

The Manager
Company Announcements Office
ASX Limited

SHARE PURCHASE PLAN OFFER

23 May 2017, Adelaide: LBT Innovations Ltd (ASX: LBT) is pleased to announce an offer to all existing eligible shareholders to participate in a Share Purchase Plan (SPP). The SPP will allow Eligible Shareholders to subscribe for up to \$15,000 worth of new ordinary shares in LBT, without incurring brokerage or other transaction costs.

The SPP aims to raise approximately \$3 million and will not be underwritten.

Use of Proceeds

Through our 50/50 owned Joint Venture Company Clever Culture Systems AG (CCS), the past six months have been focused on accelerating the engineering development of APAS® Independence and APAS® Incubot, which was communicated in December 2016 at the time the Placement was announced. The progress against the key milestones outlined at that time have been achieved as planned, noting specifically the delivery of a functioning APAS® Independence demonstration instrument at the European Congress of Clinical Microbiology and Infectious Diseases (ECCMID) in Vienna during 22-25 April, 2017. Achieving this milestone sets the company up to be successful in finalising the engineering activities to bring the instrument to market at the end of 2017 calendar year.

The proceeds from the SPP will be used to progress the commercialisation of APAS® Independence, with a specific focus on establishing distribution partners and market laboratory trials. The next six months are shaping up to be very exciting for CCS, and in turn for LBT. Our efforts are now focused on commercialisation activities that are required to support global distribution. The following important milestones are expected to be achieved over the coming months:

- June 2017: CCS showcasing APAS® Independence at booth #1200 at Microbe 2017 (New Orleans 1st – 5th);
- Q3 CY 2017: Announcement of distribution partner(s) in focused global launch markets;
- Q3 CY 2017: Commencement of market acceptance trials of APAS® Independence in reference laboratories;
- Q4 CY 2017: Publications of cost utility studies from key opinion leader laboratories;
- Q4 CY 2017: Development of product and service marketing activities, including training programs delivered to support pre-sales.

Having recently returned from showcasing the instruments at ECCMID, stakeholders remain enthusiastic and impressed with both the software technology and instrument footprint and design. It provided confirmation that there is a niche in the marketplace, that there is no identical competing product, and the high throughput, consistency and reproducibility of the instrument clearly introduces efficiencies into the laboratory workflow.

Eligible Shareholders

Shareholders who are registered holders of Shares at 7.00pm (ACST) on Monday, 22 May 2017 with a registered address in either Australia or New Zealand, provided that such Shareholder is not in the United States, or acting for the account or benefit of a person in the United States (Eligible Shareholder).

The SPP is also being extended to Eligible Shareholders who are Custodians to participate in the SPP on behalf of eligible beneficiaries

The SPP is optional. Your right to participate in the SPP will not be transferable.

All SPP Shares will rank equally with existing shares in LBT.

Those Directors who qualify as Eligible Shareholders, have indicated an intention to participate to the maximum extent allowable under the SPP.

Issue Price

The SPP will provide you with an opportunity to increase your holding of LBT shares at an Issue Price of \$0.26 per share which represents a 13.3% discount to yesterday's closing price of \$0.30, and a 14.0% discount to the volume weighted average price of LBT shares traded on the ASX over the five days preceding today's announcement.

SPP Offer Documents

An SPP Offer Booklet with further details on the SPP will be despatched to shareholders within the next week.

The LBT Board thank you for your continued support, and invite you to consider participating in the SPP.

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About LBT Innovations

LBT Innovations (LBT) improves patient outcomes by making healthcare more efficient. Based in Adelaide, South Australia, the Company has two world class-leading products in microbiology automation: MicroStreak®, which provides automated culture plate streaking and Automated Plate Assessment System (APAS®). Based on LBT's intelligent imaging and interpretative software, US FDA-cleared APAS® automates imaging, analysis and interpretation of culture plates following incubation. LBT has entered into a joint venture Clever Culture Systems AG (CCS) with Hettich Holding Beteiligungs- und Verwaltungs-GmbH to commercialise APAS® products. LBT's third product WoundVue® is in early development; this is a proposed automated solution to assist in the management of chronic wounds.

CONTACTS

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