

The Manager
Company Announcements Office
ASX Limited

LBT PRESENTATION JP MORGAN BIOTECH SHOWCASE

Adelaide, Australia, 8 January 2018: Australian medical technology company LBT Innovations Limited (ASX:LBT) is pleased to announce that the Company will be attending the upcoming JP Morgan Biotech Showcase in San Francisco on 8-10 January 2018. The annual event is the largest healthcare investment symposium in the industry that attracts ~40,000 professionals to the San Francisco area to participate in a variety of conferences.

LBT CEO and Managing Director Brent Barnes, will be holding a number of one on one meetings with institutional investors as well as potential industry partners and customers in San Francisco and New York the following week.

The Company's presentation for these meetings is attached.

– ENDS –

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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LBT INNOVATIONS

ASX code: LBT
lbtinnovations.com

LBT Innovations Limited (ASX:LBT) Biotech Showcase, San Francisco 2018

Brent Barnes

Chief Executive Officer & Managing Director

January 2018

Disclaimer

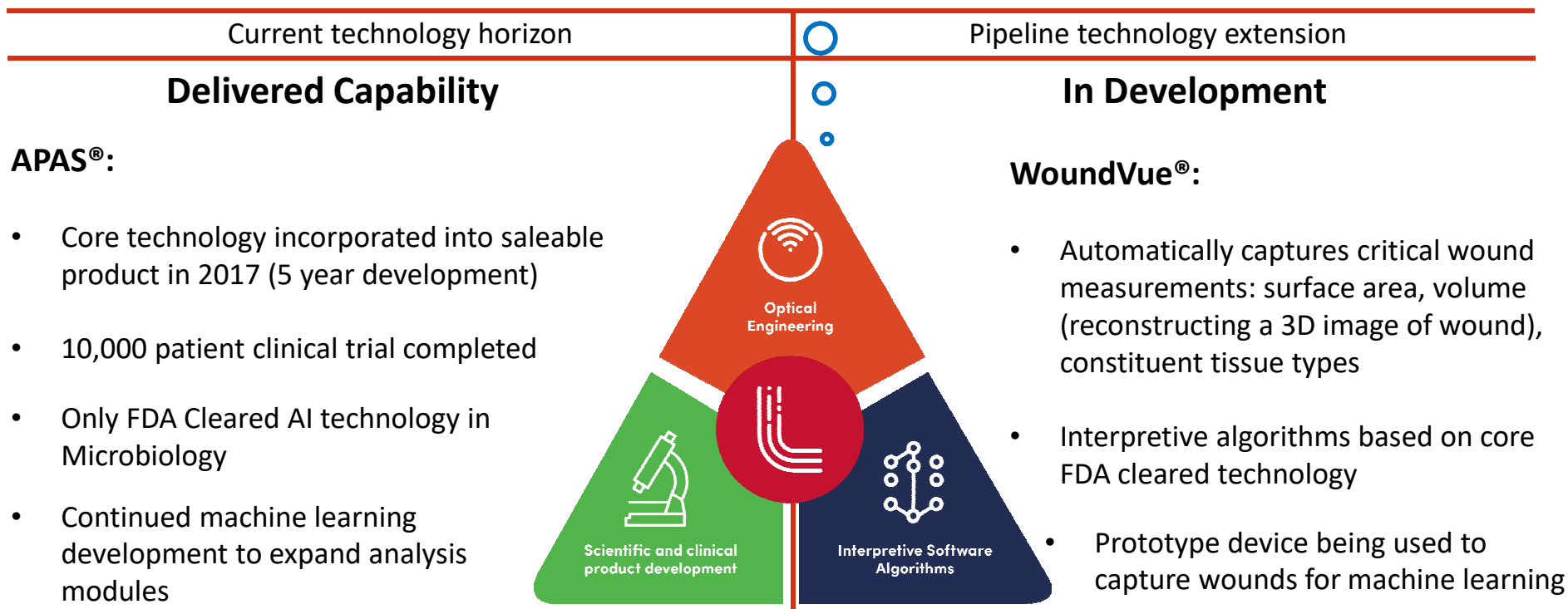
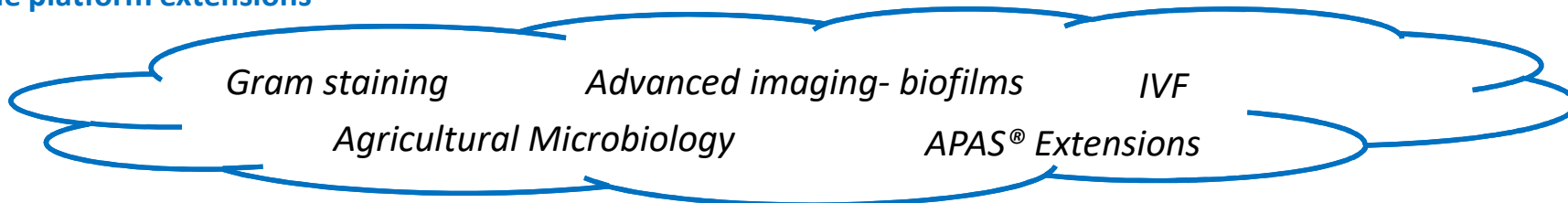
This document contains certain forward-looking statements that involve risks and uncertainties. Although we believe that the expectations reflected in the forward-looking statements are reasonable at this time, we can give no assurance that these expectations will prove to be correct.

