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Company Announcements Office Australian Securities Exchange

Nanosonics to expand its North American presence with the introduction of a direct sales operation

Nanosonics (ASX:NAN), announced today the establishment of a direct sales operation in North America to expand its presence and drive sales of trophon® EPR more broadly in the market alongside its distribution partner GE Healthcare.

Nanosonics has an existing sales and service infrastructure operating in North America with six experienced infection prevention sales professionals that have been supporting the GE Healthcare ultrasound sales force. These six experienced professionals will now commence direct sales exclusively for Nanosonics with up to 15 additional infection prevention sales specialists planned to join this team over the next three months. Nanosonics' specialist sales team will cover territories across the USA and Canada. At the same time, GE Healthcare will continue as a key non-exclusive distributor of trophon® EPR and its consumables in the USA and Canada through its separate sales, marketing and service teams.

The expanded Nanosonics North American operation will be established over the next three months and is expected to drive and support both broader and deeper penetration across the total market in the USA and Canada. All sales made through this infection prevention specialist sales group will be recorded directly by Nanosonics at a retail margin.

It is expected that the new Nanosonics direct sales operation will be fully functional by the end of FY15. Through this period of transition with GE Healthcare as a non-exclusive partner, purchases by GE Healthcare from Nanosonics are unlikely to be significant. However, revenues from direct sales are expected to grow steadily as the full Nanosonics sales team come into effect establishing significant momentum going into FY16.

"The opportunity to establish trophon® EPR as the new standard of care across the North American market continues to grow as the market fundamentals for adoption strengthen. The market potential is large and with an installed base already in excess of 4,000 units in North America, awareness of trophon® EPR and its benefits is growing strongly. The ability to directly drive sales across the total market, including the non-hospital market, provides a compelling business rationale for commencing our own direct operations. This new sales model allows Nanosonics to leverage its expertise in infection control whilst GE Healthcare continues to leverage its leadership position and strength in the ultrasound market" said Michael Kavanagh, Nanosonics Chief Executive Officer and President.

"There is a real need for improved infection control solutions in the ultrasound field and GE Healthcare recognises the importance of providing customers with improved solutions to address the risk of imaging related infections. The trophon® EPR delivers excellent benefits for our customers and GE Healthcare will continue selling trophon and associated consumables in the USA and Canada through our dedicated trophon sales team as well as our large ultrasound sales force" said Anders Wold, President & CEO of GE Healthcare, Ultrasound.



"This integrated sales model for North America is proving increasingly successful in markets such as the UK and is expected to accelerate the broad adoption of trophon® EPR as the primary mechanism for the high level disinfection of all ultrasound transducers. In addition our ongoing clinical studies program is identifying a number of new highly relevant and clinically significant unique benefits of trophon® EPR, the results of which are expected to be presented in this half." said Michael Kavanagh, Nanosonics Chief Executive Officer and President.

Michael Kavanagh CEO / President

Investor conference call

Investors are invited to join a conference call hosted by Mr Michael Kavanagh, CEO and President of Nanosonics at **2.30pm AEST on 6 February, 2015.**

To access the call please use the following details:

Conference ID: 903 515

Dial in numbers:

Australia 1800 558 698 Canada 1855 8811 339 China 4001 200 659 Hong Kong 800 966 806 India 0008 0010 08443 Japan 0053 116 1281 New Zealand 0800 453 055 Singapore 800 101 2785 United Kingdom 0800 051 8245 **United States** 1855 8811 339

An archive of the call will be available on www.openbriefing.com and on the company's website: www.openbriefing.com

For more information please contact:

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About Nanosonics

Nanosonics Limited is developing a portfolio of decontamination products designed to reduce the spread of infection. The Company owns intellectual property relating to a unique disinfection and sterilisation technology which can be suited to a variety of markets. Initial market applications are designed for the reprocessing of reusable medical instruments. The Company's first product is designed to disinfect Ultrasound Transducers. In parallel with the commercialisation of this product, Nanosonics is also developing other medical applications and exploring opportunities for its proprietary technology in other industries. For more information about Nanosonics please visit www.nanosonics.com.au