bluechiip®

Proactive Investors "Stars in 2013" Industrial Company Investor Forum Presentation

ASX: BCT

4 June 2013

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TRACKING SOLUTIONS

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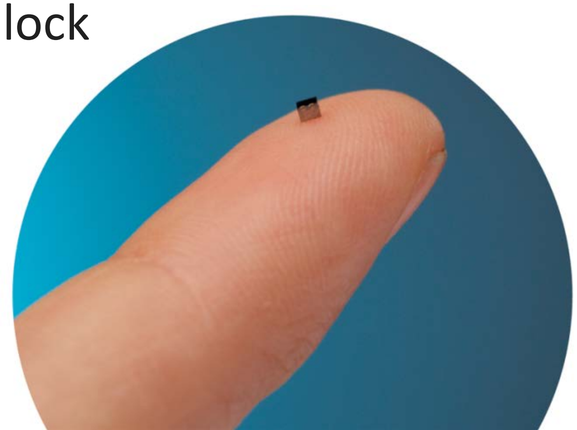
Agenda

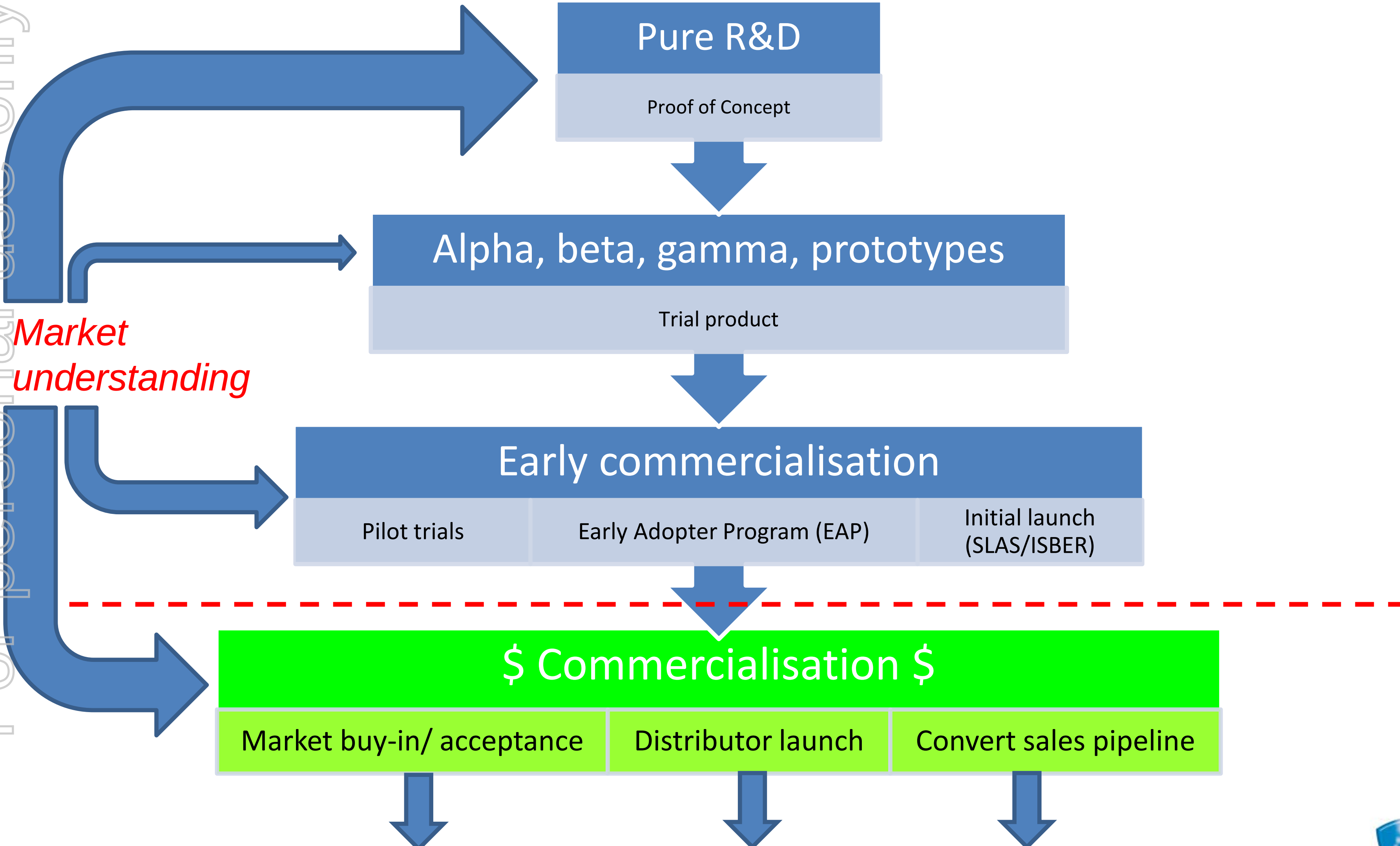
1. Bluechiip - Snapshot
2. Biobanking Market
3. bluechiip® System
4. Commercialisation Program
5. Investment Proposition
6. Opportunity and Next Steps
7. Q&A

