

### From Our New Chairman

Dear Shareholders,

To ensure that you remain well informed Optiscan will now be providing you with regular updates outlining our progress and major highlights.

Perhaps the most significant recent event was the signing of a new agreement with Zeiss. This agreement builds on the work that has already been completed with Zeiss and reaffirms our belief in the value and benefits that the technology can deliver.

During the year we will be focussing on delivering on our contractual

obligations to Zeiss and on completing the development of the second generation clinical grade prototype. We are on target to achieve our key milestones.

We have much work ahead of us, but I believe that we are in a strong position to capitalise on our powerful technology as we continue through this year.

Thank you for your support, particularly in this very challenging market.

Angus Holt  
Chairman

### DDW 2009 Showcases Endomicroscopy

Digestive Diseases Week 2009, is the world's largest gathering of physicians and researchers in the fields of gastroenterology, hepatology, endoscopy and gastrointestinal surgery. This years conference runs from 30 May to 4 June 2009.

In previous years, endomicroscopy has been the subject matter of a large number of presentations and even a key note address or two, and this year is no different. There are over 40 presentations to be given on endomicroscopy. Two endomicroscopy abstracts have also been recognised by the AGA as "Distinguished Abstracts" and will be presented at a plenary session during the conference.

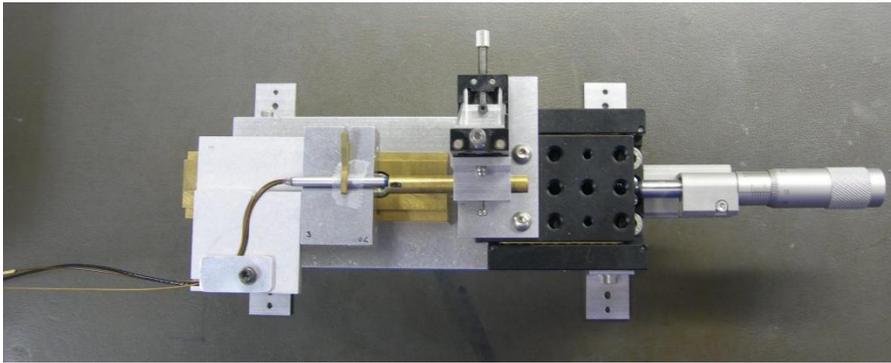
Peter Delaney, Optiscan's Director of Technology will be representing Optiscan and we will report on the outcomes of the conference on his return.

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## R&D Progress

The final stage of verification and validation testing of our smaller scanner are almost complete. These processes subjected the smaller scanner to some pretty harsh treatment over the past couple of months including a 1 metre drop, and we are pleased to report the scanner survived all tests. This makes the device significantly more robust than the current product in market. There are only a few more tests to go before we sign off the design and development phase, and hand over the new scanner to Production.



## On the Australian Endomicroscopy Scene

On the 2<sup>nd</sup> and 3<sup>rd</sup> of April 2009, Monash Medical Centre, in Melbourne hosted a symposium on “Technical Advances in Gastroenterology – Endomicroscopy and Endoscopic Ultrasound. One of the two international guests at the conference was Professor Ralf Kiesslich, Chief of Endoscopy, Johannes Gutenberg University Mainz, Germany. Professor Kiesslich demonstrated the use of the endomicroscope during two live cases. Those cases were then discussed by attendees with direction from a panel of experts.

Chairing the proceedings for most of the two days and Director of the Symposium was Dr. David Devonshire Head of Endoscopy, Monash Medical Centre Melbourne, Australia. Dr Devonshire is himself an endomicroscopist having undertaken the training offered by Professor Kiesslich in Germany.

After the event Professor Kiesslich, considered by many the father of endomicroscopy, commented on how far the Australian endoscopy community had come in just the last 12 months.



# What's Happening in FIVE 1?



It seems like the FIVE 1 research instrument is starting to develop a profile amongst the research community. Optiscan has recently received new interest from groups in the US, Canada, Turkey, Australia and New Zealand. A paper which used the instrument to study liver disease in mice was recently published in the Journal of Hepatology.

[www.endomicroscopy.org](http://www.endomicroscopy.org) is a site run by Johns Hopkins University and Mainz University for professionals learning about endomicroscopy.