Given these uncertainties, readers are cautioned not to place undue reliance on any forward-looking statements. Actual results could differ materially from those anticipated in these forward-looking statements due to many important factors, risk and uncertainties including, without limitation, risks associated with medical device development and manufacture, risks inherent in the extensive regulatory approval processes mandated by regulatory authorities, delays in clinical trials, future capital needs, general economic uncertainty and other risks detailed from time to time in the Company's announcements to the ASX.

Moreover, there can be no assurance that others will not independently develop similar products or processes or design around patents owned or licensed by the Company, or that patents owned or licensed by the Company will provide meaningful protection or competitive advantages.

LBT – a platform technology in artificial intelligence (AI)

Example platform extensions



Platform Technology: Patent Protected, FDA Cleared, proven technology

What are we trying to solve?



Microbiology laboratories – still a manual processes

Overview

Artificial intelligence platform automating manual healthcare processes

Commercial launch underway - EU & US in 2018

FDA cleared - 10,000 patient clinical study

Cost and efficiency gains for Pathology labs by automatic screening & interpreting

Proprietary **patented** technology

Attractive revenue model – upfront + annual fees

Successful clinical validation - St. Vincent's Hospital, Melb

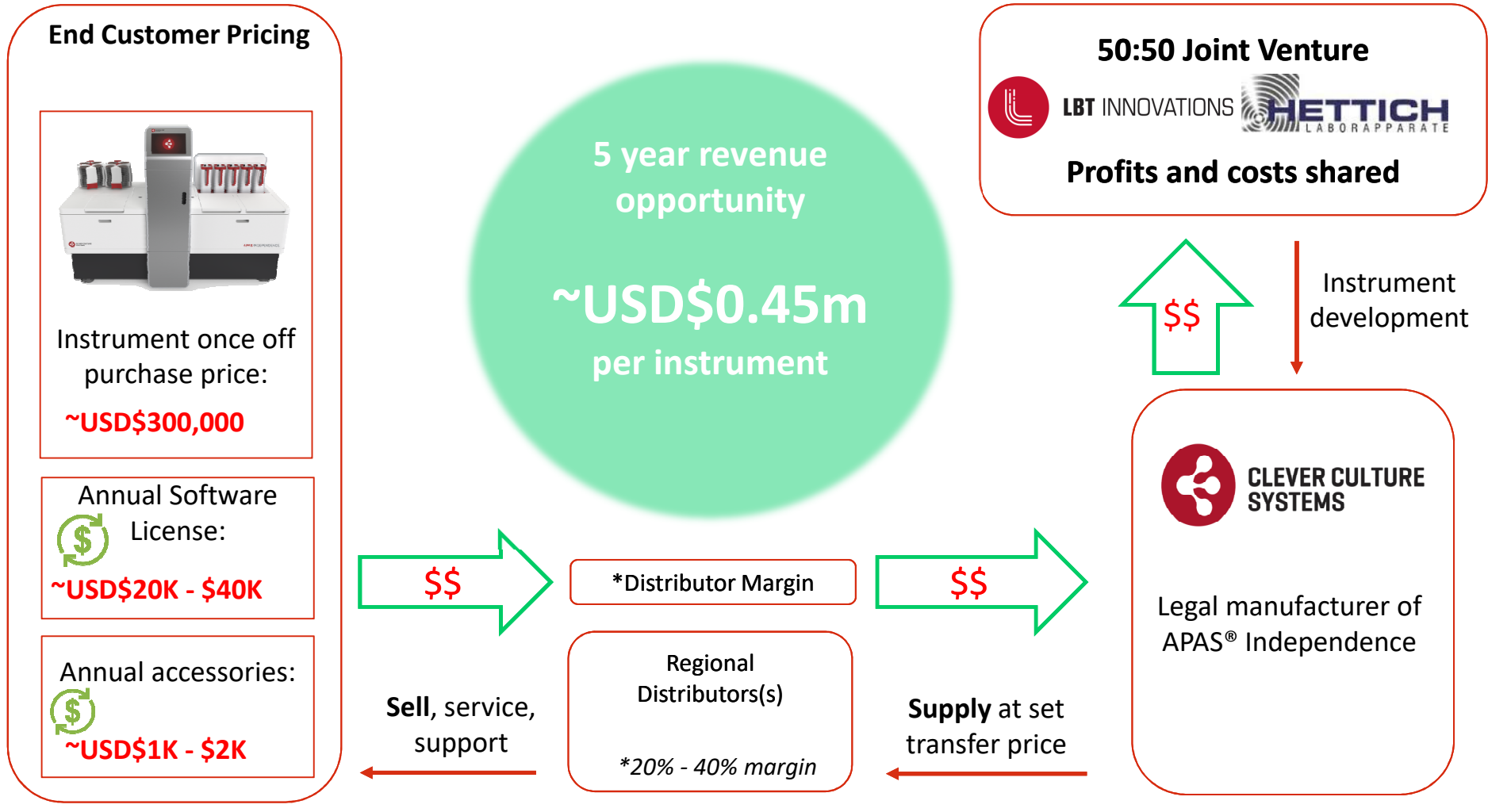
Addressable market of **13,000 labs globally**

