

ASX RELEASE

Ellex Medical Lasers Limited (ASX:ELX)

Adelaide, Australia

Date: 22 June 2017

Release: Immediate

Topic: Ellex iTrack™ Sales and Marketing Update

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### Highlights:

- **Ellex continues commitment to expanding global distribution network of Ellex iTrack™ business**
- **Accelerated recruitment and expansion of US-based sales team driving significant month-on-month sales growth**

**Adelaide, Australia, 22 June 2017** – Ellex Medical Lasers Limited (ASX:ELX), a global leader in medical devices for the diagnosis and treatment of eye disease, is pleased to provide the following update on recent sales and marketing activities for the Ellex iTrack™ business segment.

Ellex iTrack™ is Ellex's wholly owned, San Francisco Bay Area-based, subsidiary which specialises in the treatment of glaucoma using its iTrack™ patented microcatheter.

Ellex is now experiencing significant month-on-month improvements in sales growth, attributed to the continued investment in sales and marketing, particularly within the US market and across other specifically targeted global markets during the financial year.

### **Ellex iTrack™ US Sales Team Recruitment and Expansion**

Ellex iTrack™ has continued to accelerate its US sales and marketing strategy primarily through the expansion of the Company's sales and marketing team at its headquarters in Fremont, California, USA.

Specifically, this has resulted in an increase in the direct sales and clinical training personnel from four in August 2016 to 14 in June 2017. These additional personnel are industry professionals with strong backgrounds in selling consumable ophthalmic products. As of mid-June, Ellex iTrack™ has established sales representative coverage across all geographic regions in the USA (see Appendix for details).

Additionally, from January 2017, the insurance reimbursement available to ambulatory surgery centres (ASC) that purchase the iTrack™ doubled, further bolstering the Company's sales and marketing efforts.

Ellex iTrack™ expects to continue to build its US-based and global sales and marketing team and is targeting a total of 21 to 24 sales representatives and clinical trainers by June 2018.

In addition to increased sales efforts, the Company has also invested in additional improvements in its production capacity at its Fremont facility in anticipation of further sales demand.

### **Sales Results Affirm Sales and Marketing Efforts**

The investment in the marketing and distribution strategy of iTrack™ in the USA is demonstrating positive sales results. Sales growth within the USA has accelerated materially since 1 January 2017. Significant month-on-month sales growth is being experienced as the recruitment of sales representatives progresses across the regions of the USA. In China, where Ellex iTrack™ is the only approved minimally invasive glaucoma surgery (MIGS) device, the Company's program of surgeon training is gaining traction and sales are growing. Other major markets outside the USA, namely Germany, Italy and Switzerland, are also showing good growth as market awareness grows.

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### **ABOUT ELLEX**

Ellex designs, develops, manufactures and sells innovative products that help eye surgeons around the world to effectively and efficiently treat eye disease. Ellex is a world leader in this field. Headquartered in Adelaide, Australia, Ellex has ophthalmic lasers and devices that treat glaucoma, retinal disease primarily caused by diabetes, secondary cataract and vitreous opacities, as well as age-related macular degeneration. Manufacturing is carried out in Adelaide, Australia and Fremont, California. Sales and service directly to eye surgeons is conducted via subsidiary offices in Fremont, Minneapolis, Lyon, Berlin and Tokyo. A network of more than 50 distribution partners around the world services other markets.

