



Annual General Meeting
Notting Hill, VIC, Australia
20 November 2012



Review & Update

Angus Holt – Executive Chairman

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***Pioneers and leaders in live micro imaging technology and systems
allowing real time, in-vivo visualisation of tissue at a cellular level
leading to improved, earlier, minimally invasive diagnosis and treatment***



Review & Update

- ✓ H1 2012 Delivery of first generation-2 flexible HD endomicroscope
- ✓ H1 2012 First royalties from Pentax re generation-1
- ✓ March 2012 US CPT codes approved for the use of endomicroscopy in the GI tract
- ✓ May 2012 Delivery of the findings of an international multi centre trial exclusively using Optiscan's endomicroscopy technology led by Johns Hopkins – Level 1 Evidence (Barrett's Esophagus)
- ✓ June 2012 First neurosurgery systems ordered by Zeiss
- ✓ Sep 2012 Actualisation of late stage Zeiss milestones

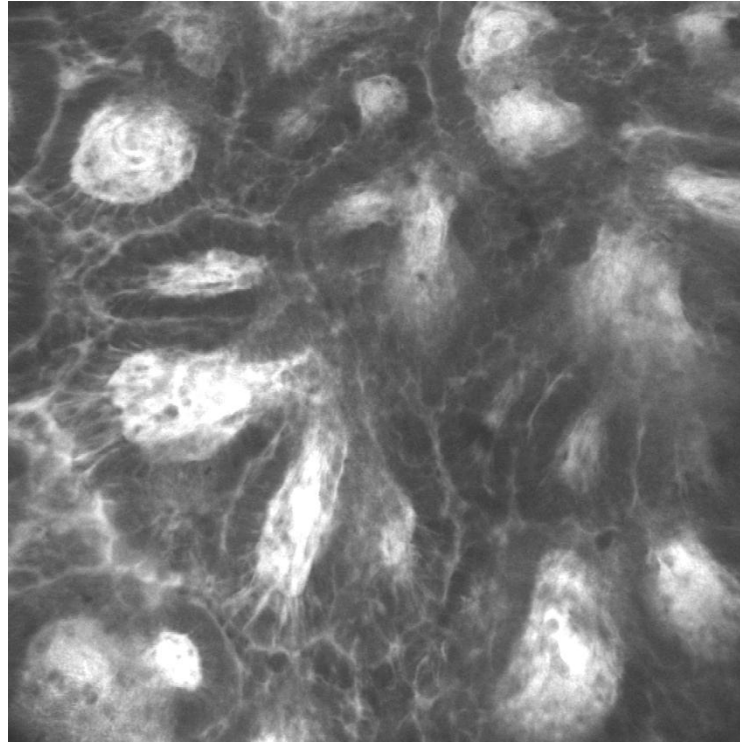
The next 12 months – our objectives

- ❑ Further strengthening of personnel infrastructure
- ❑ FDA & CE clearance of Zeiss systems
- ❑ Commencement of commercial sales of regulatory cleared product to Zeiss
- ❑ Entry to the flexible endomicroscopy market with generation 2
- ❑ Continued sales of FIVE-1 and incorporation of second generation technology into research systems
- ❑ Maintenance of world's best imaging capability and expansion into broader, more accessible imaging solutions
- ❑ Realisation of the distinct company valuation anomaly, looking forward, not back

Optiscan - Mission

To provide benefits across the treatment chain:

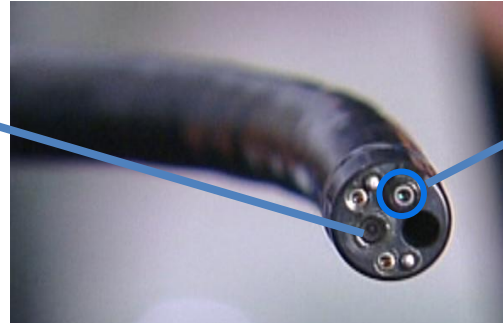
- Patients
- Physicians
- Treatment facilities
- Health systems



