



Annual General Meeting 2018



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Overview

- 2018 has been a year of change but also significant progress for Optiscan
- Board and Management Changes in the first half of the year
- Retention of Key Management in R&D, Quality and Applications
- FDA 510(k) Clearance and CE Mark for Carl Zeiss Meditec CONVIVO
- Receipt of ISO13485 certification
- Commenced 4 stage trial for assessment of Breast Cancer Surgical Margin in conjunction with a leading Australian breast surgeon and pathologists
- Re-branding of pre-clinical and translational product with new website, marketing collateral and enhanced engagement with Australian research community
- Reduced annualised costs by in excess of \$1 million per annum

Strategic Focus

- Continued support and shift to production focus as part of CZM collaboration agreement
- Focus on additional clinical application areas to diversify revenue sources & increase revenue streams over medium to longer term:
 - Commencement of Breast Cancer Surgical Margin trial
 - Investigating additional clinical applications with leading cancer research and clinical organisation
 - Seek strategic partner for re-entry into gastrointestinal applications
- FIVE2 (ViewnVivo) Re-Branding
- Focus on Australian Pre-Clinical and Translational Markets and increased application support
- Developing customised pre-clinical and veterinary options including a sterile sheath and an equine endoscope



Carl Zeiss Meditec (CZM) Collaboration Agreement

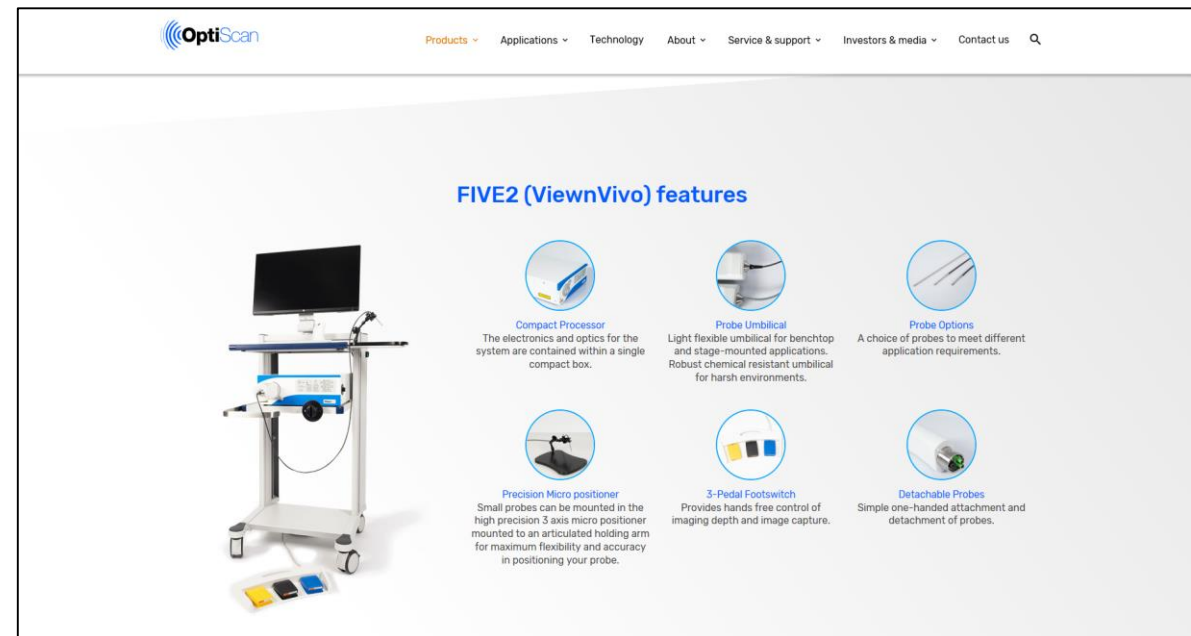
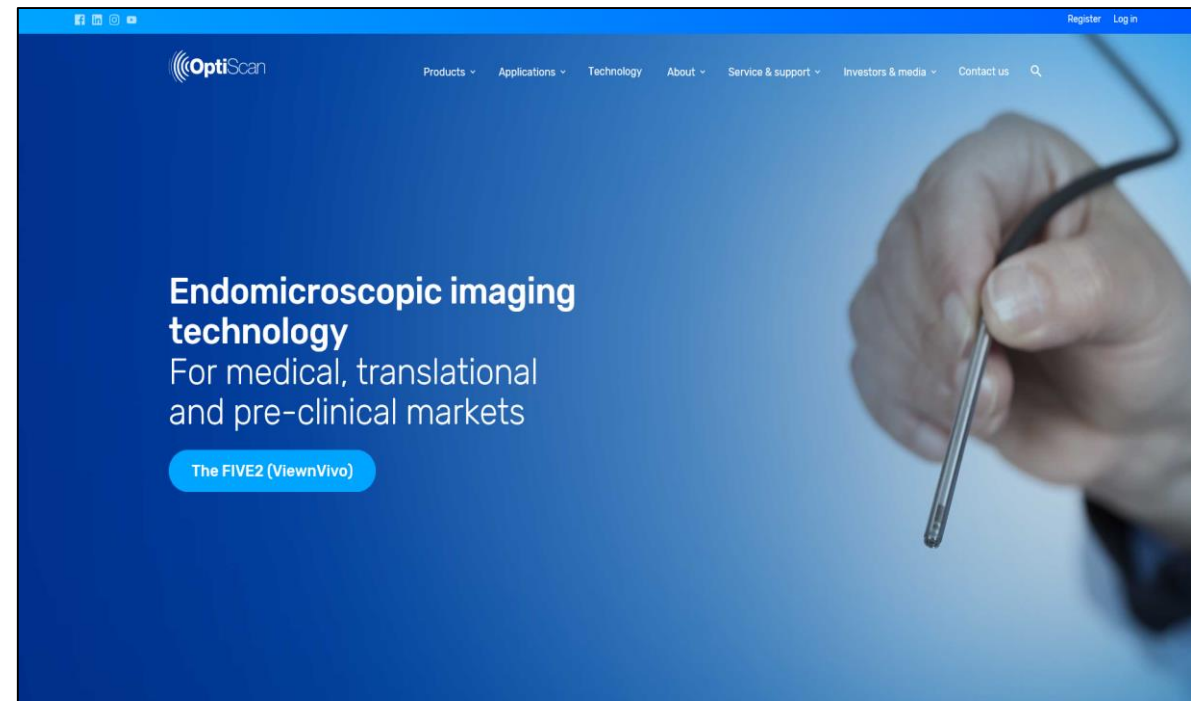
- Completion of development and integration with CZM and receipt of accompanying milestone payments
- CE Mark and FDA 510(k) regulatory approvals received by CZM for CONVIVO
- On-going CZM funded Research and Development enhancements
- CZM advises commercialization progressing as planned