Expanding leadership team & board



APAS® Independence

Attractive Revenue Model

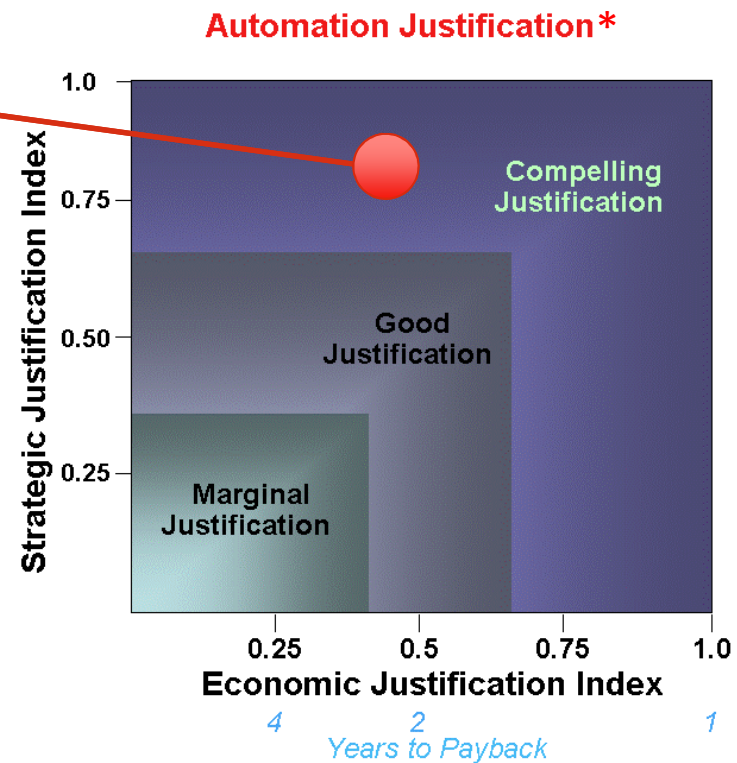


Customer Value Proposition

**A laboratory processing 400 urine plates