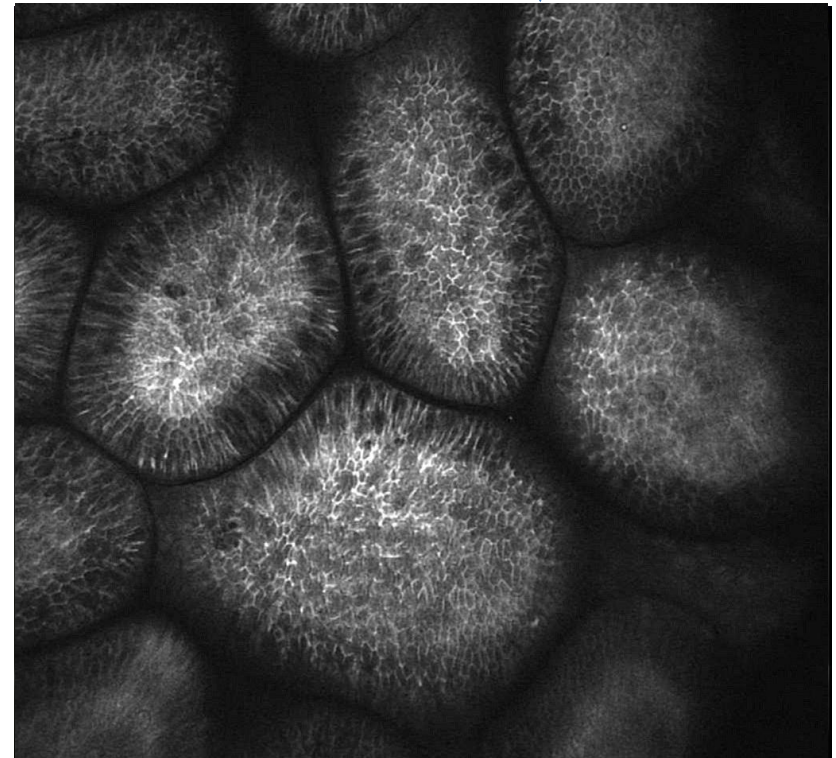
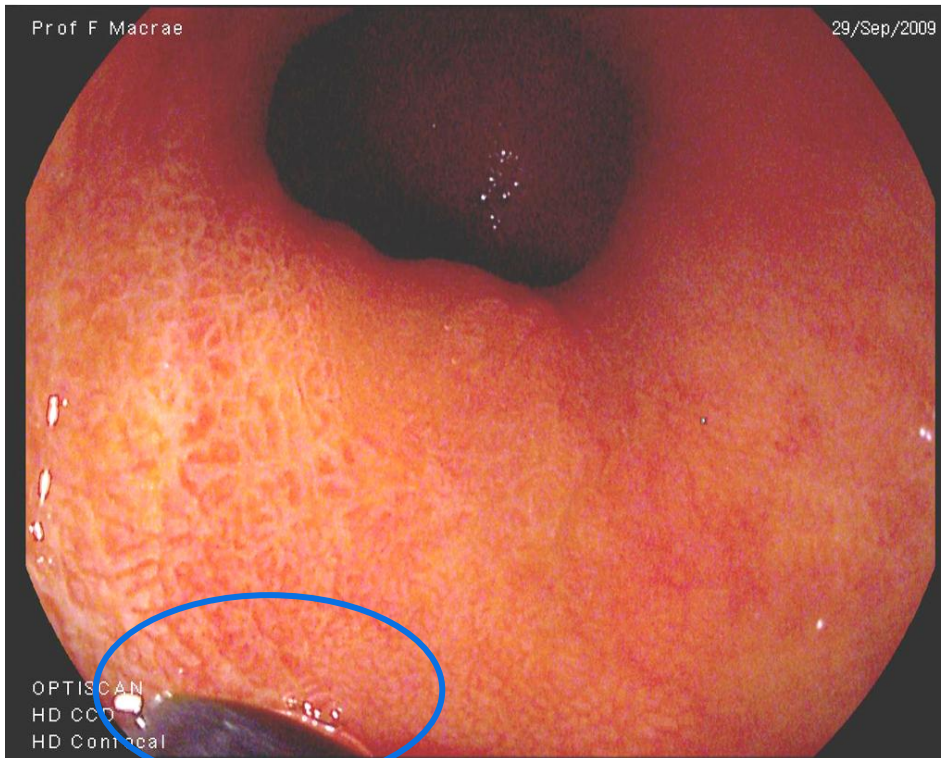
By bringing high quality minimally invasive microscopy to the patient enabling earlier, more accurate and efficient cancer detection, diagnosis and treatment

