13 November 2015

Derma Sciences Halts Phase III Clinical Trial

Comvita's USA partner, Derma Sciences, Inc., in which Comvita owns 1.098m shares (4.3%), announced overnight that its clinical trial DSC 127 has been terminated. This clinical trial is unrelated to the sales programme of Medihoney products conducted by Derma Sciences. For your information, the attached Press Release from Derma Sciences to the market, explains.

Ends

For further information:

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About Comvita (www.comvita.co.nz)

Comvita (NZX:CVT) is a global natural health company committed to the development of innovative products, backed by ongoing investment in scientific research. We are the world leaders in Manuka (leptospermum) honey and fresh-picked Olive Leaf Extract, which are at the core of the Comvita product range.

We have approximately 50% of honey supply under direct ownership or control, with the balance of supply from long term contractual and partnership arrangements. Comvita pioneered the development and use of medical grade Manuka honey and was the first to receive FDA approval (2007). We partner with US wound care company Derma Sciences, Inc. (NASDAQ:DSCI), the global licensee for Medihoney® specialist wound care products, which are used in hospitals and medical centres around the world. Comvita's freshly picked Olive Leaf Extract is grown, harvested, extracted and bottled at the world's largest specialised olive leaf grove, with over one million olive trees.

Comvita sells into more than 18 countries through a network of our own branded retail locations, online (seven country specific e-commerce websites) and third-party outlets. We have over 500 staff located in New Zealand, Australia, Hong Kong, Japan, South Korea, the United Kingdom and the USA.

DERMA SCIENCES ANNOUNCES RESULTS OF FUTILITY ANALYSES FOR PHASE 3 CLINICAL TRIALS OF ACLERASTIDE IN DIABETIC FOOT ULCER HEALING

Trials stopped early for futility
Conference call begins at 8:30 a.m. Eastern time today

PRINCETON, N.J. (November 12, 2015) – Derma Sciences, Inc. (Nasdaq: DSCI), a tissue regeneration company focused on advanced wound and burn care, announces the termination of its Phase 3 clinical trials with aclerastide (DSC127) for diabetic foot ulcer healing. This action is based on futility determinations conducted by the Data Monitoring Committee (DMC) for the planned, pre-specified interim analyses regarding the primary efficacy endpoint of confirmed complete wound closure of the target ulcer within 12 weeks of the start of treatment. The decision to end the studies followed the recommendation by the DMC to stop enrollment in the studies. The DMC also reported that there were no safety concerns attributed to aclerastide.

"We are very disappointed with the findings of the analyses of the DMC, but are grateful for the support and commitment from the participating patients and the study investigators," said Edward J. Quilty, chairman and chief executive officer of Derma Sciences. "We have stopped further enrollment and initiated an orderly termination of the aclerastide trials and program, which we believe will be substantially complete by year end. We are also halting all development work with DSC127 in scar reduction and radiation dermatitis."

The development program termination eliminates a projected cash burn of approximately $5 million per quarter in 2016. As of September 30, 2015 Derma Sciences had $49.4 million of cash and cash equivalents and $12.0 million of long-term investments. The Company's primary focus is to continue to grow its advanced wound care net sales and increase gross margins. The Derma Sciences Board of Directors and senior management are committed to a path of profitable growth and positive operating cash flow in 2016, including assessing all aspects of the Company's operations and infrastructure that could enhance shareholder value.

Conference Call
Derma Sciences will host a conference call beginning at 8:30 a.m. Eastern time today to discuss this announcement and answer questions. To access the conference call, U.S.-based listeners should dial 866-820-1713 and international listeners should dial 706-634-7417. All listeners should provide the following passcode: 78730079. Individuals interested in listening to the live conference call via the Internet may do so by logging on to the Company's website at www.dermasciences.com.

Following the conclusion of the conference call, a replay will be available through November 18, 2015 and can be accessed by dialing (855) 859-2056 from within the U.S. or (404) 537-3406 from outside the U.S. All listeners should provide passcode 78730079. The webcast will be available for 30 days.

About Derma Sciences, Inc.

Derma Sciences is a tissue regeneration company focused on advanced wound and burn care. It offers a line of products with patented technologies to help better manage chronic and hard-to-heal wounds, many of which result from diabetes and poor vascular functioning. The Company sells AMNIOEXCEL® amniotic allograft membrane and AMNIOMATRIX® amniotic allograft suspension into the $500 million market for skin substitute products. Derma Sciences' MEDIHONEY® product line is the leading brand of honey-based dressings for the management of wounds and burns. The product has been shown in clinical studies to be effective in a variety of indications. TCC-EZ® is a gold-standard total contact casting system for diabetic foot ulcers. Other novel products introduced into the $14 billion global wound care market include XTRASORB® for better management of wound exudate, and BIOGUARD® for barrier protection against microbes and other contaminants. The Company also offers a full product line of traditional dressings.

For more information please visit www.dermasciences.com.

Forward-Looking Statements

Statements contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the generality of the foregoing, words such as "may," "will," "expect," "believe," "anticipate," "intend," "could," "estimate" or "continue" are intended to identify forward-looking statements. Readers are cautioned that certain important factors may affect the Company's actual results and could cause such results to differ materially from any forward-looking statements that may be made in this news release or that are otherwise made by or on behalf of the Company. Factors that may affect the Company's results include, but are not limited to decisions regarding aclerastide (DSC127), product demand, market acceptance, impact of competitive products and prices, product development, completion of an acquisition, the success or failure of negotiations and trade, legal, social and economic risks. Additional factors that could cause or contribute to differences between the Company's actual results and forward-looking statements include but are not limited to, those discussed in the Company's filings with the U.S. Securities and Exchange Commission.

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