FIVE2 (ViewnVivo) Re-Branding

FIVE (Fluorescence InVivo Endomicroscopy)

- Multi-faceted re-branding of FIVE2 (ViewnVivo)
- Represents next-generation technological advance of the FIVE1 system
- New website cornerstone of re-branding (www.optiscan.com)
- Updated publication list including filtered search function
- Created presentations and marketing collateral support
- Developing application and technical support capability for local and international sales efforts and on-going customer support
- Released User Manual and Tutorial Guides



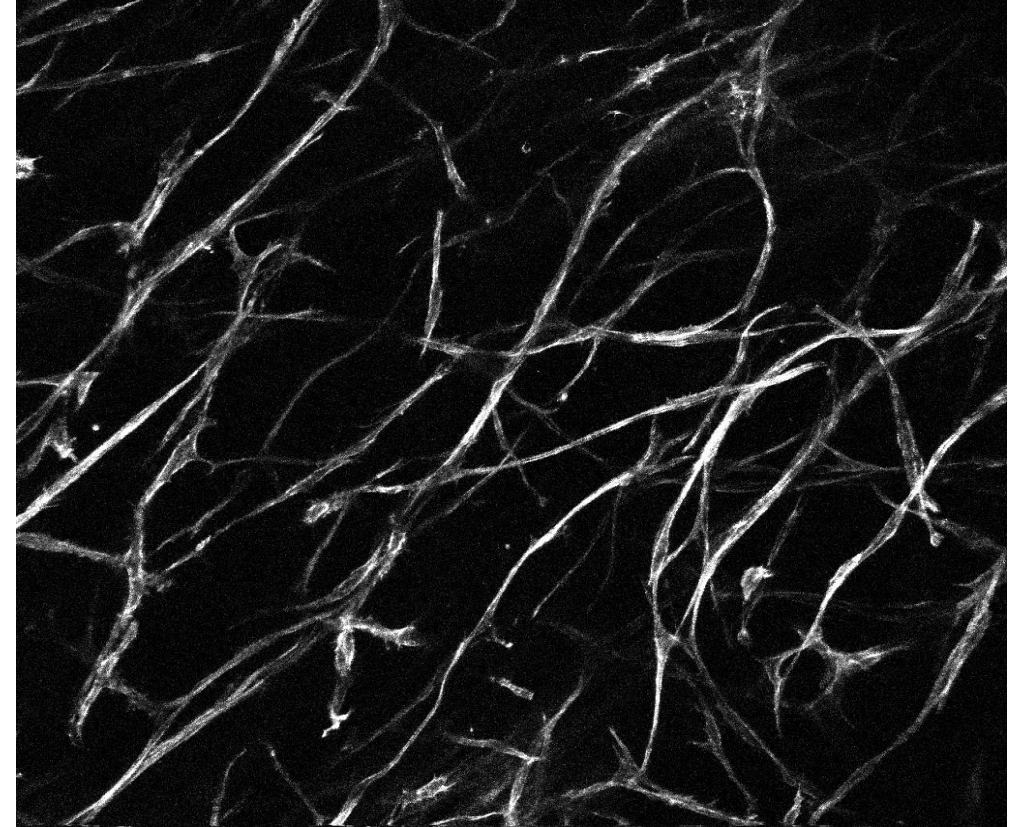
FIVE2 (ViewnVivo) Australian Pre-Clinical and Translational Activities

- Attending conferences and conducting industry workshops in Brisbane (March 2019) and Melbourne (September 2019)
- Conducted presentations at medical and government research institutions in Melbourne, Sydney, Brisbane and Adelaide in recent months. Further presentations planned
- Collaboration with Monash University including grant funded Masters Graduate placement and PhD student support for application development
- Identified new potential research applications – organoids and cellular structures, robotic application of the probe. We are investigating these areas in collaboration with CSIRO



FIVE2 New Application Areas of Interest

- Cellular cultures and organoids
- Complex, self organising 3D tissue cultures.
- Used for cancer research, drug screening, personalised medicine.



Dr Zay Yar Oo, CSIRO

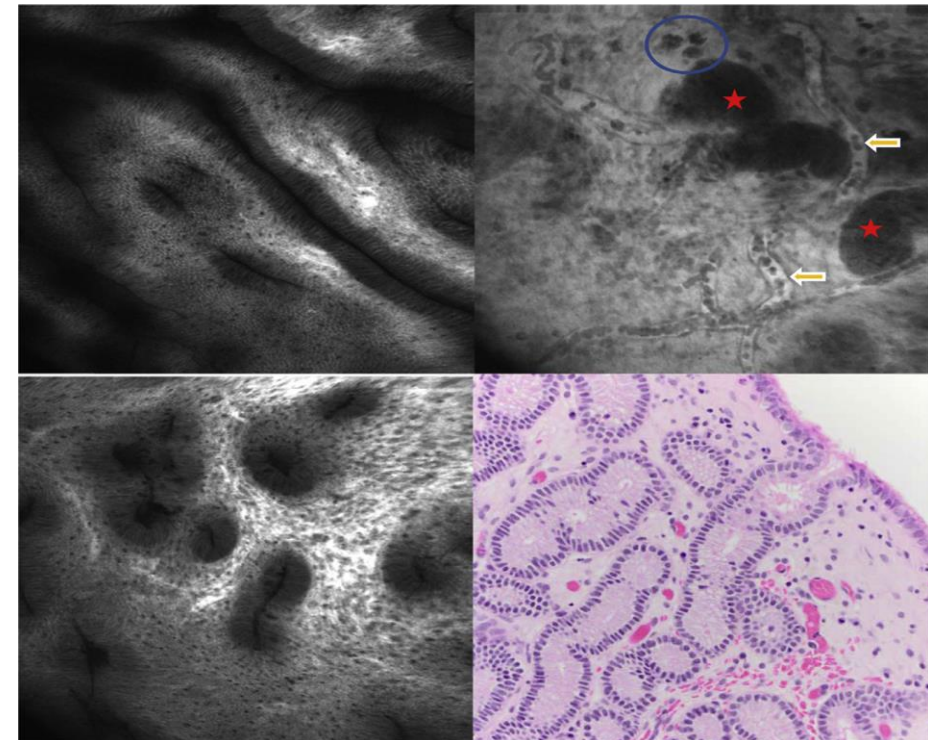
Maximum intensity projection of cultured human dermal fibroblasts stained with Alexa-488-phalloidin. Data cube size 470x475x400 μ m.

