

PACIFIC EDGE UNDERTAKES \$8M SHARE PLACEMENT

Capital Investment To Assist The Push Through To Cashflow Positive Position

Cancer diagnostics company, Pacific Edge Limited (NZX:PEB), has undertaken a \$8.0 million share placement to institutional and other select investors in New Zealand.

The placement was undertaken at no discount to market, with institutional and other select investors subscribing for new shares at \$0.50 cents per share, the market price of Pacific Edge Limited shares traded on Tuesday 14 February 2017.

Pacific Edge is focused on building sales of its suite of innovative Cxbladder bladder cancer diagnostic tests and has been gaining traction in the USA market with a number of milestone achievements in the past year including:

- Agreed cover and contract pricing with the Veterans Administration and TRICARE;
- The successful completion of a large scale User Programme with healthcare provider Kaiser Permanente with positive and compelling results;
- Continuing positive clinical validation of its Cxbladder technology in NZ and the USA;
- The official USA launch of the third test in its suite of Cxbladder tests; and
- The recently announced release of a fourth test in New Zealand.

The company is generating increasing sales revenue, with a 162% jump in operating revenue in the last financial year to 31 March 2016 to \$4.98 million; and test throughput is increasing as greater numbers of urologists trial and purchase Cxbladder tests. While the company has sufficient cash on hand of approximately \$9 million for its immediate growth requirements, the new investment provides additional support for Pacific Edge to drive its commercial growth.

Pacific Edge Chairman, Chris Gallaher, commented: “The strong support we received for the share placement from institutional and other select investors in New Zealand has allowed us to cost efficiently and effectively strengthen our balance sheet as we continue to make good traction towards attaining a cashflow positive position.”

Pacific Edge is the only company in the world to have a suite of molecular diagnostic tests in bladder cancer that address different needs throughout the diagnostic and treatment pathway - from investigation of haematuria through to the management of patients who have the disease and are coming back to the clinic for evaluation of the recurrence of bladder cancer. The company is focused on positioning its highly accurate, non-invasive and cost effective Cxbladder technology as the preferred diagnostic tool for clinicians and urologists, and is seeing increasing demand and uptake from both private and public healthcare providers.

Pacific Edge CEO David Darling said: “While we are still in the early stages of our commercial journey, we are now starting to see some real progress, particularly in the United States. We have been investing into our USA infrastructure and the development of multiple new products for the past two years, including a CLIA certified and CAP accredited laboratory, an experienced specialist sales team and the USA launch of three of our four Cxbladder tests.

“We believe our existing infrastructure and resources are appropriate for our medium term growth goals and anticipate capital requirements for our growth strategy in FY17 will be at a similar level to FY16. The additional funds will be used to progress and expedite our commercial goal of getting to a cash flow positive position as fast as possible, with our focus squarely on the USA.”

Pacific Edge advises that, as at the date of this release, it is in compliance with its continuous disclosure and financial reporting obligations.

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OVERVIEW www.pacificedge.co.nz www.pacificedgedx.com

Pacific Edge Limited (NZX: PEB) is a New Zealand publicly listed, cancer diagnostic company specialising in the discovery and commercialisation of diagnostic and prognostic tests for better detection and management of cancer. The company is developing and commercialising its range of Cxbladder bladder cancer tests globally through its wholly owned central laboratories in New Zealand and the USA. The company's products have been tested and validated in international multi-centre clinical studies.

Pacific Edge has three proprietary, novel, accurate, molecular diagnostic products in-market providing actionable results, and better detection and management of urothelial cancer. Cxbladder Detect and Cxbladder Triage are available through the company's dedicated CLIA certified laboratories for customers in New Zealand, Australia and the USA. Cxbladder Monitor launched in New Zealand in December 2015 and is anticipated being available in the US in 2016.

ABOUT Cxbladder Triage www.cxbladder.com

Cxbladder Triage combines the power of the genomic biomarkers with additional phenotypic and clinical risk factors to accurately identify patients with haematuria who have a low probability of bladder cancer and may not require a more extensive urological evaluation. Cxbladder Triage is a tool for use by clinicians and physicians in primary evaluation of patients with haematuria and is intended to reduce the need for an expensive and invasive work-up in patients who have a low probability of having urothelial carcinoma.

ABOUT Cxbladder Detect www.cxbladder.com

Cxbladder Detect enables the non-invasive detection of bladder and other urinary tract cancers from a small volume of a patients' urine. Cxbladder Detect was launched in 2013 in the USA and is commercially available in New Zealand, Australia and the USA as a Laboratory Developed Test (LDT) from the company's CLIA certified laboratories. Cxbladder Detect provides clinicians with a quick, cost effective and accurate measure of the presence of the cancer as an effective adjunct to cystoscopy.

ABOUT Cxbladder Monitor www.cxbladder.com

Cxbladder Monitor, the third test in the Cxbladder portfolio for urologists, is a proprietary, non-invasive, molecular diagnostic test that combines genomic biomarkers measured from a small quantity of a patient's urine, with patient specific clinical factors to better monitor bladder cancer patients for recurrence. Bladder cancer has a recurrence rate of 50-80% and requires life-long surveillance. Cxbladder Monitor accurately identifies patients with a prior history of urothelial cancer (UC) whose Cxbladder Monitor score shows that they have a low probability of recurrent urothelial carcinoma. Cxbladder Monitor is designed to be used as the preferred adjunct test to cystoscopy in the management of patients for ongoing evaluation of recurrent bladder cancer.

Refer to www.cxbladder.com for more information.