Bluechiip - Snapshot

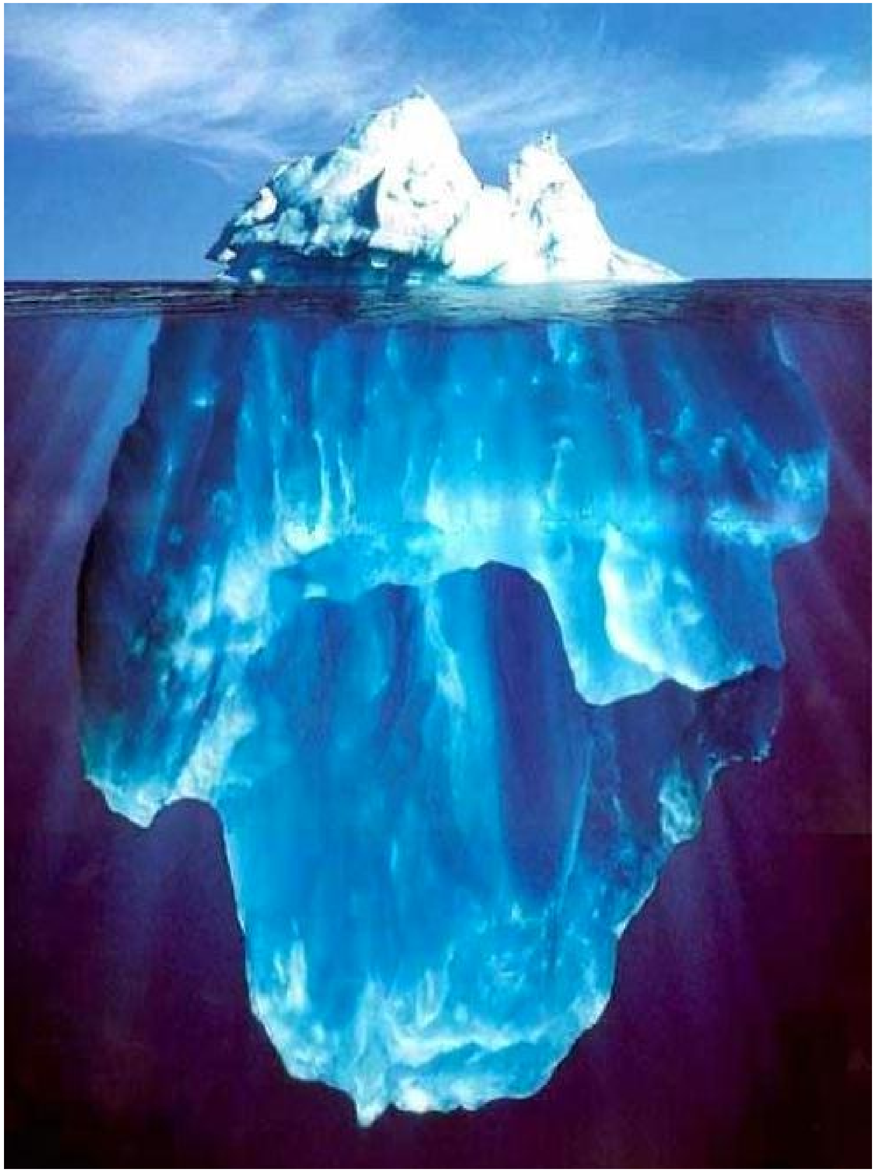
- Global technology company
- Platform technology based on MEMS technology
- Developed unique chain-of-custody tracking and monitoring system
- Strong IP portfolio
- Entered commercialization phase – early sales and building…..
- bluechiip® will be gold standard/best practice tracking technology
- Implementing strategies for growth to unlock further shareholder value



Bluechiip - Value Creation



bluechiip® Platform Technology



Initial focus **biobanking**

Future opportunities - within as well as outside healthcare = **further value creation**

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Market Opportunities

Healthcare Markets	Non-Healthcare Markets
1. Biobanking 2. Surgical instruments 3. Pathology 4. Clinical trials 5. Pharmaceutical 6. Seed banks 7. Forensics 8. Blood products 9. Diagnostics 10. Research 11. Biological sensing 12. DNA 13. Allograft i.e. heart valves 14. Medical waste	15. Security and defense 16. Cold chain logistics, supply chain and courier companies 14. Aerospace and aviation 15. Industrial and manufacturing

