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LED Medical Diagnostics Inc. Reports 2016 Third Quarter Results

Vancouver, British Columbia – November 24, 2016 - LED Medical Diagnostics Inc. ("LED Medical" or the "Company") today announced its financial results for the third quarter ended September 30, 2016, reported in United States dollars and in accordance with International Financial Reporting Standards ("IFRS"). The Company's results are presented in comparison to the third quarter ended September 30, 2015. All balances are expressed in United States dollars unless otherwise stated.

"The Company achieved revenue growth of 40% with US\$2.5 million for the three months ended September 30, 2016 compared to revenue of US\$1.8 million for the same period in the prior year." stated Dr. David Gane, Chief Executive Officer. "Year to date revenue for the nine months ended September 30, 2016 increased by 11% to US\$8.3 million over the prior year revenue of US\$7.5 million. This revenue increase was due to increasing revenue contribution from our portfolio of digital imaging products in combination with sales of our VELscope and VELscope consumable products."

Quarterly Business Highlights

- On July 12, 2016, the Company announced that its VELscope® Vx Enhanced Oral Assessment System with iPod touch integration received the Cellerant "Best of Class" Technology Award (formerly the Pride "Best of Class" Technology Award). The VELscope Vx has once again been designated as the leading device for the "oral screening" category, receiving the award for a sixth consecutive year - a distinction shared by only one other product among this year's winners.
- On August 11, 2016, the Company announced the results of a successful oral mucosal screening program which took place over many dates and locations in the greater Vancouver market in collaboration with London Drugs. The screenings incorporated the use of LED Medical Diagnostics' VELscope® Vx Enhanced Oral Assessment System, which was used adjunctively to the comprehensive oral exams to enhance the ability of the attending clinicians to visualize oral mucosal abnormalities that many not be apparent to the naked eye including oral cancer, pre-malignant dysplasia and infections.
- On September 28, 2016, the Company announced the launch of the RAYSCAN Alpha Plus, a next-generation extraoral imaging system that is the latest innovation from former Samsung Electronics subsidiary RAY Company ("RAY"). Building upon the award-winning RAYSCAN Alpha platform, the RAYSCAN Alpha Plus continues RAY Company's dedication to delivering high-quality imaging technologies combined with innovative features that innovative and unique in the industry.

Financial Highlights

Three Month Comparative Results

- Net revenue for the three months ended September 30, 2016 was \$2,488,725, which is an increase of 40% from the three months ended September 30, 2015. This revenue increase was largely due to timing of when imaging orders were received and could be shipped and by increased demand for VELscope and VELscope consumable sales.
- Gross margin in the third quarter of fiscal 2016 was 25% which was higher than the 18% gross margin in the same period in the prior year but lower than the previous second quarter of fiscal 2016 of 29%. Increase in gross margin over the same period in the prior year was due to the increased revenue contribution from the Company's proprietary VELscope product offering which has a higher gross margin than its imaging product offerings.
- The net loss before tax for the three months ended September 30, 2016 was \$855,484 compared to the net loss before taxes for the three months ended September 30, 2015 of \$1,361,773. The decrease of operating loss is mainly attributable to higher revenue levels and lower operating expense than in fiscal 2015.

Nine Month Comparative Results

- Net revenue for the nine months ended September 30, 2016 was \$8.3 million which is an increase of 11% from the prior year period of \$7.5 million.
- Gross margin for the nine months of fiscal 2016 was 27% which was slightly higher than the 26% gross margin in the same period in the prior year.
- The net loss before tax for the nine months ended September 30, 2016 was \$3.9 million compared to the net loss before taxes in the prior year period of \$4.0 million. The decrease of operating loss is mainly attributable to higher revenue levels and lower operating expense than in fiscal 2015.

Financial Position as at September 30, 2016

- The Company had cash of \$341,108 as at September 30, 2016 with net working capital of (\$1.3 million) exclusive of debentures compared to cash of \$1,987,409 with net working capital of \$2.0 million exclusive of debentures as at December 31, 2015 with the decline in financial position primarily attributable to the net loss incurred by the Company during the nine months ended September 30, 2016.

Please see the interim condensed financial statements and related Management Discussion and Analysis (MD&A) for more details. The interim condensed financial statements for the nine months ended September 30, 2016 and related MD&A have been reviewed and approved by the Company's Audit Committee and Board of Directors. The Company has prepared this truncated news release to alert investors to its results and that a more detailed explanation and analysis is readily available in the MD&A. These reports have been filed on SEDAR at www.sedar.com and also posted to www.ledmd.com.

About LED Medical Diagnostics Inc.

Founded in 2003 and headquartered in Burnaby, British Columbia, Canada, LED Medical Diagnostics Inc., through its wholly-owned subsidiaries LED Dental Inc. and LED Dental Ltd, provide dentists and oral health specialists with advanced diagnostic imaging products and software, in addition to the award-winning VELscope® Vx tissue fluorescence visualization technology. Backed by an experienced leadership team and dedicated to a higher level of service and support, LED Dental is committed to providing dental practitioners with the best technology available by identifying and adding leading products to its growing portfolio.

The Company is currently listed on the TSX Venture Exchange (TSX-V) under the symbol “LMD”, the OTCQX under the symbol “LEDIF”, as well as the Frankfurt Stock Exchange under the symbol “LME”. For more information, call 844.952.7327 or visit www.leddental.com/investor-relations.

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Forward Looking Statements

This press release contains statements which, to the extent that they are not recitations of historical fact, may constitute forward-looking information under applicable Canadian securities legislation that involve risks and uncertainties. The Company may be required to raise additional capital in the event that it does not achieve its FY16 guidance. Such forward-looking statements or information include statements regarding, but not limited to the Company's future growth strategy, its distribution strategy and product offerings, potential expansion of the Company's technology to other medical applications or markets, or the potential introduction of new technologies by the Company. Persons reading this press release are cautioned that such

statements or information are only predictions, and that the Corporation's actual future results or performance may be materially different. Factors that could cause actual events or results to differ materially from those suggested by these forward-looking statements include, but are not limited to competition risks, distributor risks, product development risks such as regulatory, design, intellectual property and other factors described in the Corporation's reports filed on SEDAR including its Annual Information Form and financial report for the year ended December 31, 2015. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. All forward-looking statements made in this press release are qualified by this cautionary statement and there can be no assurance that actual results or developments anticipated by the Company will be realized. The Company disclaims any intention or obligation to update or revise forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.