



22 July 2016

Chairman's Letter

To the shareholders of Optiscan:

Conversion of Director Loan to Equity

Optiscan Imaging Limited is delighted to announce its intention to convert a director's loan to equity (subject to shareholder approval).

Mr Ian Mann is a Non-Executive Director of Optiscan. As previously communicated, entities associated with Mr Mann have made loans to the Company totalling \$600,000.

Subject to shareholder approval, the Company will issue 24,000,000 Optiscan shares to the lending parties. It is proposed that the conversion will be at 2.5 cents per share, the same rate as the recent share placement and forthcoming rights issue. Shareholder approval will be sought at the Company's Annual General Meeting in November 2016. Accrued interest on the loan will be discharged in cash.

The proposal by Ian Mann to convert his loan to equity shows tremendous faith in the future of Optiscan from one of the directors of the company.

The recent placement to sophisticated shareholders, the recently announced rights issue and this conversion now totals \$2,765,000 being raised to support the future direction of the company.

As Ian stated, "This shows the significant level of confidence I have in the company, its people and the core technology that Optiscan has developed".

Alan Hoffman
Chairman

About Optiscan

Optiscan is an Australian company that has developed and patented miniaturised confocal microscopes, and is a global leader in the development and application of microscopic imaging technologies for medical markets.

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