UPDATED PRODUCT PIPELINE STRATEGY ANNOUNCED

APAS® product extensions to increase total addressable market opportunities

Adelaide, Australia, 10 August 2022: Australian medical technology company LBT Innovations Limited (ASX: LBT) (**LBT** or the **Company**), a leader in medical technology automation using artificial intelligence, is pleased to announce an update on its APAS® technology pipeline strategy.

Key Points:

- **APAS®-Pharma successful proof-of-concept completed: Potential $10bn market for microbial quality control**
- **New APAS® instrument configurations that bring automated plate reading to all laboratories**
- **Strategy validated with industry partners creating future collaboration opportunities**
- **Major investment in existing machine vision platform completed. Expanded use of APAS® technology**

The last 12 months have delivered critical milestones that improve the strategic outlook of the Company. The successful acquisition of LBT's joint venture company, Clever Culture Systems (**CCS**), in addition to the appointment of Thermo Fisher Scientific, Inc (**Thermo Fisher**) as exclusive distributor in the United States, represent strategically significant milestones for the Company.

As a result, engagement and interest with both customers and industry partners has increased from a technology perspective. This interest is hugely encouraging and has required the Company to initiate a revitalised product pipeline strategy that is centred around expanding the use and leveraging the existing APAS® technology across a portfolio of products. Shareholders should consider this as an opportunity that may attract external investment over time, to support this growth strategy.

The Company has identified three strategic areas for ongoing and future development that increase the market opportunity for the APAS® technology. For each area the Company has engaged with industry partners and key opinion leaders who have supported the strategic direction.

LBT CEO and Managing Director, Mr Brent Barnes said:

"Our goal is to bring digital microbiology to all labs globally – both clinical and non-clinical. We have identified an opportunity, and we are now laser focused to become the market leader in intelligent automation within microbiology. Nobody is addressing the market need like we are, and this exciting strategy creates a compelling opportunity for new partnerships to develop over time."

APAS® Pharma - New Potential $10bn Market Opportunity

Microbial quality control (MQC) is a critical process conducted in pharmaceutical manufacturing to ensure the sterility of production environments. A key component of MQC is settle plate testing, using culture plates to monitor for microbial growth during drug production. These tests are highly important, with product release dependent on a negative result. Over 350 million microbial quality control tests are performed globally each year, with each plate required to be read by two separate microbiologists to ensure data integrity.

LBT has completed a proof-of-concept exercise with a multinational pharmaceutical company to demonstrate the suitability of the APAS® technology for this application. The performance **met all target end-point criteria**, giving confidence that the APAS® platform can successfully be applied to this new application.

LBT Research Director and inventor of APAS®, Mr Rhys Hill said:

"We've already developed a number of regulatory cleared analysis modules which is fundamentally where our IP and technical leadership has been focused. Completing the technical feasibility for the environmental application is a great example of how flexible and robust our APAS® AI platform is. Building our internal capability over previous years means we have greater agility to develop new analysis modules at scale."

New APAS® Instruments – Deliver automated plate reading solutions to all laboratories

The APAS® Independence instrument has led the way in automating culture plate reading, with positive product-market-fit, demonstrated through recent sales and a growing pipeline. Our focus is to sell what we have while in parallel contemplating how the hardware platform can be extended to cater for all sizes of laboratories.

There has been significant investment (>A$30m) in this core technology and LBT's strategy is to expand the use of this platform technology across new hardware configurations to increase the addressable market for the technology. This is expected to be achieved in an optimised way by re-using the core technology from the large investment already made.

APAS® Analysis Module Development - Enhancing Customer Utility

The Company will also continue its active program of expanding the number of APAS® analysis modules available for our customers. This critical activity increases the number of clinical tests that can be processed by the APAS® instrument, thereby increasing the clinical utility for our customers. The focus is on developing modules that target the highest value and most time-consuming tests for our customers.

LBT currently has available modules for Urine screening (US, EU, AU) and Infection Control (MRSA Screening US, EU, AU). New modules are also in development for antimicrobial susceptibility testing (APAS®-AMR), VRE screening and early culture plate reading. Each new module enhances the value proposition of the APAS® instrument and increases the potential revenue opportunity per instrument sold. LBT work closely with its commercial partners to ensure the pipeline of analysis modules is aligned with the highest priorities identified in the market.