per day
Payback ~2.5 years for APAS® Independence**

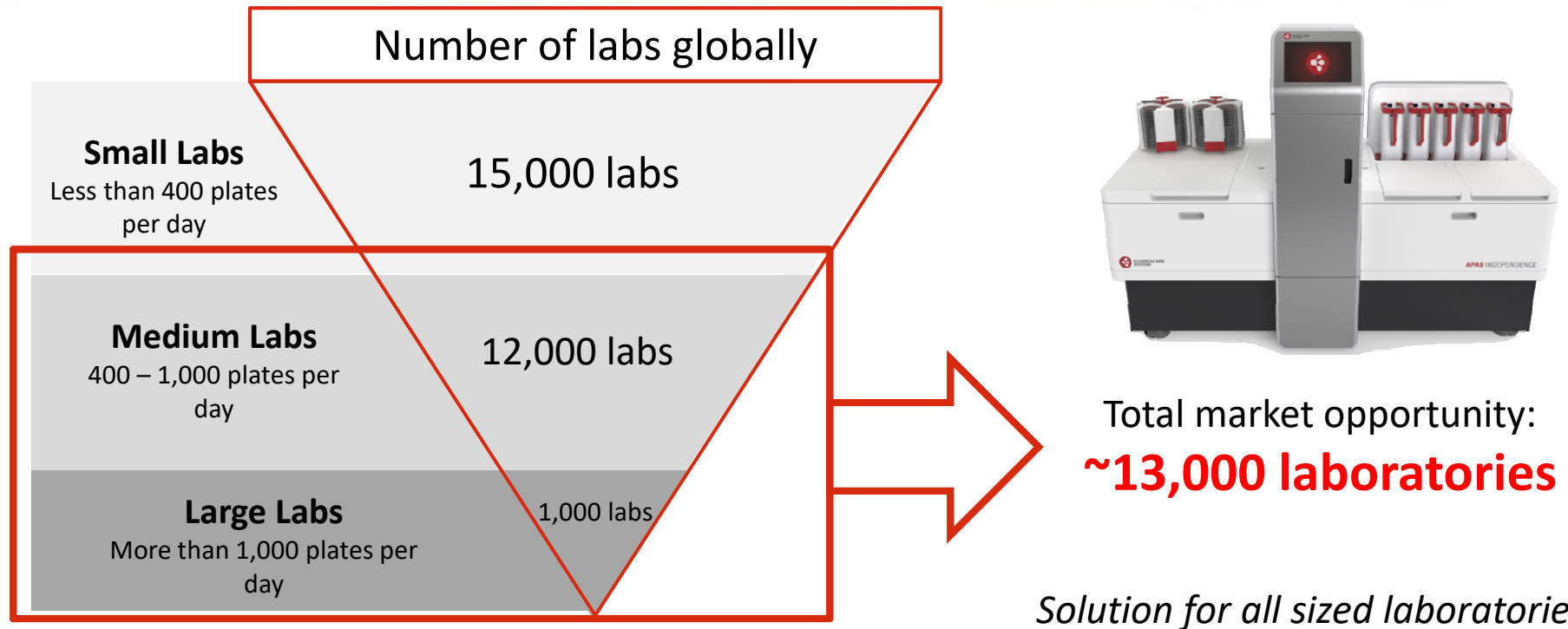
APAS® Independence:
Economic Justification Index: **0.41**
Strategic Justification Index: **0.83**