Optiscan – Mission...a reality in GI

HD definition CCD camera reveals suspicious areas with stunning clarity



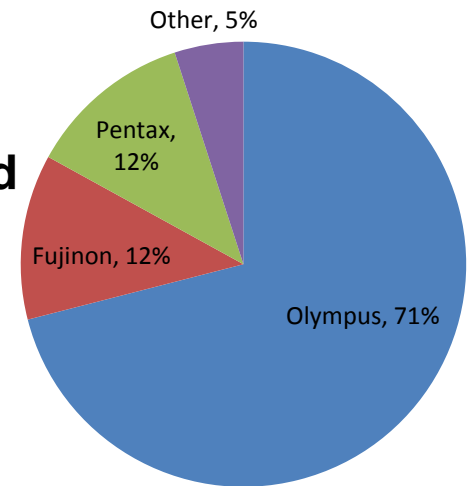
2nd gen endomicroscope scanner provides fast scanning and ultra-high definition “virtual biopsies”



An independently assessed annual addressable market of >\$1bn within the \$7bn (5% CAGR) medical endoscopy market

Presently addressed or immediately addressable:

- Flexible endomicroscopy
 - >20k procedures to date
 - >150 systems (Optiscan) installed worldwide
 - 1st gen non exclusive licence to Pentax (12% market share ~\$350m annual sales)
 - 2nd gen ready to go
 - **Barrett's Esophagus ~\$250m – all boxes ticked**
 - Pre-cancerous polyps >\$800m



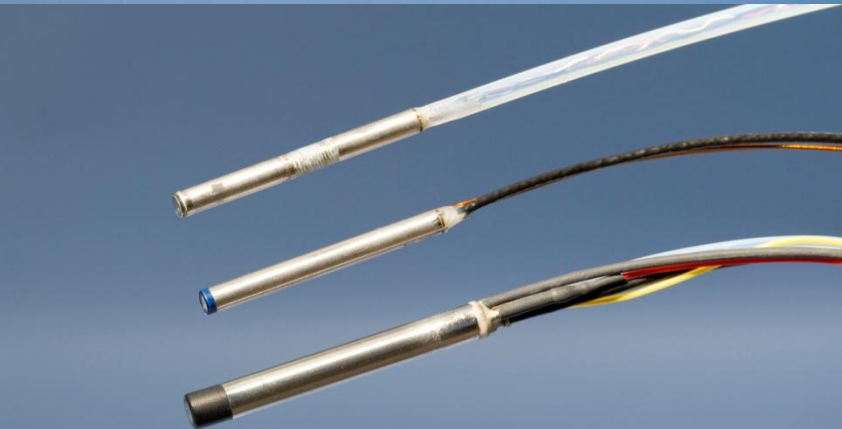
- Rigid endomicroscopy
 - Neurosurgery exclusively partnered with #1 player in the field, Carl Zeiss Meditec
 - 2 clinical trials complete
 - Target FDA/CE 2013
 - Price inelastic market
- Research endomicroscopy
 - >50 systems installed worldwide
 - Oncology, neurosciences, stem cell research
 - ~20k relevant research labs, producing an annual addressable market of ~\$500m (CAGR >10%)



Optiscan – Future Markets

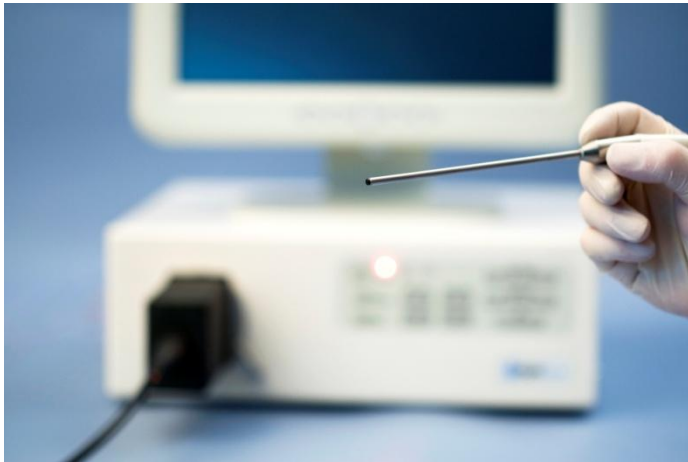


- Multiple further near term GI applications
- ENT
- Ophthalmology
- Women's health – endometriosis, cervical cancer, breast
- Prostate (robotic)
- Liver
- Pancreas
- Lung & Pleura
- Skin