FIVE2 New Application Areas of Interest- Equine Veterinary application

- Roseworthy campus – Adelaide University
- Real time in vivo imaging of equine endometrium
- Potential diagnostic for predicting reproductive problems in mares
- Presented at International Symposium on Equine Reproduction, Cambridge England 2018

Real-time-*in Vivo* Microscopic Imaging of Equine Endometrium Using Confocal Laser Endomicroscopy: Preliminary Observations and Feasibility Study

Poor reproductive performance in the mare has major financial implications for the equine industry, and a large proportion of barren mares have endometritis. Confocal laser endomicroscopy (CLE) is an endoscopic technique for obtaining *in vivo*, real-time cellular imaging of tissues with a micron-scale resolution through a fibre optic probe. CLE may be a valuable tool for the detection of equine endometritis. As with bench top laser scanning microscopy, CLE relies on induced fluorescence. In human patients, most studies used fluorescein sodium as a fluorescent agent which has a favorable safety profile



K. Gallacher, L. Woolford, L.C. Santos, K.L. Kind
School of Animal and Veterinary Sciences, The University of Adelaide

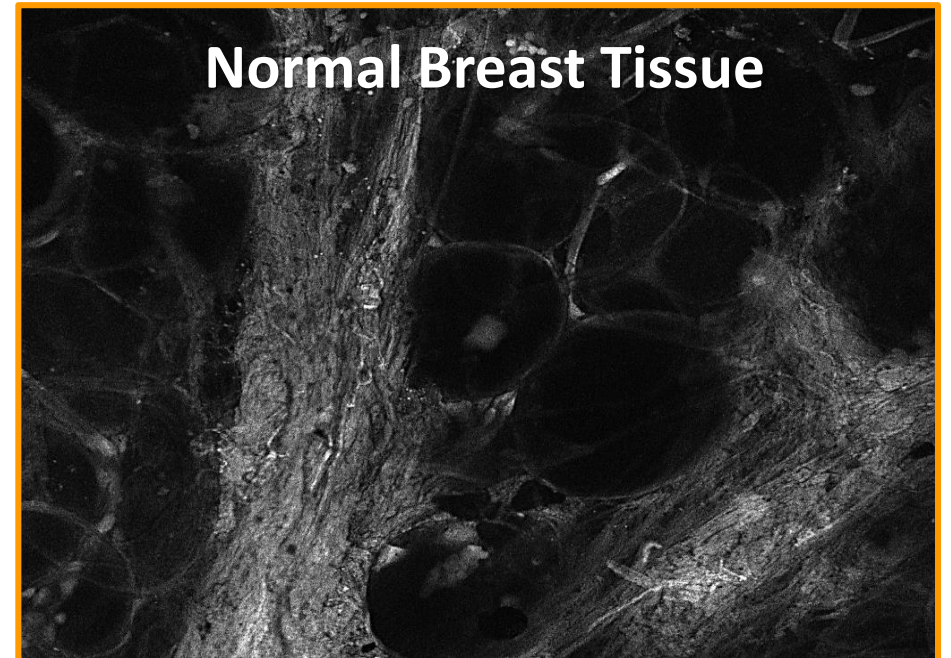
FIVE2 New Application Areas of Interest- Sterilisable Sheath Option

