



LBT INNOVATIONS

ASX code: LBT
lbtinnovations.com

LBT Innovations Limited (ASX:LBT)

Extraordinary General Meeting

Brent Barnes

Chief Executive Officer & Managing Director

18th April 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.

Commercial Update & Progress

Focus for 2018 is establishing a **global footprint** for APAS® Independence in strategic markets + **distribution partners** and establishing **customer reference labs**

 **sales commence in 2018**  scaling up in 2019 and beyond

- **Building awareness**

- **Increased digital engagement** - updated CCS website + new video content
- **Marketing campaigns** - direct mailers and online banner digital media
- **Value proposition** - Cost justification tool developed to support customer business case
- **Key global conferences** - Exhibiting APAS® Independence at a CCS booth
 - total attendee's ~25,000+ across ECCMID & ASM
- **Abstract** (with St. Vincent's evaluation) accepted for ECCMID meeting in Madrid (21-24 Apr)
Title: "Image interpretation of urine cultures using the APAS Independence - artificial intelligence in the routine clinical laboratory" (Paper poster #P0122)

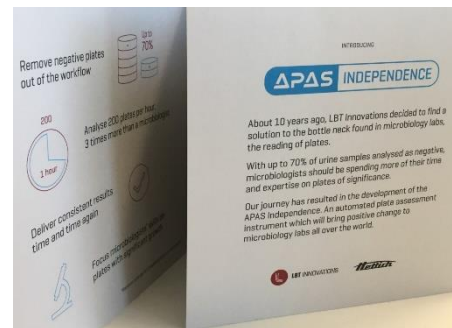
- **Evaluation, Distribution and Development**

- **Distributors** to be appointed for EU & US markets - Working with on the ground partner in EU
- **First shipment** of APAS® Independence to Europe in the first half CY2018
- **Additional modules** – ongoing development to add analysis modules to APAS® instrument



Australia Sales & Marketing Updates

- Sales process commenced in Dec 17
- Capital procurement / sales process
 - > raise awareness
 - > place instrument to evaluate performance & efficiency
 - > buying decision (budget and timing)
- Sales specialist (ex large device) started March 2018 and service technician started Oct-17 (east coast located)
- Direct mailers sent to 100 targeted candidate labs Dec-17, follow up mailer in Mar-18
- Sales visits completed in major public and private labs in QLD, VIC, NSW, SA



Direct mailer (Dec-17)



Online banner advertisements



Market segmentation well understood:

- Target market: **~100 labs** (*processing a minimum of 400 plates per day*)
- Total market size ~272 labs

60 laboratories

- NT: 8
- SA: 15
- WA: 37



212 laboratories east coast

- QLD: 78
- NSW: 79
- ACT: 3
- VIC: 44
- TAS: 8

Placement

Placement	<ul style="list-style-type: none">• Placement was targeted to raise \$6m to \$7m• Received commitments totalling approximately \$7 million
Use of proceeds	<ul style="list-style-type: none">• LBT intends to use the funds for the commercial launch and development of APAS® technology (analysis module development) and product extensions, working capital and costs of the Placement
Pricing	<ul style="list-style-type: none">• The Placement Price is \$0.15 per share
Director's participation	<ul style="list-style-type: none">• Subscribed to ~3.3m shares (raising ~0.5m, subject to EGM approval)
Tranche 1	<ul style="list-style-type: none">• Issued 25,164,711 fully paid ordinary shares (raising ~\$3.8m, completed)
Tranche 2	<ul style="list-style-type: none">• Issue ~21.43m fully paid ordinary shares (raising ~\$3.2m, subject to EGM approval)
Share Purchase Plan	<ul style="list-style-type: none">• Issued 3,246,666 new fully paid ordinary shares (raising \$487K, completed)

Targeting self-sustaining cash flow commencing early 2020

- Assumes revenue contribution from sales
- CY18 & CY19 sales estimates are conservative - period of validation & building acceptance of technology
- Monitor and manage discretionary expenditure as necessary

\$4m South Australian Govt. facility

- Ability to expand LBT internal teams in area of science, artificial intelligence, software engineering
- Build sustainable internal capability to deliver ongoing analysis modules that expand applications of use





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