LBT INNOVATIONS

Annual General Meeting
CEO Presentation

Brent Barnes
Managing Director & Chief Executive Officer

28th November 2018

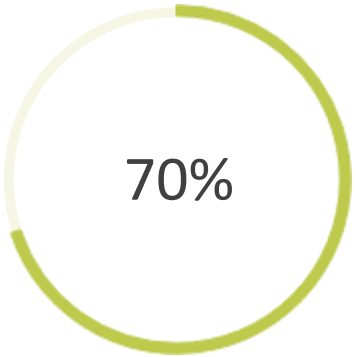
Disclaimer

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 uncertainly and other risks detailed from time to time in the Company's announcements to the ASX.

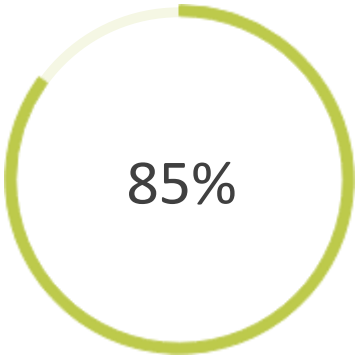
Moreover, there can be no assurance that others will not independently develop similar products or processes or design around patents owned or licensed by the Company, or that patents owned or licensed by the Company will provide meaningful protection or competitive advantages.

Challenges for Microbiology labs



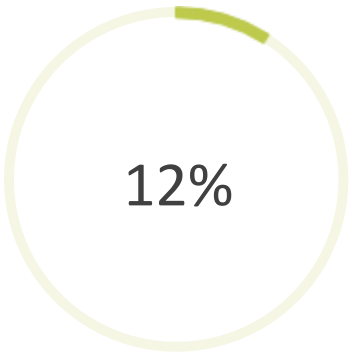
High Demand

70% of clinical decisions are based on in vitro diagnostic lab results



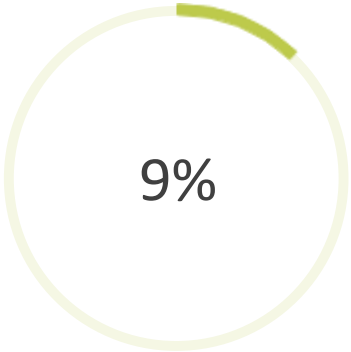
Inefficient resource utilisation

Up to 85% of plates read are negative or show no significant growth



Inconsistent results

Variability in plate reading with error rates 5.5-6.6%, and 12% for morphology[4]



Qualified microbiologists

9%[3] vacancy rate in the US. Average age of microbiologist is 51 years (AU)[1], 42 (US)[2]

1. MedVersus - http://medversus.com.au/specialty/microbiology/
2. Data USA - https://datausa.io/profile/cip/260503/
3. ASCP Laboratory Workforce Report, April 10, 2018
4. J. Clin. Microbiol. doi:10.1128/JCM.01380-16

Solution: APAS® Independence

The first and only automated culture plate reader. Automated imaging, analysis and interpretation of agar culture. *Powered by AI*.

Improve Time Management

Remove negatives out of the workflow

Accuracy

Higher quality and consistency of results

Workplace Safety

Increase workplace safety by lowering manual handling

Cost Efficiencies

Through more efficient use of staff and reduced risk of injuries

Australia: Launch Market

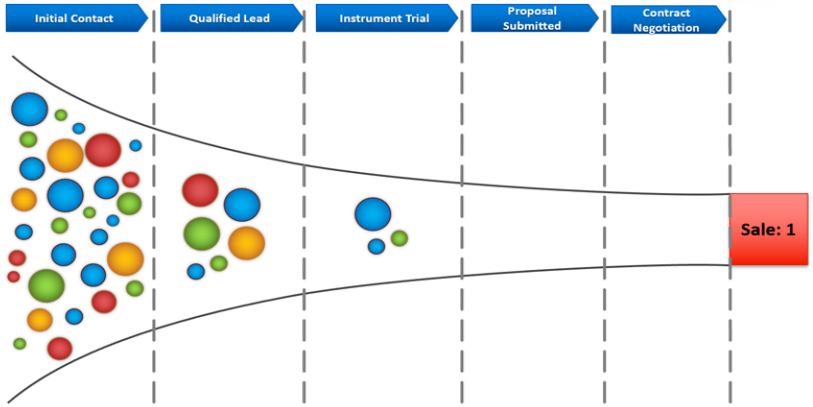
ST VINCENT'S HOSPITAL MELBOURNE

First global sale
August 2018

Channel 7 Melbourne, Sunday 8th October 2017
https://www.facebook.com/7NewsMelbourne/videos/10155915549244301/

- Positive market feedback
- Pipeline sales targets identified, exact sales timing difficult to predict, sales cycle 6 – 12+ months
- Multiple opportunities in pipeline

1. Raise awareness → 2. Verify clinical utility → 3. Budget, buying decision?



the APAS® Independence – boratory.

