

THOMSON GEER
LAWYERSLevel 7, 19 Gouger Street
Adelaide SA 5000 AustraliaGPO Box 1663 Adelaide SA 5001
DX 571 AdelaideT +61 8 8236 1300
F +61 8 8232 1961

To Mr Patrick McCarthy
ASX Company Announcement
Fax no 1300 135 638
From Tara Page
No of pages 3 (including this page)

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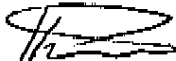
Our ref 2905706

12 January 2015

Dear Patrick

LBT Innovations

Please find attached an announcement for LBT Innovations Limited. Could you please arrange for this to be uploaded to the company's announcement platform before the market opens today.

Yours faithfully
THOMSON GEER

Tara Page
Senior Associate
T +61 8 8236 1131
M 0413 406 985
E tpage@tglaw.com.au

Responsible Partner - Loretta Reynolds



LBT INNOVATIONS
ACN 107 670 673

The Manager
Company Announcements Office
ASX Limited

Notice of Intent re PREVI Isola Licence Agreement

12 January 2015, Adelaide: LBT Innovations Limited (LBT) has received notice (attached) from French diagnostics company bioMérieux indicating an intent to terminate the Licence Agreement ("LA") in the next 12 months as a consequence of their alliance with Copan, announced on 9 January 2015.

LBT previously entered into an exclusive global licence agreement with bioMérieux in 2007 to manufacture and market PREVI® Isola. LBT receives royalty payments for PREVI Isola, which have been a primary source of recurring income for the Company and represented 16.5% of total revenue in the financial year ended June 2014. Over the life of the licence agreement, LBT has received approximately AUD13.0million in milestone and royalty payments. Royalty income is still expected for 2015.

LBT will immediately work with bioMérieux to further clarify the future of the LA including the potential return of the MicroStreak® technology, opening up new opportunities for the Company.

LBT will keep shareholders fully informed of developments and likely impact on LBT's outlook.

– ENDS –

About LBT Innovations

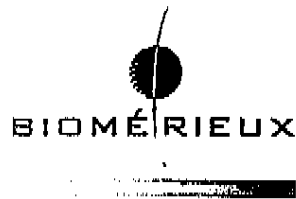
LBT Innovations (LBT) is an Australian developer of clinical and diagnostic technology. Based in Adelaide, South Australia, the Company has two breakthrough products in microbiology automation: PREVI® Isola, which provides automation of culture plate streaking, and APAS®, a breakthrough in automated culture plate imaging, interpretation and reporting. LBT also has a third product in development, Woundvue™, a proposed automation solution to assist in the management of chronic wounds.

LBT's APAS® technology (Automated Plate Assessment System) is nearing market. Based on LBT's innovative intelligent image interpretative platform, APAS specifically addresses the automated imaging, analysis and interpretation of culture plates following incubation. LBT has entered into a Joint Venture with Hettich AG Switzerland to drive the commercial development and global distribution of APAS instrumentation and software products.

For more information, see www.lbtinnovations.com

CONTACTS

LBT Innovations	Media Relations
Lusia Guthrie CEO Tel: +61 (0)8 8227 1555 E: info@lbtinnovations.com	Rudi Michelson Monsoon Communications Tel: +61 (0)3 9620 3333 E: rudim@monsoon.com.au

**Attention:**

CEO - LBT INNOVATIONS LIMITED
ACN 107 670 673
Level 1, 300 Flinders Street
Adelaide, South Australia 5000

Confidential.

Object: LBT INNOVATIONS LIMITED / bioMérieux relationship.

Marcy l'Etoile, January 9, 2015,

Dear Lusia,

We have now entered the ninth year of the licensing agreement concluded between LBT and bioMérieux in 2007. Although we have met many challenges, I believe that our collaboration has been a fruitful endeavor for both companies. Accordingly, I would like first to thank you and your team for the important contributions to our many successes experienced in the commercialization of Previ@isola during all these years. I also fully appreciate the direct feedback and openness displayed in the governance of our collaboration over the course of the past few months. It is particularly true of the on-going good faith minimum royalties discussions held between our respective teams. Though we did not yet reach formal agreement, it is my understanding that we have recently received a proposal from LBT for our consideration. I am confident that both our teams will be able to arrive rapidly to a satisfactory solution.

However and as you may have read from bioMérieux's public announcement in regards to its strategic alliance with Copan, bioMérieux has decided to respond to the current market situation. We have come to acknowledge the strong competitive pressure we face today in the field of automation, and more broadly, laboratory efficiency. As the leader in clinical microbiology, bioMérieux's has consequently made the strategic decision to significantly accelerate the short term deployment of its FMLA® - laboratory efficiency's offering. Meanwhile, we will be pursuing our long term vision to customize laboratory automation for customers through modular and flexible solutions, leveraging on workflow assessment and bioMérieux Myla® middleware solution. These objectives and vision have been bioMérieux key motivators to intensify its search of commercially available solutions to expand on existing FMLA® components, and has eventually led to the strategic move initiated between bioMérieux and Copan. It has also led us to the conclusion that a phase-out of our collaboration in regards to Previ@isola is necessary and, ultimately, more beneficial to both our companies, in perspective with the significant R&D investments that are needed to maintain Previ@isola technology and market relevance over time (e.g. decap/recap, higher capacity, Gram slide preparation, enrichment broth inoculation etc..).

As a consequence, it is imperative that we now address the topic of the continuation of our collaboration with respect to Previ@isola. As you are aware, bioMérieux has an option to unilaterally terminate the licensing agreement for convenience under a 12 months prior notice. We intend to exercise this option, it being understood that bioMérieux will continue to meet its current contractual obligations *vis à vis* LBT until our agreement terminates. However, I would favor that our teams can constructively and openly explore together the available options for a mutual termination agreement, proactively embracing and closing all matters relating to a successful phase-out of our ongoing collaboration. I believe this approach is consistent with our mutual interest in finding the best way forward for both our companies. It would also allow us to jointly discuss and align on a clear and positive message to convey to shareholders and other stakeholders, as well as to all our customers worldwide.

I remain available to share with you on our strategic motivations, and I also propose that our respective teams rapidly set-up a business meeting between our companies to start contractual discussions. To that effect, I would suggest that our Corporate Business Development VP, Mr. Dennis Sandstedt, who is already involved in minimum royalties discussions, along with MM. Jerome Casamassa (General Counsel - EMEA) and Erick Zimmer (Laboratory Efficiency Head) liaise with your team to agree with you on next practical steps and options.

Personal regards,

Alexandre Mérieux
CEO

bioMérieux