



21 February 2007

Share Purchase Plan to Strengthen Balance Sheet

Melbourne: The Optiscan Board today decided to strengthen the company's balance sheet by raising a modest level of capital through a Share Purchase Plan ("SPP") to be offered to all shareholders.

Optiscan has been in continuing dialogue with several large companies concerning use of its unique endo-microscope technology over recent years. To retain appropriate flexibility to reach the best outcome in this process the Board believes it is prudent to strengthen the company's balance sheet at this time.

"A modest top up of cash in conjunction with the income generated by continued growth in Pentax sales will ensure we retain an appropriately strong financial position as discussions progress", said Matthew Barnett, Optiscan's CEO.

Under the plan all shareholders will be given the opportunity to purchase up to \$5,000 worth of Optiscan shares at the price of \$0.46 per share. This price represents a 10.3% discount on the volume weighted average price of shares traded on the ASX over the last five trading days. No brokerage will be paid on shares issued under the SPP.

The Board has determined that, based on the current outlook, the company's capital requirements are between \$2.0 and \$4.0M. Accordingly total proceeds from the SPP will not exceed \$4.0M with the Board reserving the right to scale back acceptances above this level.

Offers under the SPP, together with the plan rules, will be despatched to shareholders in early March with a closing date for acceptances of Wednesday 21 March 2007.

The record date for the SPP will be Friday 2 March 2007.

Further information:

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