- Opportunity for longitudinal studies
- Ability to re-sterilise the sheath enabling lower cost reusable sheath
- Initial focus on pre-clinical and translational applications
- Testing procedures and protocols being arranged



Breast Cancer Trial

- Assessment of Breast Cancer Surgical Margin with Confocal Laser Endomicroscopy
- Goal: assist breast surgeons and pathologists to provide real-time determination of required surgical margin
- Benefits: Reduce risk of residual tumour, need for repeat surgery, patient emotional distress, costs for patients, hospitals, insurers and the taxpayer by reducing the number of repeat surgeries
- Nearly 18,000 new Aust breast cancer cases in 2017
- 4 Stage Trial with 9 patients recruited for Stage 1 of the Trial & 35 pre-trial specimens for the Optiscan CLE Breast Atlas

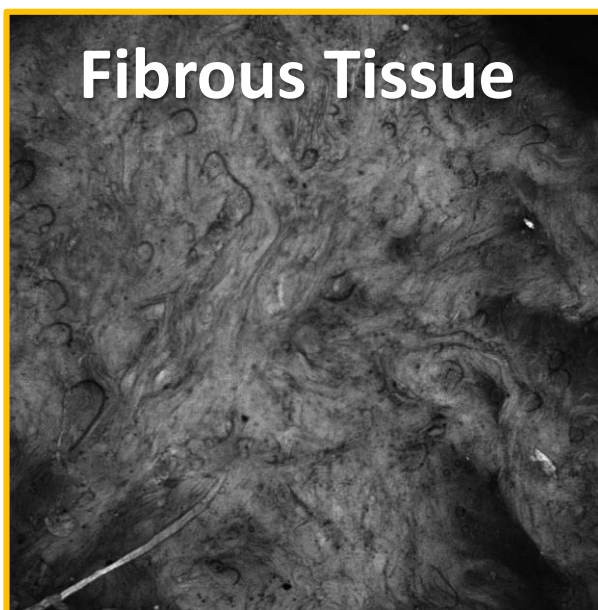


CLE Breast Cancer Atlas: Comparison CLE & Histopathology

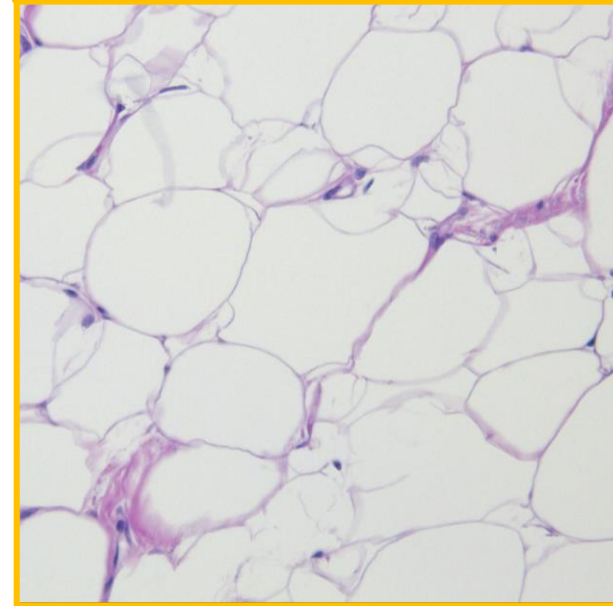
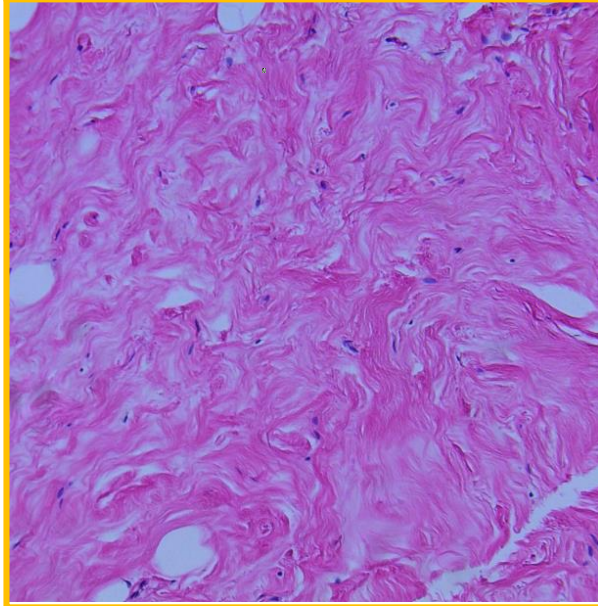
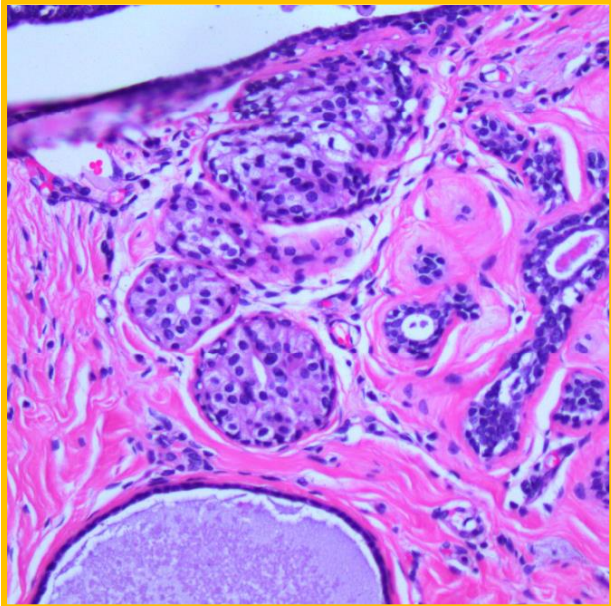
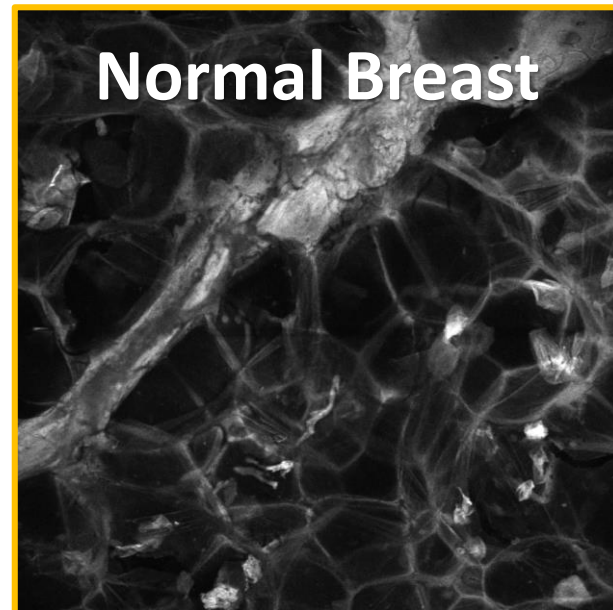
Breast Cancer



Fibrous Tissue



Normal Breast



Financials

- FY2018 Revenue of \$2.2m (FY2017: \$1.35m)
- FY2018 Loss before Income tax of (\$2.04m) (FY2017: (Loss of \$2.94m))
- Reduction in recurring costs of in excess of \$1m per annum through a reduction in employee and board numbers, alteration of third party arrangements, reduced travel and investor relations costs
- R&D Tax Incentive Rebate of \$775k for 2018 Financial Year received in Nov 2018

Outlook

- Focus on development of additional clinical, veterinary and pre-clinical applications
 - Complete initial Stage and progress to next Stages of Breast Cancer Surgical Margin trial
 - Continue evaluation of new clinical applications with leading North American clinical and research institution
 - Seek potential endoscope partner for re-entry into gastrointestinal applications
- Re-branded FIVE2 (ViewnVivo) and increased application support to support domestic and international sales. Developing Australian pipeline given typically long sales cycle and institutional funding requirements
- CZM progression to full commercialisation of CONVIVO for balance of FY19 & beyond

Thank you for your attendance