PLACEMENT COMPLETES FINANCIAL RESTRUCTURE

Increasing the amount raised under the Entitlement Offer to $4,000,000

Adelaide, Australia, 20 November 2023: Australian medical technology company LBT Innovations Limited (ASX: LBT) (**LBT** or the **Company**), a leader in medical technology automation using artificial intelligence, advises that the Company's partly underwritten Renounceable Pro-Rata Entitlement Offer Shortfall (**Entitlement Offer Shortfall**) has been placed to the value of $420,000, bringing the total raised under the Entitlement Offer to $4,000,000.

Key Points:

- **Placement under the Entitlement Offer Shortfall raised an additional $420,000**
- **Financial restructure over the last month improves balance sheet and cash runway:**
    1. **$4,000,000 raised under Entitlement Offer, exceeding original underwritten minimum of $3,000,000**
    2. **$1,380,000 debt repaid in-full, removing Share Placement Facility overhang**
    3. **Restructured South Australian Govt. loan, improving cashflows by up to $1,740,000 over next 18 months**
- **Existing Shareholders given first priority in the $4,000,000 raised to date, supported by new cornerstone investors and strong support by Board and Management**
- **Funds raised support the development of APAS® PharmaQC, on track for completion in Q1 CY 2024, ahead of the expected roll out by AstraZeneca**

The Company has placed 84,000,000 Ordinary Shares together with 84,000,000 listed options under the Entitlement Offer Shortfall, raising an additional $420,000. The placement is at the same terms previously disclosed under the Entitlement Offer which closed on 9 November 2023. This additional $420,000 increases the total raised under the Entitlement Offer to $4,000,000, significantly exceeding the original underwritten minimum of $3,000,000.

The remaining $500,000 Entitlement Offer Shortfall remains available to the Company to place within 3 months of the closing date, if required.

Financial restructure supports APAS® PharmaQC commercialisation strategy

The Company has successfully executed a financial restructure involving three key initiatives, supporting an updated business strategy centred on the launch of APAS® PharmaQC into the pharmaceutical manufacturing industry, while also expecting a conservative build of sales continuing in the clinical microbiology market. The Company views APAS® PharmaQC as a critical growth driver for future revenues, with sales expected to commence in the second half of calendar year 2024 following the expected completion of development work under the AstraZeneca agreement.

	Capital restructure objective	Rationale
✔	1. Raise a minimum of $3.0 million	Minimum funds required to support completion of the APAS® PharmaQC development and marketing/sales activities
✔	2. Repay the Share Placement Facility	Eliminates risk of potential ongoing sale of shares issued under the Share Placement Facility negatively impacting Share price
✔	3. Restructure SAFA Government Loan	Improves cashflows over the next 18 months by up to $1,740,000, further extending the Company's cash runway

Brent Barnes, CEO & Managing Director said:
"The Company has been successful in executing a capital restructuring strategy that is aligned with an updated business strategy to develop and launch APAS® into the pharmaceutical market. This is an important reset that needed to happen to fund the Company and unlock potential shareholder value in the longer term. I'd like to thank existing and new Shareholders that have supported the Company in the Entitlement Offer and who have backed the updated strategy."

Potential future cash inflows

In addition to an immediate improved balance sheet following the successful execution of above financial restructuring initiatives, the Company also has the potential to receive further cash inflows over the next 12 months:

- Consulting fees of over $600,000 from AstraZeneca for the continued development of APAS® PharmaQC (subject to continued achievement of development milestones);
- Instrument sales resulting from the expected AstraZeneca deployment of APAS® PharmaQC across their manufacturing network;
- FY 2024 Research & Development Tax Incentive, expected to be received circa October 2024, noting the FY 23 receipt of approximately $850,000; and
- Additional instrument placements to other pharmaceutical companies globally and a conservative build of sales in the clinical microbiology market.

Refer to the Prospectus for full details of the Entitlement Offer:
https://www.lbtinnovations.com/wp-content/uploads/Rights_Issue_Prospectus.pdf

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 selected countries in 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