[http://www.nursingcenter.com/prodev/ce\\_article.asp?tid=823337](http://www.nursingcenter.com/prodev/ce_article.asp?tid=823337) this site is for professional development of nurses and the link aims to provide nurses with an understanding of the confocal laser endomicroscope.

[http://daveproject.org/ViewFilms.cfm?Film\\_id=562](http://daveproject.org/ViewFilms.cfm?Film_id=562) The Dave Project – presents an endomicroscopy case of Crohn's Disease and Rectal Adenoma.

## Links

<http://www.youtube.com/watch?v=0GO7mXPMDg4> You Tube video of a presentation on endomicroscopy by Dr. Goetz

[http://www.ncbi.nlm.nih.gov/pubmed/18761561?ordinalpos=1&itool=EntrezSystem2.PEntrez.Pubmed.Pubmed\\_ResultsPanel.Pubmed\\_DiscoveryPanel.Pubmed\\_Discovery\\_RA&linkpos=3&log\\$=relatedreviews&logdbfrom=pubmed](http://www.ncbi.nlm.nih.gov/pubmed/18761561?ordinalpos=1&itool=EntrezSystem2.PEntrez.Pubmed.Pubmed_ResultsPanel.Pubmed_DiscoveryPanel.Pubmed_Discovery_RA&linkpos=3&log$=relatedreviews&logdbfrom=pubmed) an October 2008 paper from the Journal of Gastroenterology and Hepatology, written by two doctors at Bankstown Hospital, Sydney - *Current Application of Confocal Endomicroscopy in Gastrointestinal Disorders*.

<http://www.news-medical.net/news/38563.aspx> link to an interview with Dr. Wallace at the Mayo Clinic - *High Resolution Confocal Endomicroscopy Probe System Tells Whether Colon Polyp is Benign Without Removal*, 21 May 2008

## Patent News

We are pleased to report that late last year, Optiscan's patent covering one of the key miniaturised mechanisms in the head of the Optiscan endomicroscope was granted in France, Italy, Germany and Great Britain. This patent has already been granted in Australia, the US and Japan and provides significant protection of our innovations.



# Just Some of the 2009 Papers Written On Endomicroscopy

## Confocal laser endomicroscopy diagnosis of gastric adenocarcinoma in a patient treated for gastric diffuse large-B-cell lymphoma.

Trovato C, Sonzogni A, Ravizza D, Pruneri G, Rossi M, de Roberto G, Tamayo D, Vanazzi A, Fiori G, Crosta C.  
Dig Liver Dis. 2009 Jun;41(6):447-9.

## Feasibility of confocal endomicroscopy in the diagnosis of pediatric gastrointestinal disorders.

Venkatesh K, Cohen M, Evans C, Delaney P, Thomas S, Taylor C, Abou-Taleb A, Kiesslich R, Thomson M.  
World J Gastroenterol. 2009 May 14;15(18):2214-9.

## Probe-based confocal laser endomicroscopy.

Wallace MB, Fockens P.  
Gastroenterology. 2009 May;136(5):1509-13.

## Diagnosis and management of the first reported case of esophageal, gastric, and small-bowel heterotopia in the colon, using confocal laser endomicroscopy.

Venkatesh K, Cohen M, Akobeng A, Ashok D, Abou-Taleb A, Evans C, Howarth K, Taylor C, Thomson M.  
Endoscopy. 2009 Mar;41 Suppl 2:E58.

## Inflammatory cloacogenic polyp: diagnostic features by confocal endomicroscopy.

Sanduleanu S, Driessen A, Hameeteman W, van Gemert W, de Bruine A, Masclee A.  
Gastrointest Endosc. 2009 Mar;69(3):595-8.

## Confocal laser endomicroscopy for superficial esophageal squamous cell carcinoma.

Liu H, Li YQ, Yu T, Zhao YA, Zhang JP, Zuo XL, Li CQ, Zhang JN, Guo YT, Zhang TG.  
Endoscopy. 2009 Feb;41(2):99-106. Epub 2009 Feb 12.

## Confocal laser endomicroscopy.

Kiesslich R, Canto MI.  
Gastrointest Endosc Clin N Am. 2009 Apr;19(2):261-72.

## Narrow-band imaging of the gastrointestinal tract.

Muto M, Horimatsu T, Ezoe Y, Hori K, Yukawa Y, Morita S, Miyamoto S, Chiba T.  
J Gastroenterol. 2009;44(1):13-25.