

ASX ANNOUNCEMENT

Analytica implements expenditure reduction initiatives

10th March 2016: Brisbane, Australia – Analytica Ltd (ASX: ALT) manufacturer of the PeriCoach® system has announced a number of initiatives to reduce expenditure, including the termination of the agreement with Salesforce4Hire, Analytica's sales and marketing partner in the US.

The Company remains committed to its strategy of making the PeriCoach the best-in-class product, continuing to establish the product's credibility and market acceptance and looking for partnership opportunities with multinational medical device companies.

As a research and development commercialisation company, Analytica does not have the capacity to drive meaningful or exponential sales and the Company's strategy is therefore focused on securing a licensing agreement with a major medical device company with the scale to make the product a global success.

As a result of the initiatives, the Company's expenditure this calendar year is forecast to be 50% less than in calendar 2015.

As well as the termination of the Salesforce4Hire agreement, other marketing initiatives in the US and Australia have been substantially reduced. Analytica has sufficient resources in place to maintain exposure in those markets in order to continue to collect data from PeriCoach users and clinicians. Analytica believes sufficient progress has been made toward increasing its user base in the US and the advances made under the Salesforce4Hire agreement to date has enabled Analytica to build its own base of users from whom 'real time' data can be accessed.

Analytica has effective and expanding engagement with key opinion leaders and the Company no longer requires to spend capital on establishing these networks. Maintenance and servicing of these networks will require less capital going forward.

The Company has also made a great deal of progress in the development of the PeriCoach, collecting clinical data and gaining an understanding of what a commercial partner will be looking for in a transaction:

- The current version 3 of the PeriCoach being developed addresses clinicians wish list of features and the collection of data is yielding exciting results that will assist clinicians in the diagnosis and management of urinary incontinence.
- Networks and systems to collect clinical data, user testimonials and post-market surveys are in place and evidence of PeriCoach's effectiveness in treating urinary incontinence and sexual function are accumulating.

The services agreement with Salesforce4Hire included provision for up to 52,083,334 options at 1.9c exercised before February 2020. 10,416,667 options have vested and 41,666,667 will lapse subject to shareholder approval.



For more information please contact:

Geoff Daly, Chief Executive Officer on (07) 3278 1950

Kyahn Williamson, Investor Relations, Buchan Consulting on (03) 9866 4722

For more information about the PeriCoach System, visit: www.PeriCoach.com

For more information about Analytica, visit www.AnalyticaMedical.com

Follow us on:



About Analytica Limited

Analytica's lead product is the PeriCoach® System – an e-health treatment system for women who suffer Stress Urinary Incontinence. This affects 1 in 3 women worldwide and is mostly caused by trauma to the pelvic floor muscles as a result of pregnancy, childbirth and menopause.

PeriCoach comprises a device, web portal and smartphone app. The device evaluates activity in pelvic floor muscles. This information is transmitted to a smartphone app and can be loaded to PeriCloud where physicians can monitor patient progress via web portal. This novel system enables physicians to remotely determine if a woman is performing her pelvic floor exercises and if these are improving her condition.

PeriCoach has regulatory clearance in Australia, and has CE mark clearance. The product has USFDA 510(k) clearance. The product has been on sale in Australia and New Zealand since January, and recently launched in the UK and Ireland, and in the USA. The US market for incontinence pads is \$5 billion pa. It is projected that by 2030, 5.6 million women in Australia will suffer urinary incontinence.