Optiscan - Capabilities

- ✓ Strong R&D team and pipeline
- ✓ 50 long life patents and growing
- ✓ ISO 13485 and 9001 accredited
- ✓ Large capacity state of the art manufacturing



Optiscan – Trials and Validation



Optiscan – Business Model – towards profitability

- Develop world leading microscopy systems for live micro imaging (continuing R&D)
- Partner with relevant market leaders and leverage their existing and proven marketing and distribution channels
- Sources of revenue
 - System sales
 - Service and repairs
 - Component sales (probes, scanners – semi-disposable)
 - Disposables sales (sterility solutions)

Peter Delaney

Director of Technology

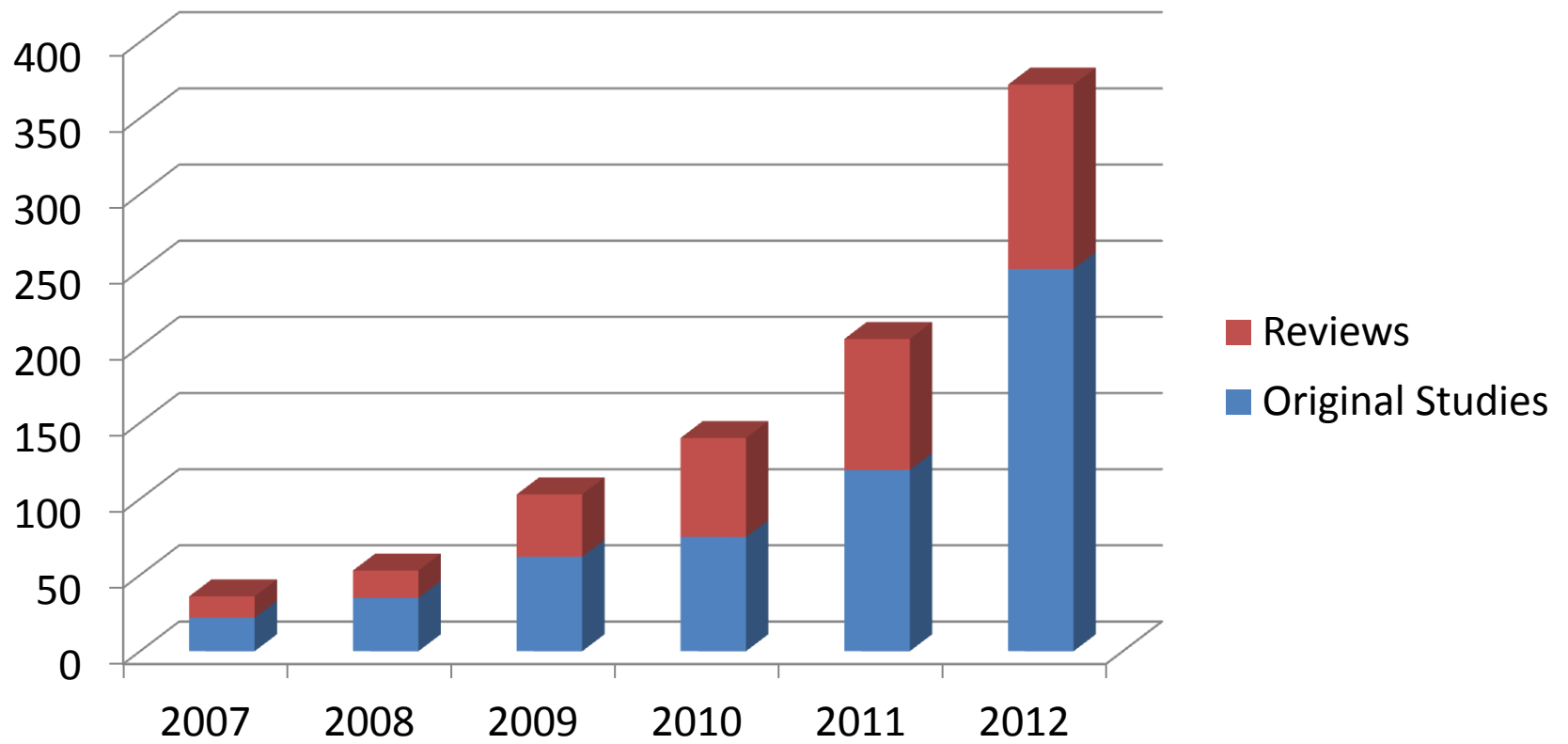
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Unlocking the world of **Live Micro Imaging (LMI) technology**

