



Company Announcement

Compumedics wins major multi-million dollar MEG brain imaging contract

20 June 2017

- Significant magnetoencephalography (MEG) milestone achieved with first MEG contract confirmed to world-renowned USA's Barrow Neurological Institute (BNI) – home of the Muhammad Ali Parkinson Center
- BNI is the world's largest neurological disease treatment and research institution
- Largest system contract in Compumedics' history, opening pathway to multi-billion dollar brain imaging market
- The contract refers to Compumedics' Neuroscan Orion LifeSpan™ MEG system

Compumedics Limited (ASX: CMP) ("**Compumedics**" or "**Company**") is pleased to announce the confirmation of its first MEG contract to the world-renowned **Barrow Neurological Institute (BNI)**, based in Phoenix, Arizona, USA.

The contracted system, which will ship in FY2018, falls within previously advised MEG pricing guidance of US\$3.75m (AU\$4.93m), with a discount for special collaborative arrangements.

BNI, the world's largest neurological disease treatment and research institution, is consistently ranked as one of the best neurosurgical training centers in the world. The Institute was founded in 1962 and has since grown to be one of the premier facilities in the world for neurology and neurosurgery, with more operative neurosurgical procedures undertaken at BNI than at any other USA institution.

The new contract establishes a strong collaboration with BNI including, American Food and Drug Administration applications and beta-site services such as biomarker test protocols and access to secure patient databases for epilepsy, autism, dementia and Parkinson's disease management services, along with associated clinical validation and verification studies. Additionally, later collaborative stages will include working on improved and expanded CPT/IDT (government health reimbursement) codes to help enhance brain healthcare.

Dr. David Burton, Executive Chairman of Compumedics, said:

"We are very pleased and honoured to announce this strategic BNI MEG milestone, representing the largest system contract in Compumedics' history.

"In 2016 Compumedics Neuroscan and KRISS united their achievements and ongoing efforts, as part of a comprehensive 20-year exclusive Technology Transfer and License Agreement, to produce the new Orion LifeSpan™ MEG. After almost a year of extraordinary scrutiny by some of the world's most distinguished neuro-surgeons, neuroscientists and clinical experts at BNI, Compumedics Neuroscan, KRISS and BNI are inspired and intensely focused more than ever on our shared mission to transform brain-health.

"This contract marks the commencement of our global MEG leadership in the multi-billion dollar brain imaging market. This is a unique inflection point in Compumedics' evolution to date, paving the way for a major new multi-billion dollar global market for the Company.

"This contract ultimately sees Compumedics, with the Orion LifeSpan™ MEG, now positioned to transform brain-health and improve people's lives, worldwide."

MEG is a functional neuroimaging technique for mapping brain activity by recording magnetic fields produced by electrical currents occurring naturally in the brain, using very sensitive magnetometers. Compumedics has overcome earlier MEG system barriers with Orion LifeSpan™'s increased precision coupled with fully-integrated MEG (Curry MEG) "gold standard" brain analysis software.

The BNI installation represents a new generation of MEG brain imaging, incorporating many innovative benefits, underscored by a strong patent folio. As the World Health Organization (WHO) has noted, neurological disorders are one of the world's most significant and growing health burdens, particularly as it relates to neuro-functional disorders such as Parkinson's disease, dementia (including Alzheimer's disease) for the aged, autism amongst children and epilepsy and seizures among the general population.

One of the key decision makers in choosing Compumedics Neuroscan Orion Lifespan™ MEG system, Dr. Robert Spetzler MD, who has been Director of BNI since 1986, has overseen BNI's continued growth and the introduction of many highly innovative treatment and surgical procedures, and is highly regarded both within in USA and around the world.

About Compumedics Neuroscan Orion LifeSpan™ MEG

Compumedics has overcome earlier MEG system barriers with the Compumedics Neuroscan Orion LifeSpan™'s increased precision coupled with **fully-integrated** MEG (Curry MEG) "gold standard" brain analysis software.

At the heart of the new Compumedics Neuroscan Orion LifeSpan™ MEG system is the patented double relaxation oscillator super conducting quantum interference device (DROS; SQUID) sensor system, enabling 50% greater MEG sensitivity and spatial resolution than the current incumbent market leader.

Additionally, a unique dual-helmet dewar, enabling optimal brain imaging localisation, applicable to the greater population including both adult and paediatric populations, is coupled to a vibration-free, vacuum-cooling system for virtual 100% coolant recycling with continuous 24/7 operation. These advancements contribute to transforming functional brain-health, but also provide a sustainable business model reinforced by high barriers of market entry, including patented technological and scientifically proven clinical deployment.

Over a 30-year period Compumedics Neuroscan has established the "gold standard" neurophysiological multi-modality (EEG, MRI, CT, SPECT, PET convergence etc.) and MEG brain analysis platform. In parallel, over a 30-

year period the Korean Research Institute of Standards and Science (KRISS) MEG team, led by Dr. Lee have produced the most advanced MEG brain imaging scanner.

MEG provides at least 4-5 orders of magnitude of temporal resolution (speed of brain functional or cognitive measures) over other traditional functional MRI, PET or other conventional imaging systems. The new Orion LifeSpan™ MEG presents for functional brain imaging today what MRI was to structural or metabolic imaging in the 80's and beyond.

For more information on Compumedics Neuroscan Orion LifeSpan™ MEG please visit:

<https://www.compumedics.com.au/products/orionlifespanmeg/>

About Compumedics Limited

Compumedics Limited [ASX: CMP] is a medical device company involved in the development, manufacture and commercialisation of diagnostics technology for the sleep, brain and ultrasonic blood-flow monitoring applications. The Company owns US based Neuroscan and Germany based DWL Elektronische GmbH. In conjunction with these two subsidiaries, Compumedics has a broad international reach, including the Americas, Australia and Asia Pacific, Europe and the Middle East.

Executive Chairman Dr. David Burton founded Compumedics in 1987. In the same year the Company successfully designed and installed the first Australian, fully computerised sleep clinic at Epworth Hospital in Melbourne. Following this early success, Compumedics focused on the development of products that sold into the growing international sleep clinic and home monitoring markets.

Compumedics listed on the Australian Securities Exchange in 2000. Over the years, Compumedics has received numerous awards, including Australia's Exporter of the Year, and has been recognised as a Top 100 Innovator by both German and Australian governments.

For further information please contact:

Dr. David Burton
Executive Chairman, CEO, Executive Director
Phone: + 61 3 8420 7300
Fax: +61 3 8420 7399

David Lawson
Chief Financial Officer
Phone: + 61 3 8420 7300
Fax: +61 3 8420 7399

Investor Relations, Media & PR enquires:

Rod North
Managing Director
Bourse Communications Pty Ltd
Phone: +61 3 9510 8309
Mobile: 0408 670 706

Richard Allen
Oxygen Financial PR
Ph: + 61 3 9915 6341
Mob: 0403 493 049



For personal use only

