



ABN 82 010 975 612

Level 18, 101 Collins Street
Melbourne, Victoria 3000 Australia
Telephone: + 61 7 3273 9133
Facsimile: + 61 7 3375 1168
<http://www.tbgbio.com/public/>

TBG Diagnostics completes strategic review, now solely focused on molecular diagnostics business growth

Melbourne, Australia, 22 August 2016. TBG Diagnostics Limited (ASX: TDL, OTC: PGLA) (the **Company** or **TBG**) is pleased to announce the completion of the strategic review by entering into a binding agreement to sell the last of its non-core assets and is now able to solely focus on growing its molecular diagnostics business.

The Company has entered into a binding agreement to sell the PG500 assets to Zucero Therapeutics Pty Ltd (**Zucero**) for a total deferred consideration of \$6,000,000 (**Sale**).

The asset Sale is the final step in the strategic review and company restructure which commenced in May 2015. Board and management will continue now to focus the company's full attention to developing and expanding its product range and distribution throughout the high growth Asia region.

Zucero is an Australian based private company and is a special purpose vehicle established for the purposes of completing the Sale. Key management, including the Director of Drug Development, Dr Keith Dredge, will continue to be actively involved in driving the PG500 business forward.

The deferred consideration is payable in 3 years. The Company has negotiated the right to be able to convert the deferred consideration into equity such that the Company will hold 20% of the total share capital on issue in Zucero. This gives the Company the opportunity to share in any upside that may eventuate from Zucero's activities with the PG500 assets.

In order to secure payment of the deferred consideration and protect the Company's interests, the parties have entered into security interest agreements and a guarantee. Furthermore, the Company has the right to appoint a director to the Zucero Board.

Having regard to Listing Rule 11.1 and Guidance Note 12, the Company has formed the view that the Sale does not require shareholder approval.

For more information:

Blair Lucas
Company Secretary
+61 7 3273 9133
+61 403 358 638

About TBG Diagnostics

TBG Diagnostics is a global molecular diagnostic (MDx) company operating in the IVD (in vitro diagnostics) industry. TBG is focused on the development, manufacture and marketing of molecular diagnostic kits, instruments and services

TBG Diagnostics is an established brand with a strong presence in the Asian market. From its plant in Xiamen, China it develops and manufactures:

- Nucleic Acid Test (NAT) products
- HLA typing reagents based on NAT technologies
- Automation systems for NAT operations
- IVD-related NAT kits and services

Products distributed to more than 22 countries. Major hospital and laboratory clients in USA, Taiwan, Germany, Portugal, China, Hong Kong and Singapore. Operating in the rapidly growing IVD market - US\$53 billion in 2013 and expected to reach US\$74.7 billion by 2020 (This is huge to say we operate in the IVD market. More realistically, we operate in the MDx market which is growing from 10% (\$6Bn USD) to 25.2% (\$25Bn USD) of total IVD market share by 2024.)

Targeting further growth in China - fastest growing MDx market at CAGR of 27.9%. Extensive research and development pipeline targeting products for oncology, infectious diseases, transplants, transfusions, pharmacogenetics, autoimmune diseases and genetic diseases