

ASX Announcements

Friday 27th March, 1998

Optiscan Reaches Agreement with Olympus

Optiscan Imaging Limited announced today that it had successfully resolved a patent infringement claim against Olympus Optical Co. Ltd, the Japanese optical instrument company.

Olympus recently launched a confocal microscope on to the US market which Optiscan believed infringed Optiscan's patents in the US and other overseas markets.

As part of the settlement of Optiscan's claim against Olympus, Optiscan has granted a non-exclusive license to Olympus for the sale of confocal microscopes. Under the terms of the license, Optiscan will receive \$100,000 up front followed by royalties on each infringing microscope.

The license granted relates only to confocal microscopes for general bench top use and does not include endoscopic application of the technology which is unique to Optiscan and is Optiscan's primary business focus.

Roger Wallis, Optiscan's General Manager, said today that Olympus was not the only confocal microscope manufacturer Optiscan is pursuing.

"The US confocal microscope market is worth over \$US 40 million per annum and we believe most of these sales now infringe our patents."

"In addition to Olympus, Bio-Rad Laboratories, Zeiss, Leica, Nikon, and Noran Instruments Inc. are the main suppliers and we are looking to obtain royalties from all of these manufacturers," he said. "Discussions are currently taking place."

Optiscan has also designed and patented a unique confocal endomicroscope which it is developing for clinical endoscopic applications.

This new miniature microscope permits direct and non-invasive views of cells inside the human body. It will allow living cells to be viewed under high magnification at the actual time of medical consultation and thereby facilitate direct microscopic diagnosis. This will also reduce the need to take tissue samples

invasively for biopsy examination in the laboratory.