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[1]St. Vincent's Hospital, Melbourne, Australia
[2]LBT Innovations, Adelaide, Australia
[3]Clever Culture Systems, Switzerland

ST VINCENT'S HOSPITAL MELBOURNE

Results - APAS Independence vs St Vincent's Pathology standard workflow

Table 1: Confusion matrix outlining average sample classifications by SVP and APAS Independence after the unbiased discrepant resolution method.

		APAS Independence	
		NSG	SIG
SVP	NSG	333	
	SIG	35	

Table 2: Sig… sensitivity of APAS

	Upper
	0.956
	0.939

Operator feedback

Microbiologists rated the instrument's usability on a scale from 1 to 5, with 1 being "very complex to use" and 5 being "very easy to use". Three of the four microbiologists rated APAS Independence usability as 5, whilst the other rated it as 4. They considered the availability of imaged cultures to be a key feature, along with the speed of APAS Independence in both sorting and reading agar plates. Both the microbiologist and laboratory assistant groups cited the benefits of a simplified workflow, particularly in specimen set-up, as a major advantage of the instrument.

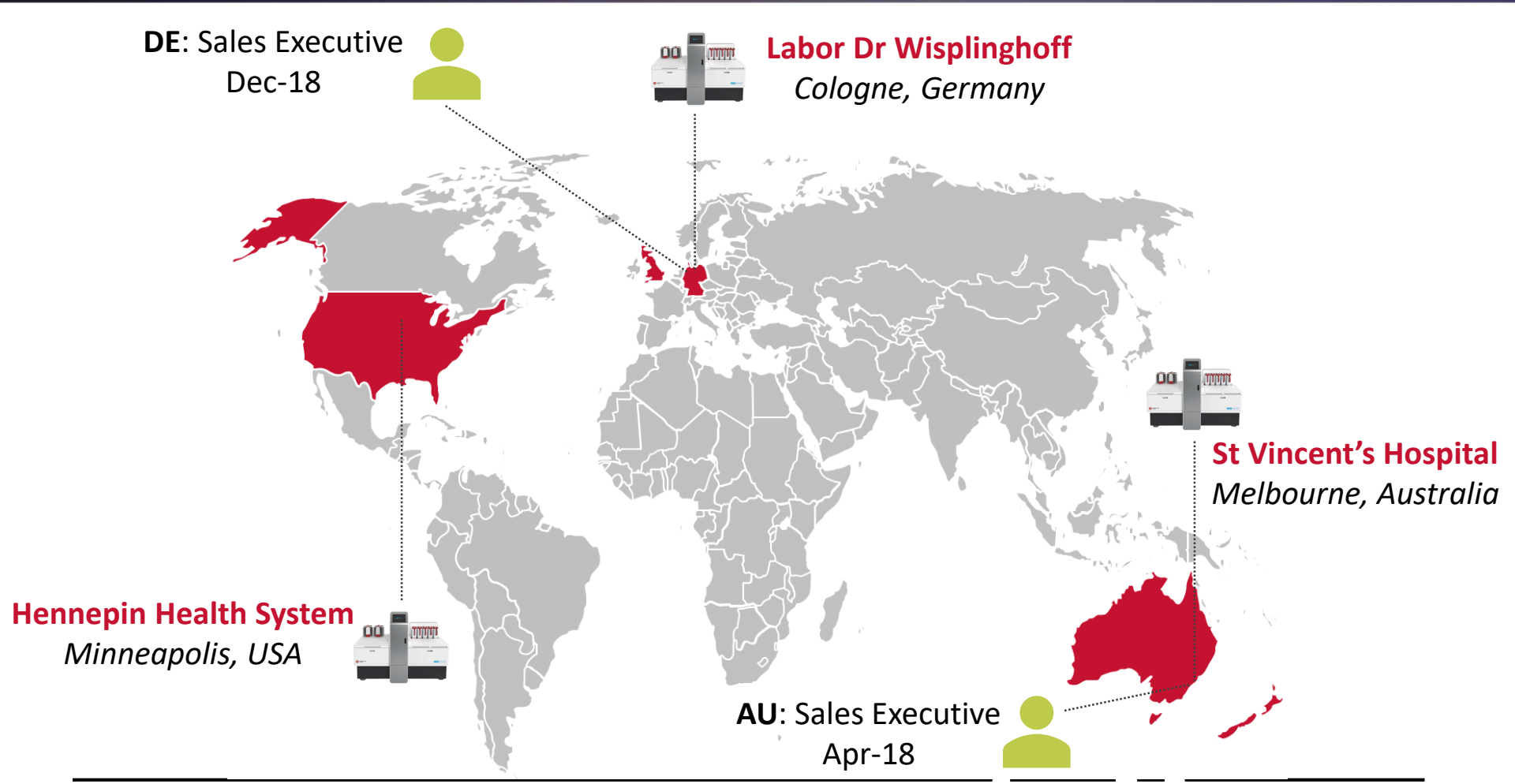
Published confirmation of clinical utility and efficiency in a lab

