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NZX Announcement

TRUSCREEN'S NEW PRODUCTION FACILITY FULLY OPERATIONAL & DELIVERS SIGNIFICANT IMPROVEMENT IN DEVICE PROFITABILITY

Cervical cancer technology company, TruScreen Limited (NZAX:TRU), announces that its newly commissioned facility to manufacture the diagnostic Opto-electric front end component of its device in Australia, is now fully operational.

The facility, located in the Industry Collaboration Hub at the Commonwealth Scientific and Industrial Research Organisation (CSIRO) site in Lindfield Sydney, benefits from knowledge sharing with both the CSIRO and other high technology organisations co-located at the site.

Commissioned in June 2018 the facility produces the key technical diagnostic (front end) component of the Truscreen2 device and involves unique and sophisticated opto-electric and biomedical engineering skills and techniques. The facility is accredited under TruScreen's internationally recognized ISO:13485 Quality Certification and includes a skilled team recruited for their specific expertise in optical and biomedical engineering. Many of the processes involved are unique to TruScreen, and utilise componentry specifically designed by TruScreen for its unique manufacturing needs.

Output of the new facility is currently 100 front ends per month which is approximately double the output under the previous outsourced supply model. As demand for TruScreen increases, this manufacturing capacity can again be doubled up to 200 units per month. For every 100 devices fully deployed in a hospital environment in China, a sustainable annuity income stream of approximately \$1.4 million will be generated every year. The majority of this increased production capacity is required to meet future demand expectations from the Chinese market.

Chairman Mr Robert Hunter stated "the Opto-electric diagnostic (front end) component is a key element of the TruScreen device and the company's intellectual property. The establishment of the company's own accredited manufacturing facility is a major achievement which will result in an approximate 50% improvement in gross profit per device. Further cost savings are planned as the company brings additional manufacturing, assembly, calibration and testing processes inhouse."

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About TruScreen:



TruScreen's real time cervical cancer technology utilises a digital wand which is placed on the surface of the cervix to measure electrical and optical signals from the surrounding tissue. A sophisticated proprietary algorithm framework distinguishes between normal and abnormal (cancerous and precancerous) tissue to identify precancerous change, or cervical intraepithelial neoplasia (CIN). A Single Use Sensor (SUS) is used for each patient to protect against cross-infection.