

ASX RELEASE

Ellex Medical Lasers Limited (ASX:ELX)

Adelaide, Australia

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Release: Immediate

Topic: Ellex iTrack™ Sales for Quarter Ended 30 September 2017



Highlights:

- **Ellex iTrack™ achieves fifth consecutive quarter of sales growth**
- **US Ellex iTrack™ sales accelerate to growth rate of 71% for the quarter compared with previous corresponding period (pcp)**
- **Global Ellex iTrack™ sales also up 71% for the quarter compared to pcp**

Adelaide, Australia, 2 October 2017 – Ellex Medical Lasers Limited (ASX:ELX), a global leader in medical devices for the diagnosis and treatment of eye disease, today announced sales results for its Ellex iTrack™ business for the three months ended 30 September 2017.

Global sales of Ellex iTrack™ were US\$2 million for the quarter, up 71% on the same time last year. In the USA sales were US\$1.2 million for the quarter, also representing a growth rate of 71% compared to the same time last year. This marks the fifth consecutive quarter of sales growth in both the USA and in markets outside the USA for the Fremont, California-headquartered Ellex iTrack™ business.

Table 1 below describes the sales results for Ellex iTrack™ during the period.

	<u>Sales in US\$000's</u>		<u>Growth</u>
	<u>3 months</u>	<u>3 months</u>	<u>%</u>
	<u>ended 30</u>	<u>ended 30</u>	
	<u>Sept 2016</u>	<u>Sept 2017</u>	
USA	715	1,224	71%
Europe	430	580	35%
Asia	14	175	>100%
	1,159	1,980	71%

Table 1 - Sales in US\$'000's

“The 71% growth rate achieved in the USA demonstrates continued acceleration on the 53% growth rate recorded in the last quarter of the 2017 fiscal year. It shows the increased traction of Ellex iTrack with US surgeons. We are so far pleased with our new customer acquisition and improving re-order rates amongst those customers,” commented Ellex CEO, Tom Spurling.

Table 2 below describes the number of Ellex iTrack™ units sold during the period.

	Sales in units		Growth
	3 months ended 30 Sept 2016	3 months ended 30 Sept 2017	%
USA	852	1,485	74%
Europe	872	1,121	29%
Asia	26	350	>100%
	1,750	2,956	69%

Table 2 - Sales in Units

Mr. Spurling also commented on progress of sales expansion initiatives “We currently have 12 sales representatives covering the USA, three of whom were recruited as recently as June 2017. We expect to recruit more sales representatives through the 2018 fiscal year, particularly in the Western states of the USA where demand is strong,” said Mr. Spurling.

“We are pleased with the growth in sales achieved thus far and, as we continue to invest in the US market, we are confident that growth in the USA will be strong through the remainder of the 2018 fiscal year,” said Mr Spurling

Figure 1 below describes the growth in Ellex iTrack™ sales in the USA over the past five quarters.



Figure 1 USA iTrack sales by quarter

In Europe, Ellex iTrack™ sales have benefited from marketing initiatives undertaken with physicians in the key markets of Italy, Germany and Switzerland. Sales performance in Asia is dominated by sales to China, where the Company is working closely with its distribution partner on the market rollout of Ellex iTrack™.

ABOUT ELLEX

Ellex designs, develops, manufactures and sells innovative product 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 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

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