The Rise and Rise of Endomicroscopy

Peer reviewed publications describing clinical use of *Optiscan's* technology





recognition - CPT Codes

- CPT – Current Procedural Terminology
- Standard method in US for listing medical procedures
- Pre-requisites for coding:
 - that the service/procedure has received approval from the Food and Drug Administration (FDA);
 - that the suggested procedure/service is a distinct service performed by many physicians/practitioners across the United States;
 - that the clinical efficacy of the service/procedure is well established and documented in U.S. peer review literature;
 - that the suggested service/procedure is neither a fragmentation of an existing procedure/service nor currently reportable by one or more existing codes.
- Required for billing & reimbursement
- 2 Codes granted for optical endomicroscopy in upper GI
- Release date: January 2013

Multicentre trial data unveiled - DDW 2012

- Multicentre, international randomised controlled study
 - Barrett's esophagus – (growing incidence, over 1million procedures per year)
 - 6 centres, 178 patients
 - 50% biopsy reduction
 - 2-fold increase in diagnostic yield
 - Changed treatment decision during endoscopy to correct decision in 50% patients
- Evidence based medicine
 - Medical guidelines based on evidence from peer reviewed studies
 - Weight of evidence is based on study design
 - Above trial design achieves the highest level of evidence – Level 1
- Level 1 evidence + CPT codes enable reimbursement
 - CPT codes will enable practitioners to attempt reimbursement immediately
 - Above evidence enables case for standardised reimbursement via US Medicare & Medicaid
 - Quantum of specific reimbursement yet to be determined.

Optiscan's Opportunity

- Now well known – high profile in GI
- CPT codes (upper GI) in place January 2013
- Level 1 evidence soon to be published
- Market development phase coming to conclusion
- Case for reimbursement established - key uptake driver
- Optimal time for Optiscan to drive into the GI market

OPTISCAN – at an inflection point	
Strong IP (50 patents) and R&D pipeline	✓
Quality accredited – ISO 13485	✓
Significant partner (Zeiss, Pentax) and trial validation	✓
Independent competitor comparison trials show Optiscan superior	✓
Proven regulatory clearance history since 2001	✓
US CPT codes for GI	✓
Significant and multiple markets	✓
6 years in clinical market	✓



Formalities and Notice of Meeting

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- To consider the accounts for the year ended 30 June 2012, together with the reports of the directors and auditors.
- The company has received proxy votes totalling 45,138,273 shares, representing 28.4% of the issued capital.
- I declare that the proxies as tabled before the meeting comply with the requirements under the constitution of the Company.
- In relation to proxy votes, I advise that undirected proxies will be cast in favour of the resolutions

☐ Resolution 1:

☐ That the Remuneration Report included in the Annual Report for the year ended 30 June 2012 be adopted.

☐ Of the total proxies received

☐ 98.8% representing 44,598,985 shares were in favour of the resolution or appointed the Chairman to vote on their behalf;

☐ 224,288 votes representing 0.5% were against the resolution; and

☐ 315,000 votes representing 0.7% abstained.

☐ Resolution 2:

☐ That Angus Holt, a director retiring by rotation in accordance with the Company's constitution, being eligible and having signified his candidature for the office, be re-elected a director of the Company.

☐ Of the total proxies received

☐ 99.9% representing 45,072,884 shares were in favour of the resolution or appointed the Chairman to vote on their behalf;

☐ 30,869 votes representing 0.1% were against the resolution; and

☐ 34,520 votes representing 0.1% abstained.

☐ Resolution 3:

☐ That, in accordance with Australian Stock Exchange Listing Rule 7.4, shareholders ratify the issue of 17,831,241 fully paid ordinary shares on the dates and at the prices set out in the explanatory memorandum accompanying the Notice of Meeting

☐ Of the total proxies received

☐ 90% representing 40,615,233 shares were in favour of the resolution or appointed the Chairman to vote on their behalf;

☐ 11,000 votes representing 0.01% were against the resolution; and

☐ 4,512,040 votes representing 10% abstained.