A standard methodology has been created to determine whether investing in automation is justified for laboratories*



*Society for Laboratory Automation and Screening

Global Market Opportunity – APAS® Independence



APAS® Independence:

- First and only **artificial intelligence** technology in microbiology to be cleared by FDA
- At least 3 times faster than manual process
- Stand-alone instrument; fast, flexible and affordable

Comparable product launch : MALDI-TOF

Step change in technology for identification of bacteria

Automation: results in ~10 minutes versus ~12 hours

Two instruments dominate the market.

- Bruker Biotyper
- bioMérieux Vitek MS
- Average selling price US\$250K

Sales Penetration:

- 2004 First MALDI-TOF installed
 - 2007 Bruker release Biotyper
 - 2011 bioMérieux release Vitek MS
 - 2013 1st FDA clearance
- } **2004 – 2013:**
800 units placed globally
- 2013 – 2015: 700 units sold in the US following FDA clearance



Bruker Biotyper

TOTAL SALES 2004 – 2015: 1500 UNITS GLOBALLY

LBT research

- * Clinical Laboratory Products Magazine February 4, 2015
- * http://www.ecmm.eu/files/Prof._Alex_van_Belkum_MALDI_India.pdf

Our Product - APAS[®] Independence

Automated Plate Assessment System (APAS[®]) - a platform technology for the automation of culture plate **screening** and **interpretation**,

APAS[®] uses **intelligent imaging** and **machine learning** technology to **read** and **interpret** the presence of bacteria in culture plates.

Being launched by Clever Culture Systems AG (CCS), a joint venture between LBT Innovations and Hettich*



Features

- At least **3 times** more efficient than manual plate reading;
- First and only (to date) intelligent imaging **cleared by FDA**;
- Hence, only system able to be used in the US;
- **First to market** with intelligent imaging device;
- **Modular design** easily integrated into culture plate work flow;
- More **affordable** stepwise entry into lab automation.

* Hettich Holding Beteiligungs- und Verwaltungs-GmbH

Independent Customer Evaluation Completed Nov-17

- Completed independent evaluation of APAS® Independence at St Vincent's Hospital in Melbourne
- Successfully achieved evaluation performance targets with laboratory efficiencies realised
- Evaluation of over 3000 urine samples, automatically read and interpreted by APAS® Independence
- Confirms utility and efficiencies in a clinical setting
- Generated interest from other laboratories in Australia
- Expect additional laboratory evaluations to commence in Australia and Europe in Q1 CY18



Channel 7 Melbourne, Sunday 8th October 2017

<https://www.facebook.com/7NewsMelbourne/videos/10155915549244301/>

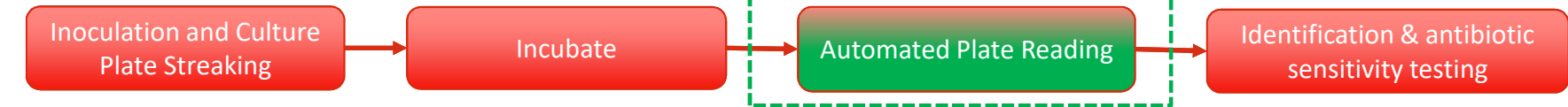
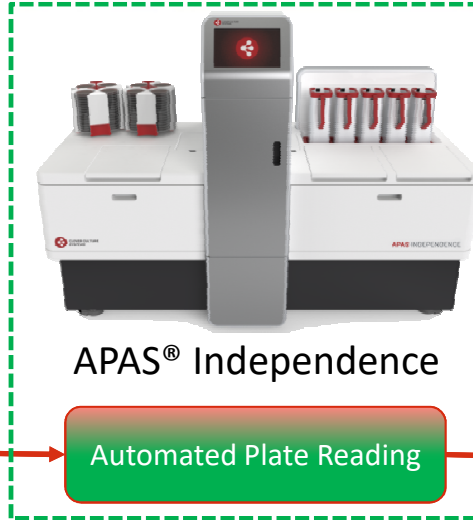
Feedback from St Vincent's evaluation:

- The instrument works and performance targets were successfully met
- Laboratory efficiencies were observed
- Installation was easy with no special requirements as the instrument is simply wheeled into a lab and plugged in
- High level of user engagement
- User interface intuitive and easy to use.

