



Quantum Resources Limited

(ASX: QUR)

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LogiTag continues to expand in US hospital market

Quantum Resources Limited (ASX: QUR) (**Quantum**) is pleased to announce that LogiTag Systems Ltd (**LogiTag**) has expanded its existing relationship with a large US supplier of medical supply management systems.

The large US supplier of medical supply management systems is one of the leading suppliers of healthcare solutions to the US market with installations currently in more than 2,000 hospitals. The expanded agreement will see LogiTag supply its smart cabinet technology to this large US supplier of medical supply management systems and become its next generation automatic supply management solution.

LogiTag's smart cabinet technology will be fully integrated with the partner's management software and will be an integrated solution for medical device and tissue management. This will enable the large US supplier of medical supply management systems to provide medical device and implant inventory management solutions to the more than 2,000 hospitals it currently services in the US.

As shareholders are aware, Quantum has entered into a binding share purchase agreement to purchase 100% of the issued share capital in LogiTag. LogiTag is an Israeli based technology company, providing radiofrequency identification enabled devices (**RFID**) and cloud based inventory management systems.

LogiTag's expanded distribution agreement with the large US supplier of medical supply management systems will involve the initial purchase of a minimum of 85 LogiTag smart cabinets with software licences within nine months, generating US\$1.2 million of revenue for LogiTag. Given confidentiality provisions, the identity of the large US supplier of medical supply management systems cannot be disclosed. However, Quantum can confirm that it is an existing distribution partner of LogiTag.

At the end of calendar year 2016, a new minimum target will be set for the 2017 calendar year that is expected to see a substantial increase in orders relative to the initial purchase. The size of the smart cabinet market in the US, excluding software, is estimated to be between US\$1.5 billion to US\$2 billion.

Commenting on the expanded agreement, LogiTag founder and CEO, Shlomo Matityaho said: "We are very excited to be further growing our relationship with one of the leading US suppliers of medical supply management solutions. The market size for smart cabinets in the US alone is estimated to be between US\$1.5 billion to US\$2 billion. With LogiTag's technology becoming the next generation of automatic supply management solutions for medical devices and implant inventory management we will be well placed to deliver substantial growth in this very attractive market segment."

LogiTag currently provides its solutions to the global healthcare market. The LogiTag RFID solution enables hospitals and medical facilities to securely monitor, track and manage inventory

levels in real time, using one centralised system. Utilising the unified infrastructure that the system provides, hospitals are able to maintain accurate patient file records as well as automatically generate reorders with suppliers. The LogiTag inventory management system not only saves time and personnel costs but also provides up to 30% cost reduction to hospitals due to elimination of stock outs and expired stock.

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