A summary of LBT's product pipeline is attached to this ASX release.

Approved for release by the Chair of the LBT Board.

– ENDS –

About LBT Innovations
LBT Innovations (LBT) improves patient outcomes by making healthcare more efficient. Based in Adelaide, South Australia, the Company has a history of developing world leading products in microbiology automation. Its first product, MicroStreak®, was a global first in the automation of culture plate specimen processing. The Company's second product, the Automated Plate Assessment System (APAS® Independence) uses LBT's intelligent imaging and machine learning software to automate the imaging, analysis and interpretation of culture plates following incubation. The technology remains the only US FDA-cleared artificial intelligence technology for automated culture plate reading and is being commercialised through LBT's wholly owned subsidiary Clever Culture Systems AG (CCS). Channel partners for the sale and distribution of the APAS® Independence are in place for the United States (Thermo Fisher Scientific, Inc; Exclusive Distributor) and Europe (Beckman Coulter, Inc; Marketing Agent).

INVESTOR ENQUIRIES

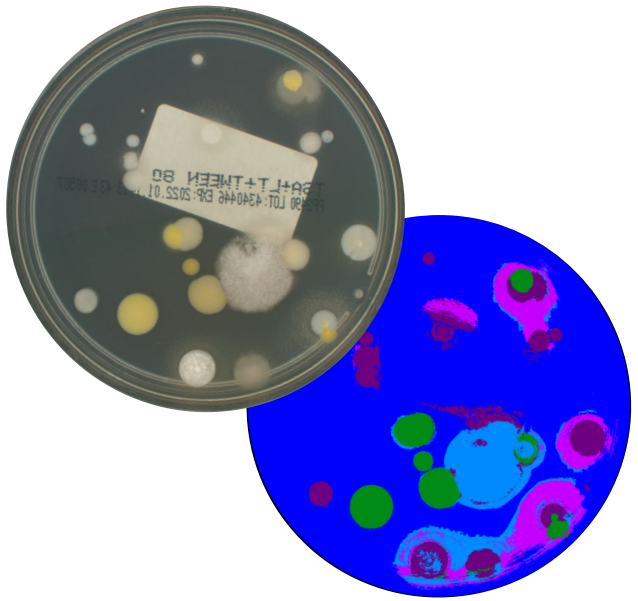
LBT Innovations
Brent Barnes Chief Executive Officer & Managing Director Tel: +61 8 8227 1555 E: info@lbtinnovations.com

NEW: APAS® Pharma for Microbial Quality Control

Proof-of-concept completed with multinational pharmaceutical company

- Proof-of-Concept analysis module developed for environmental monitoring (settle plates) on Thermo Fisher media
  - Developed in partnership with leading pharmaceutical company
  - 100% growth detection – no colonies missed
  - Linearity >0.9 for bacterial count
- Each pharmaceutical customer presents opportunity for multiple APAS® instrument sales
- >350 million tests performed annually. Microbial QC potential market value: >US$10bn

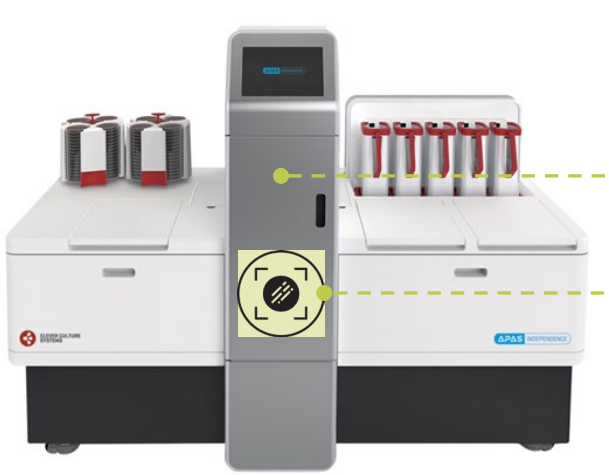
APAS PHARMA



Example microbial QC plate, showing APAS® growth detection

APAS® machine vision platform technology

Major investment in IP established - A$30m on Imaging and AI



APAS® Independence

Imaging platform

Analysis modules compatible

APAS® Micro (Concept image)

- Hardware configurations provide different operating throughput and capacity addressing different laboratory market segments
- Immediately available with all APAS® Analysis Modules (Urine, Infection Control, AST) compatible on all APAS® instruments