Competitor Landscape – Culture plate workflow

APAS® Independence Difference:

- First & only FDA-Cleared: automated reading & interpretation
- Modular in design
- Affordable: USD\$300K
- Large market segment



← Competition: Targeting end-to-end automation →



Image: <http://www.copanusa.com/products/automation/wasplab/>

Large labs only:
~150 installs over
~11 years

Plate Reading:
Still requires
manual assessment

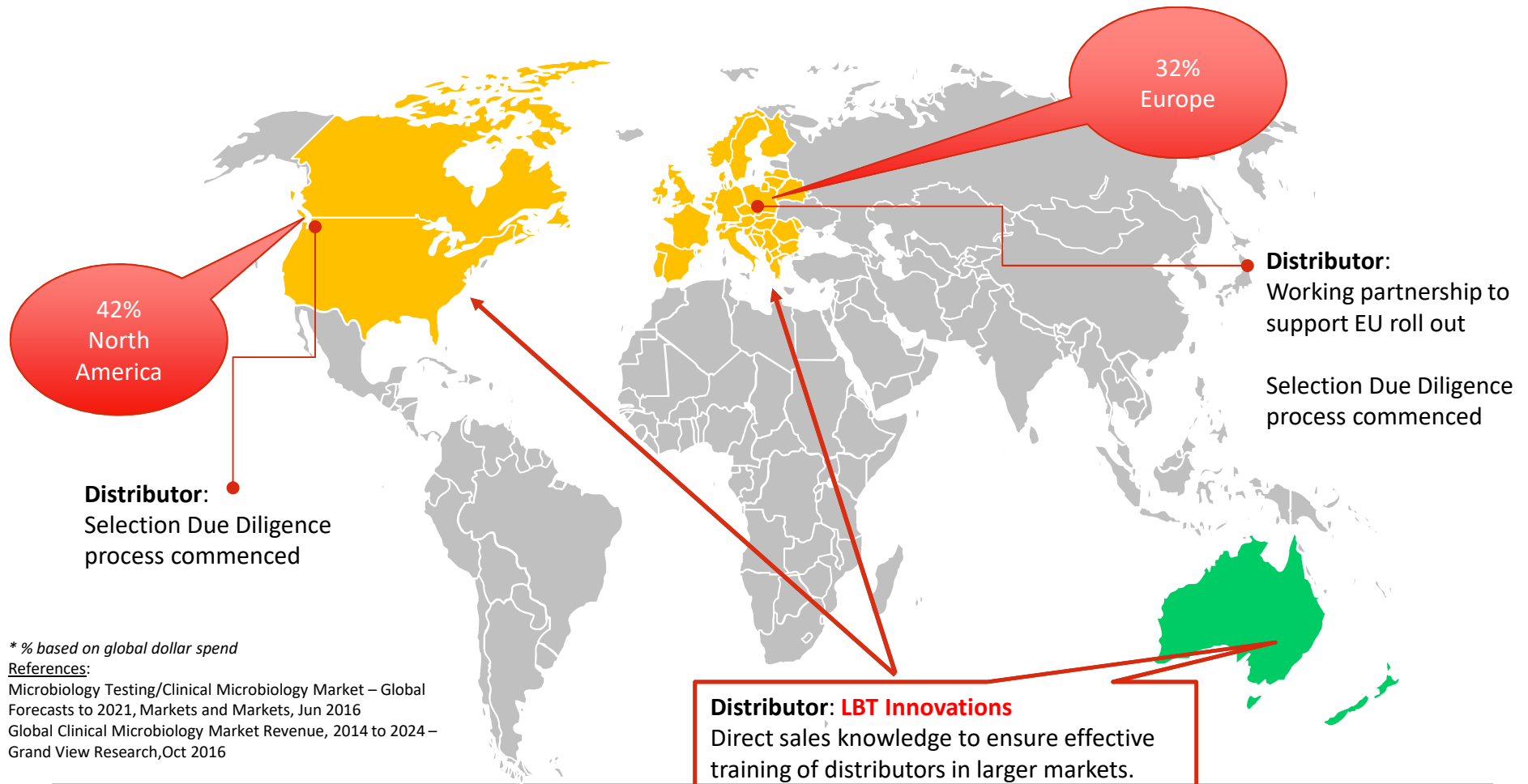
Large capital cost:
USD\$2.5m+



<http://www.bd.com/europe/labautomation/>

Clear Distribution Strategy

Global reach through allocation of the right strategic distribution partner(s)



Increased Marketing Activities

- Sales process in Australian market started
- Updated CCS website: Improved content and look and feel of website and digital engagement
- Attendance at key global conferences in 2018: ECCMID Madrid, Microbe2018 Atlanta, AACC2018 Chicago
- Broadening of supported marketing claims with collaborations with Key Opinion Leaders
- Appointment of distribution partners focussed on microbiology with sales, marketing & distribution infrastructure that dominate in their chosen territory
- Sales and service toolkits to support distributor training

<http://www.cleverculturesystems.com>



APAS Independence

