

First Distribution Agreement Executed with Sonic Healthcare

- Microba and Sonic Healthcare have now signed a commercial agreement to deliver Microba's advanced infectious disease testing technology MetaPanel™ into Australia
- This new metagenomic diagnostic test has been designed to identify a comprehensive panel of pathogenic microorganisms and genes to advance the standard of care in gastrointestinal infectious disease pathology
- This is the first executed agreement between Microba and Sonic Healthcare (ASX: SHL) since Sonic Healthcare acquired a 19.99% equity holding in Microba and marks the first stage of the parties delivering Microba's world leading microbiome testing technology into Sonic Healthcare's major markets.
- A video presentation of this announcement by Microba CEO Dr Luke Reid can be viewed here <https://ir.microba.com/presentations/>

Microba Life Sciences Limited (ASX: MAP) ("Microba") is pleased to announce that it has executed a commercial agreement with Sonic Healthcare Limited (ASX: SHL) through a wholly owned subsidiary Douglass Hanly Moir Pathology Pty Ltd, to distribute Microba's advanced infectious disease test MetaPanel™ in Australia (Distribution Agreement).

The announcement of the MetaPanel™ Distribution Agreement marks the first commercial agreement between Microba and Sonic Healthcare following announcement to the ASX of the \$17.8m strategic investment by Sonic Healthcare into Microba on 29 November 2022. At the time of the investment, Sonic and Microba agreed initial terms for a strategic partnership to distribute Microba's microbiome testing technology into Sonic Healthcare's major markets. The execution of this Distribution Agreement now completes the first of those commercial distribution arrangements, providing exclusive distribution rights to deliver the MetaPanel™ test Australia-wide through the Sonic Healthcare Australia Pathology network.

Microba's Chief Executive Officer, Dr Luke Reid said, "We are excited to be bringing Microba's testing products to clinicians and their patients throughout Australia via Sonic Healthcare's specialist national laboratory network. The MetaPanel™ technology was developed over many years and represents a world-first in pathology through comprehensive metagenomic testing for gastrointestinal infectious diseases. Sonic Healthcare is a leading provider of high-quality pathology services and will lead the commercialisation efforts to deliver the MetaPanel™ test nationally. Sonic Australia is the first region to distribute Microba's technology, with plans to deliver our testing technology and products into additional markets across the globe through our partnership".

About the MetaPanel™ Technology

MetaPanel™ is an advanced test for detection of causal agents of gastrointestinal infectious disease. The test employs Microba's metagenomics technology to diagnose infectious pathogens such as bacteria, fungi, parasites and viruses together with assessment of virulence factors and antimicrobial resistance (AMR) genes to support precise treatment decisions. The test helps clinicians to avoid multiple, low-coverage, and sequential diagnostic tests that can impact treatment outcomes for vulnerable patients. The MetaPanel™ technology seeks to create a new standard of care for gastrointestinal infectious disease pathology. Microba has worked intimately with clinical microbiologists and infectious disease experts to design the target list and support clinical validation, including the Sonic Healthcare Douglass Hanly Moir team – one of the most highly respected and high-quality pathology service teams in Australia, and leading clinician Professor Paul Griffin, Director of Infectious Diseases at the Mater Hospital Brisbane.

About the Gastrointestinal Infectious Disease Pathology Market

It is estimated that there are over 16m patients globally per annum¹, including over 100k patients in Australia¹, which are high risk and susceptible to gastrointestinal infection who receive routine testing for pathogens in a hospital setting. In addition, globally there is growing concern regarding AMR and the overuse or misuse of antibiotics. This is driving advocacy and demand for increased use of pathogen and AMR testing to guide treatment decisions and best practice antibiotic prescriptions. Current diagnostic testing methods include culturing technologies and nucleic acid amplification tests such as polymerase chain reaction (PCR). These current testing methods are limited in their ability to cover the full diversity of pathogens, subtypes and AMR genes, and are often subject to sequential testing which delays critical treatment decisions. Microba's MetaPanel™ technology has the opportunity to create a new standard through employing advanced metagenomics to deliver broad coverage of pathogens, AMR and virulence factor genes from a single test to guide targeted treatment.