Conclusions

APAS Independence performed with a high level of sensitivity and specificity and facilitated operational efficiencies in both specimen processing and culture reading.

By removing the negative and non-significant urine cultures from the hands of microbiologists, APAS Independence allows for the redirection of microbiologist time to more complex tasks. Users reported a high level of engagement with the technology, most frequently citing the instrument's ease of use, high-quality image resolution and accuracy as the primary benefits.

Strategic placements: centre of excellence



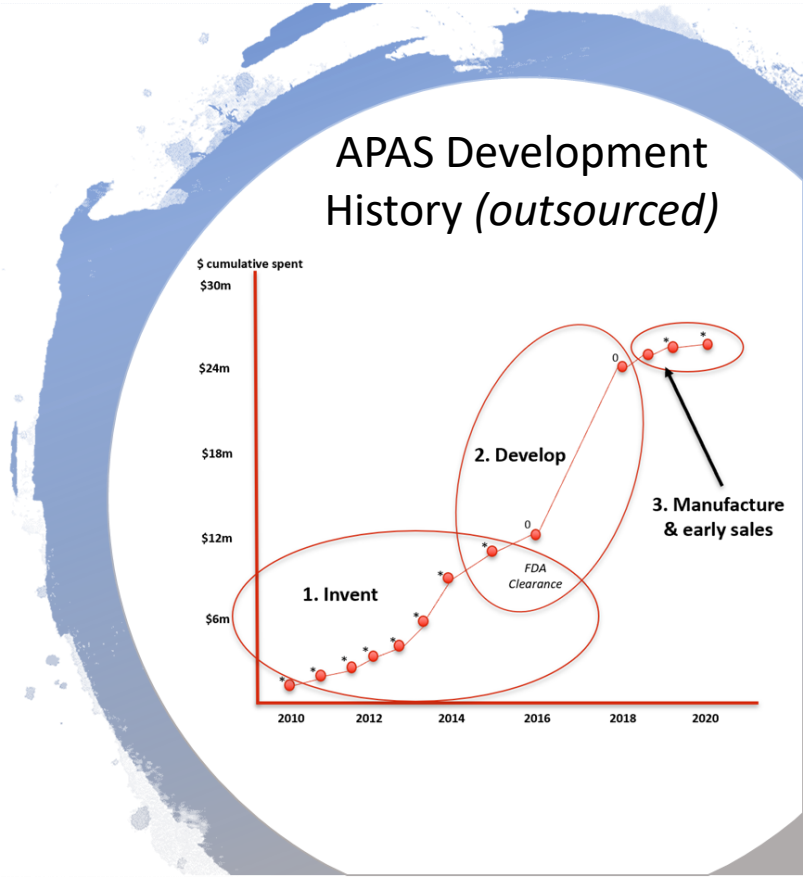
Innovating AI and intelligent imaging for the future of healthcare

Future: Building Strategic Capability

Transitioning from outsourced development to internal capability. Critical to develop future analysis modules

Our Values:

- People investment: Artificial intelligence, software engineering, science. *Unique value proposition.*
- Technology proven -> insourcing increases efficiency and reduces cost
- Directly control development of additional analysis modules in sustainable way



Outlook

2019

Regulatory

Submit 510(k) for APAS Independence (*update to be given by 31-Dec-18*)

FDA clearance

Market Development

Present publications

- ECCMID
- ASM

Expand reference sites

Analysis module development

Sales Activity

Develop international sales pipeline, leading to local distributor(s) placement

Modest sales – building adoption during CY2019

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