

An update from the Chairman

FY17 Results Highlights & FY 18 Outlook

Revenue

Up 330%
Up \$1m

From \$0.3m
To \$1.3m

Gross
Profit \$

Up
\$623,935

(from \$218,573
to \$842,508)

Gross
Profit %

Steady
at 62%

Net
Assets

Up \$2.4m

(from -\$0.75m
to +\$1.66m)

Dear fellow shareholders,

We have recently released our Appendix 4E which provides some tremendous information on where Optiscan has been and where it is going. One of the most significant items is our revenue improvement:

Revenues from ordinary activities **Up 330%** (to \$1,348,964).

This is an outstanding result in itself – but we believe this is just the beginning. Whilst asking that you please consider the disclaimer below and our Appendix 4E, we anticipate the following:

- With our Carl Zeiss Meditec (CZM) collaboration, we anticipate revenues in excess of **\$2m** over the remainder of this financial year as a minimum – with an upside we believe will be well in excess of that depending on the effectiveness of the upcoming 2017 product launch by CZM (more details to follow on this via a separate announcement shortly)
- For ViewnVivo, our expectations from our distribution partners in the USA and China are for the delivery of **\$2m** in revenue in the next 12 months – again with an upside we believe will be well in excess of that amount.
- Additionally, we expect to receive just under **\$1m** via an R&D rebate in late 2017.

Overall, with significant anticipated demand for our products through our global partner Carl Zeiss Meditec (CZM) and our ViewnVivo systems, Optiscan is on the verge of delivering a significantly improved performance for the 2017/18 period and beyond. Indeed, our goal of a profitable 2017/18 is well and truly on track.

This is a tremendous time to be a shareholder of Optiscan. If you have not done so already, I ask you to please consider the Share Purchase Plan (SPP) offer made to you recently. If you have any questions about the SPP or how to accept this Offer, please contact your stockbroker or professional adviser, or the Company Secretary, Mr Justin Mouchacca on (03) 9692 7222.

Thank you once again for your continued support of Optiscan,

Alan Hoffman (Chairman)

Disclaimer: All statements other than statements of historical fact included on this announcement including, without limitation, statements regarding future plans and objectives of Optiscan, are forward-looking statements. Forward-looking statements can be identified by words such as ‘anticipate’, ‘believe’, ‘could’, ‘estimate’, ‘expect’, ‘expectations’, ‘future’, ‘goal’, ‘intend’, ‘may’, ‘opportunity’, ‘plan’, ‘potential’, ‘project’, ‘seek’, ‘will’ and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on assumptions regarding future events and actions that are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management of Optiscan that could cause actual results to differ from the results expressed or anticipated in these statements.