**For additional information about Ellex and its products, please visit [www.ellex.com](http://www.ellex.com)**

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**Appendix - Month-end iTrack™ Sales Staff Recruited since August 2016**

iTrack Sales	Sales staff recruited as of the end of each month										
	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
Vice President		1	1	1	1	1	1	1	1	1	1
Outside USA distributor management						1	1	1	1	1	1
Clinical trainer WEST and OUS	1	1	1	1	1	1	1	1	1	1	1
Clinical trainer EAST	1	1	1	1	1	1	1	1	1	1	1
	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
Central	1	1	1	1	1	1	1	1	1	1	1
SouthEast	1	1								1	1
Southwest				1	1	1	1	1	1	1	1
West					1	1	1	1	1	1	1
Midwest						1	1	1	1	1	1
Great Lakes						1	1	1	1	1	1
Mountain							1	1	1	1	1
Pacific NW									1	1	1
Plains										1	1
NorthEast											1
Mid Atlantic											1
New England											1
	2	2	1	2	3	5	6	6	7	9	12
Sales support						1	2	2	2	2	3
Total iTrack Sales	<u>4</u>	<u>5</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>10</u>	<u>12</u>	<u>12</u>	<u>13</u>	<u>15</u>	<u>19</u>

**Additional recent marketing activities:**

- Educational Webinar Series featuring Dr. Mahmoud A. Khaimi
- MIGS wet lab training events, held in conjunction with key industry tradeshows
- Clinical training program in Asia, encompassing proctoring at the Singapore National Eye Center (SNEC)
- Clinical training program in Germany, featuring Canaloplasty pioneer Dr. David Richardson (USA)
- Recruitment of additional well-respected ophthalmic surgeons as Key Opinion Leaders in the USA for speaking at industry conferences
- Attendance and speaking at inaugural MIGS conference in China in November 2016
- Working with our Chinese distributor to train Chinese surgeons in the Ellex iTrack surgery technique at 3 major Chinese hospitals during December 2016
- Commencement of the development of an online, multi-module training portal for physicians, further augmenting the efforts of our field-based clinical specialists and the field sales representatives.

## **World Glaucoma Conference:**

Ellex iTrack™ is exhibiting next week at the biennial World Glaucoma Conference (WGC) in Helsinki, Finland. Included in the activities will be a Ellex iTrack™ roundtable discussion. Participants in the discussion, which will be open to conference attendees include the following world-renowned MIGS practitioners:

### **Dr Ike Ahmed**

Assistant Professor, University of Toronto Clinical Professor, University of Utah is world renowned. He has done pioneering work in innovative glaucoma surgery, developing and coining the term “Micro-Invasive Glaucoma Surgery (MIGS)” as a new genre of surgical approaches and devices. As a result of his innovative expertise, Dr. Ahmed has been asked to consult for a variety of companies and manufacturers, especially pertaining to the development of new devices and technologies.

### **Dr. Paul I. Singh (USA)**

Glaucoma specialist at Eye Centers of Racine and Kenosha  
High volume iStent user  
Vast experience across the entire MIGS treatment armamentarium  
Experienced SLT practitioner  
Advocate for use of SLT in combination with MIGS

### **Prof. Shamira Perera (Singapore)**

Consultant ophthalmologist at Singapore National Eye Centre (SNEC)  
Anterior Segment Surgeon/Cataract Surgeon  
Undertook clinical training in ABiC in late 2016 at SNEC; as such, he has limited clinical experience with ABiC

### **Mr. Leon Au (UK)**

Consultant ophthalmologist at Manchester Royal Eye Hospital  
Anterior segment surgeon, including glaucoma  
Extensive experience with MIGS procedures, including Hydrus, XEN and iStent  
Experienced SLT practitioner  
He was involved in the Aquesys XEN Implant Research Study  
He has been performing ABiC for approx. 12 months

### **Dr. Steven Vold (USA)**

Glaucoma specialist at Vold Vision  
Vast experience across the entire MIGS treatment armamentarium, including ABiC/iTrack  
Previous experience with Canaloplasty

### **Prof. Norbert Koerber (Germany)**

Involved in the landmark multi-centre Canaloplasty trial (Lewis et al)  
Considered to be German's leading glaucoma surgeon  
Prof. Koerber has had success with ABiC but still considers canaloplasty to form an important component of his treatment paradigm  
He has undertaken clinical evaluation of the Visco360 device (Sight Sciences)  
He secured peer review publication of his 12-month data for ABiC in late 2016