



23 March 2009

OPTISCAN TERMINATES 2nd GENERATION AGREEMENT WITH HOYA

Optiscan announced today that it has terminated the collaboration agreement with Hoya Corporation for the development of the second generation flexible endomicroscope. Under the termination provisions in the agreement Optiscan has the right to use its intellectual property and the jointly owned intellectual property in any field of application.

Optiscan will commence the search for new commercial partners in the field of flexible endoscopy including gastroenterology and bronchoscopy. As part of this process Optiscan will demonstrate to potential partners the smaller scanner technology that it has developed to prototype stage independently of Hoya.

Despite the termination of the Generation 2 Agreement, Hoya has an ongoing Licence Agreement with Optiscan for the Generation 1 product. Under this agreement Hoya may continue to sell the Generation 1 product subject to payment of a royalty to Optiscan.

The Supply Agreement for Generation 1 product was signed by the parties in October 2005 and concludes on 31 March 2009. The parties are currently negotiating the terms of an arrangement whereby Hoya will take over manufacture of the Generation 1 product and Optiscan will provide ongoing service support.

Background

Optiscan is a global leader in microscopic imaging technologies for medical markets. Optiscan's unique and patented technologies enable high-powered microscopes to be miniaturised and used inside the body. The technology enables microscopic imaging of up to 1000 times magnification to be achieved. Doctors can use the technology to instantly see cellular level details of tissue without the requirement to surgically remove tissue (biopsy).

Hoya (Pentax) is the second largest producer of flexible endoscopes in the US\$1.2Bn pa global flexible endoscope market.

Hoya (Pentax) has been licensed by Optiscan to use its patented miniaturised microscope technology. Hoya (Pentax) released the world's first fully functional flexible endo-microscope for sale in March 2006.

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