The APAS Independence is a stand-alone automated culture plate reading instrument that accurately and efficiently screens and sorts significant and insignificant growth plates at a rate of 200 plates per hour. The system provides a variety of modules to ensure you only pay for what you need. Choose from urine module, infection control/MRSA module (antibiotic resistance) or respiratory modules (available in 2018). The innovative, FDA cleared culture plate classification system identifies negative plates and removes them from the workflow, allowing microbiologists to focus on the positive and significant growth plates that require their time and expertise, accelerating reporting of patient results.

[ENQUIRE NOW](#)



[PRODUCTS](#) [WHY APAS?](#) [ABOUT US](#) [NEWS](#) [CAREERS](#) [FAQ](#) [ENQUIRE](#)



Fast

Improve your team's efficiency and streamline laboratory workflows with technology that's three times faster than a trained microbiologist.



Accurate

Receive consistent and reliable reports from a market-leading, tried and tested instrument.



Staff satisfaction

Focus microbiologists on complex, significant growth plates that require their expertise for accelerated patient care.



Cost effective

Only pay for what you need thanks to APAS Independence's modular system, with the option to add additional capabilities via extra modules and automated incubator systems.



Life saving

Analyse results more swiftly, ensuring faster delivery of patient test results enabling quicker access to life-saving treatments.



FDA cleared

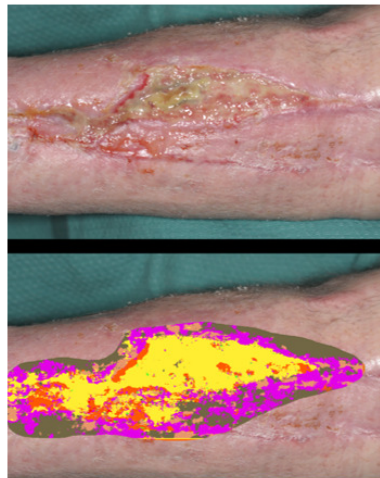
The first automated plate reading instrument utilising the only digital image culture plate classification system with FDA clearance.

