer IVD market."

ADI will be run by Mr. Douglas MacLellan who continued, "Many exciting opportunities exist for ADI and its investors. Onko-Sure™ can detect and/or monitor for 14 different types of cancer, including lung, stomach, colorectal, liver, and breast cancer which according to the World Health Organization, causes

the most cancer deaths every year. Our intention is to take Onko-Sure™ and ADI to a level our shareholders have never experienced before.”

With the exception of heart disease, cancer causes more deaths than any other medical condition in the world. According to the World Health Organization (WHO), cancer is rapidly becoming the leading cause of death worldwide and expected to overtake heart disease by 2010. Onko-Sure™ has been approved by the US FDA for the monitoring of colorectal cancer and by Health Canada as a lung cancer screen and cancer monitoring tool. Following the introduction of the DR-70 (FDP) cancer test in the US and Canada, AMDL intends to expand product commercialization to select international markets based on other regulatory approvals and plans to file for marketing approvals in other areas of the globe.

ADI's 5-year business strategy and plan outlines the Company's mission and vision, executive management team, 5-year financial growth targets, international distribution strategy, and future product development plans. Highlights include:

- **Business Mission:** ADI is dedicated to building a profitable IVD technology business focused through its regulatory-approved Onko-Sure™ IVD cancer test that helps healthcare professionals and their patients across the world address the deadly disease of cancer.
- **Onko-Sure™ IVD Cancer Test:** A simple, non-invasive blood test used for the detection and/or monitoring of 14 different types of cancer. Onko-Sure™ is licensed and imported as a non-approved general cancer screen in Europe, Taiwan, Korea, Australia, Singapore & Vietnam; approved in the US for the monitoring of colorectal cancer (CRC); and approved in Canada for the detection and monitoring of lung cancer. In nearly all global markets, Onko-Sure™ has the potential to be used as a (non-regulatory approved) general cancer screening test.
- **Business Opportunity:** ADI is focused on the research, development, manufacture, and sales of Onko-Sure™ -- an IVD cancer test kit sold to regional healthcare distribution companies who then sell the kits to medical laboratories that provide the test as a service to physicians and their cancer patients. Patient cost for Onko-Sure™ ranges between US\$20 to \$250 for an individual test. If tests are run in duplicate, as is the normal protocol, ADI receives approximately US\$8-12 per patient, depending on the market in which the patient is tested. In developing countries where tests are not run in duplicate, ADI receives approximately US\$16-24 per patient. Additionally, ADI is exploring the concept of opening cancer testing clinic through cooperative agreements with strategic partners to increase revenue opportunities in lucrative markets such as the Asia-Pacific. This business strategy allows ADI to realize a significantly higher price per test per patient. Under one such agreement currently in negotiations in Asia, ADI has the potential of receiving approximately US\$80 per patient tested. In another arrangement already negotiated in the US market for pan tumor screening, ADI anticipates receiving approximately US\$150 per patient tested. Lastly, by late 2010 ADI anticipates the launch of its next generation Onko-Sure™ IVD cancer test kit, which is expected to deliver increased sensitivity and specificity; therefore greater test kit price points.

- **Core Product Message:** ADI's general core marketing message for Onko-Sure™ IVD is as follows:
 - **Onko-Sure™ is an "EASY" Cancer Assessment Test. ("EASY" stands for *Early Assessment Saves Your - Life!*);**
 - **Onko-Sure™ is Safe, Easy, Reliable and Low Cost Early assessment prolongs life and saves money;**
 - **Onko-Sure™ improves your doctor's diagnostic process; and**
 - **The EASY Onko-Sure™ IVD cancer test should be added to all annual physicals for men and women over the age of 40 years old according to certain healthcare agencies.**

For additional information on AMDL and AMDL Diagnostics Inc. please contact AMDL Investor Relations at kszarkowitz@amdl.com or by calling 206.310.5323.

About AMDL:

Headquartered in Tustin, CA with operations in China, AMDL, Inc., along with its subsidiary Jade Pharmaceutical Inc. (JPI), is a pharmaceutical company devoted to the research, development, manufacturing, and marketing of diagnostic, pharmaceutical, nutritional supplement, and cosmetic products. The Company employs over 510 people in the U.S. and China.

Forward Looking Statements:

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: The statements contained in this document include certain predictions and projections that may be considered forward-looking statements under securities law. These statements involve a number of important risks and uncertainties that could cause actual results to differ materially including, but not limited to, the performance of joint venture partners, as well as other economic, competitive and technological factors involving the Company's operations, markets, services, products, and prices. With respect to AMDL Inc., except for the historical information contained herein, the matters discussed in this document are forward-looking statements involving risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements.

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