Material Terms of the Distribution Agreement

Parties	Douglass Hanly Moir Pathology Pty Ltd (ACN 003 332 858), a wholly owned subsidiary of Sonic Healthcare Limited Microba Pty Ltd (ACN 30 628 603 225), a wholly owned subsidiary of Microba Life Sciences Limited.
Agreement Commencement Date	5 July 2023
Product Field & Territory	The marketing and sale of the MetaPanel™ product directly to Medical Practitioners in Australia, being the Territory
Term	Three-year initial term from the Commencement Date, which can be extended for an additional two years on mutual agreement by the Parties.
Exclusivity	Exclusivity terms provided within the Product Field and Territory following Launch of the MetaPanel™ product
Termination	No termination without cause. Right of termination by either party with cause with 30 days' notice in the event of breach, bankruptcy or insolvency, or regulatory status loss
Conditions precedent	No conditions need to be satisfied before the parties become bound to proceed with the Distribution Agreement.

Given that it is not yet possible to determine the financial impact from the Distribution Agreement, the Company considers that the MetaPanel™ Distribution Agreement is material and price sensitive for the following reasons:

- The MetaPanel™ Distribution Agreement reflects the commencement of commercial activities with Sonic Healthcare, a world leading provider of medical diagnostic services with a market capitalisation of \$16.7b and strong distribution networks in global markets including USA, Europe and Australasia
- Sonic acquired a strategic stake in Microba for \$17.8m and, agreed initial terms for a commercial partnership to distribute Microba's microbiome testing services globally. The Distribution Agreement delivers on this material commitment to distribute Microba testing through a major shareholder and one of the largest pathology companies globally, Sonic Healthcare.
- It is estimated that there are over 16m patients globally per annum¹, including over 100k patients in Australia¹, which are high risk and susceptible to gastrointestinal infection who receive routine testing which represent the key initial target population for MetaPanel™.

This announcement has been authorised for release by the Chairman and Chief Executive Officer.

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About Sonic Healthcare

Sonic Healthcare is one of the world's leading healthcare providers, with a reputation for excellence in laboratory medicine /pathology, radiology and primary care medical services, across operations in Australasia, Europe and North America. The group provides highly specialised pathology/clinical laboratory and radiology services to clinicians (GPs and specialists), hospitals, community health services, and their patients. Sonic is the world's third-largest provider of pathology/clinical laboratory services (referred to in some markets as 'laboratory medicine').

Employing over 41,000 people globally, Sonic is the largest private pathology operator in Australia, Germany, Switzerland and the UK, the second-largest in Belgium and New Zealand and the third-largest in the USA.

About Microba Life Sciences Limited

Microba Life Sciences is a precision microbiome company driven to improve human health. With world-leading technology for measuring the human gut microbiome, Microba is driving the discovery and development of novel therapeutics for major chronic diseases and delivering gut microbiome testing services globally to researchers, clinicians, and consumers. Through partnerships with leading organisations, Microba is powering the discovery of new relationships between the microbiome, health and disease for the development of new health solutions.

For more information visit: www.microba.com

Microba encourages all current investors to go paperless by registering their details with the designated registry service provider, Automic Group.

¹ Estimated based on the global number of immuno-compromised patients and other patients at high risk for gastrointestinal infection (>8.1m global and >68k Australian chemotherapy treated solid tumor cancer patients, and >1.1m global and >8k Australian haematological cancer patients DOI: [https://doi.org/10.1016/S1470-2045\(19\)30163-9](https://doi.org/10.1016/S1470-2045(19)30163-9) & <https://www.aihw.gov.au/reports/cancer/cancer-in-australia-2021/summary>), (>3m global and 12k Australian dialysis patients DOI: [10.1038/s41581-022-00542-7](https://doi.org/10.1038/s41581-022-00542-7) & https://www.anzdata.org.au/wp-content/uploads/2019/09/c04_haemodialysis_2018_ar2019_v2.0_2020619.pdf & https://www.anzdata.org.au/wp-content/uploads/2021/09/c05_peritoneal_2020_ar_2021_Chapter_v1.0_20220530_Final.pdf), (>140k global and >1k Australian Organ Transplant patients per year <https://www.transplant-observatory.org/> & <https://www.health.gov.au/topics/organ-and-tissue-donation/organ-and-tissue-donation-in-australia>), (>3.5m global and >25k long stay ICU patients – estimate based on data from <https://ourworldindata.org/grapher/intensive-care-beds-per-100000> and other sources)