Pipeline: WoundVue® Prototype

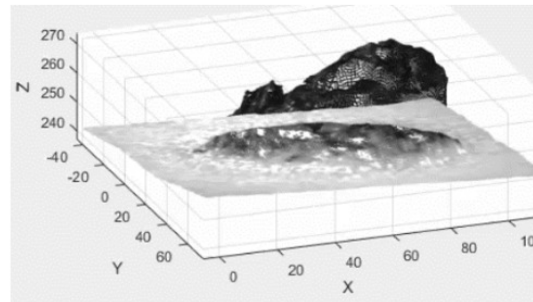
- WoundVue® is a handheld device that will provide **automatic and objective** measurements of surface area, depth, volume and biofilm detection
- Dec-17: LBT awarded \$2.5 million grant from Australian Government
 - Further develop AI algorithm, Biofilm detection, commercial product
- Proof of principle prototype
 - Currently used in a Clinical Trial at the Royal Adelaide Hospital Wound Clinic (Vascular Unit)



Prototype in use



Automatic classification



3D wound reconstruction



Future product concepts

Achievements and Milestones

Delivered on technology and instrument development

CY 2017

- ✓ *CCS showcased the first functional APAS® Independence instrument at major global conferences, starting in April 2017*
- ✓ *Global first laboratory evaluation of APAS® Independence at St Vincent's Hospital in Melbourne, Australia. Validates utility and efficiencies of the instrument in a clinical setting*
- ✓ *Built internal capability to deliver milestones, while creating bench strength for the future*
- ✓ *Raised capital to ensure critical milestones could be achieved*

Focus: Commence sales, customer awareness.
Establishing a global footprint for scale.

CY 2018

- **FDA 510(k) Supplement cleared for APAS® Independence (APAS® technology already cleared)**
- **CE Marking for APAS® Independence instrument**
- **Sales of APAS® Independence commence: Australia, then EU and US**
- **Signing of alliance / distribution agreement with global partner(s) for APAS®**
- **CCS booth and demonstration of APAS®, with key opinion leader / customer publications, white papers at major trade shows**

Corporate Snapshot

Key Statistics (as at 4-Jan-18)

Code	ASX:LBT
Current Price	\$0.20
12 month trading range	\$0.23 - \$0.43
Shares Outstanding	148.8 million
Options Issued	18.1 million
Market Cap	~A\$29 million



Shareholder Base

- ~1,900 Shareholders
- Directors & Management ~4%
- Autobio escrow 90 days (1-Dec-17)
- Free Float 96%

Financials

- Dec-17 projected cash ~\$3.26m
- 2017 overheads ~\$1.8m /qtr
- Commercialisation costs completed ~Q1 CY18
- 2018 focus on commercial launch sales, marketing & production
- Evaluating alternatives to raise funds

Expanded & proven leadership team



Aug-16

Brent Barnes
CEO & MD

Senior exec Cochlear – US & Asia;
Thales. Global commercial &
operational expertise.

Strategic Board Appointments



Sep-17

Matt Michalewicz, NED
Founded three AI
businesses- US & AU



Oct-12

Peter Bradley
VP Sales

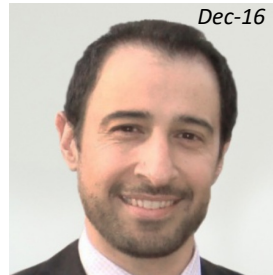
30+ yrs commercial
experience; CSL



Aug-17

Ray Ridge
CFO

Multiple public
companies, Arthur
Andersen



Dec-16

Dr Steven Giglio
Scientific Director

PhD, former Chief
Scientist Clinpath
(Sonic)



Jan-17

Rhys Hill
Research Director

APAS Inventor, Uni of
Adelaide Computer
Science



Sep-17

Glenn Haifer, NED
Medical entrepreneur,
multiple exits

Investment Highlights

- **Breakthrough APAS technology** for automation of pathology processing - **proprietary artificial intelligence**
- **FDA-Cleared** and customer **validation completed** – St Vincent's Melbourne
- **Attractive revenue model** – each APAS represents \$0.45m revenue opportunity
- Poised for commercial launch – **2018 sales pipeline**
- Multiple **product extensions** of platform technology



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