Licensing and partnership opportunities in each

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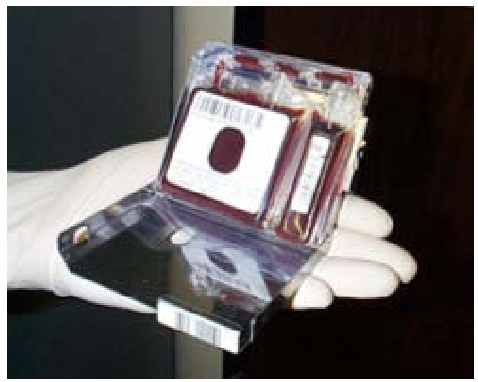
Biobanking – Setting the Scene

In Vitro Fertilisation (IVF)

Umbilical Cord Blood



Cancerous tumour

.....and many more

Welcome to the global biobanking market

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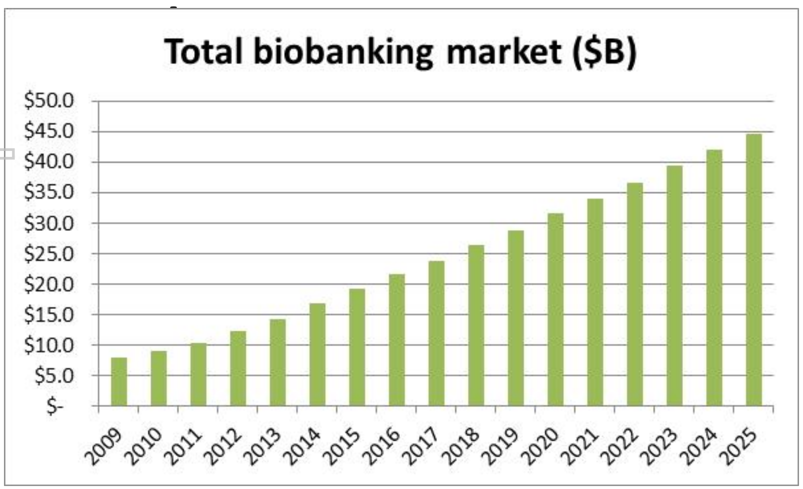
Biobanking – Growing Multi-Billion $ Global Market

- **Definition:** ***Collection, processing, storing and distribution of biospecimens and associated data***
- **Biobanks (or biorepositories)**
  - Bioresource, translational and life science laboratories
  - Pharmaceutical sample management facilities
  - Clinical trial and biomedical research laboratories
  - Commercial laboratories/biorepositories

- **Biospecimens - blood, tissue, urine, saliva, cells, RNA/DNA**
- **Currently ~2B biospecimens stored around world; growing at ~200M**



Source: Biobanking for Medical R&D: Technology and Market 2010-2025 by visiongain

Growth areas
- Cord blood
- IVF (In Vitro Fertilization)
- Personalized Medicine
- Pharmacogenomics
- Regenerative Medicine and Stem Cell Therapies
- Research and Clinical Trials

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Biobanks - Come In All Shapes and Sizes

- **From individual refrigerators to large warehouses, manual to highly automated, stand-alone or part of larger facility**

Fisher BioServices (Maryland, USA)

Types of Biobanks

UK Biobank (UK)

- **Based on**
  - Tissue type
  - Volunteer group – population-based, disease-based
  - Ownership – public/private
- **Disease-oriented biobanks**
  - Collect samples representing a variety of diseases - look for biomarkers affiliated with specific disease e.g. Peter MacCallum Cancer Centre
- **Population-based biobanks**
  - From large numbers of people - look for biomarkers for disease susceptibility in general population e.g. UK Biobank (500,000 people)
- **Tissue banks**
  - Store human tissues for transplantation and research e.g. Southern Health Tissue Bank
- **Other**
  - General biorepositories (Fisher BioServices)
  - Seed banks e.g. The Millennium Seed Bank Project (UK), The Svalbard Global Seed Vault (Norway)
  - Animal husbandry

The Svalbard Global Seed Vault (Norway)

Biobanks Around World

- **Australia**
  - Victorian Cancer Biobank
  - IVF labs/clinics – Monash IVF, Virtus Health (IVFAustralia, Melbourne, etc), Genea
  - Tissue banks in hospitals
  - Cord Blood - Cell Care Australia, Cryosite
  - Mesoblast
- **USA**
  - ~180 biobanks, many commercial biobanks
  - US lags in setting up a national biobank or national biobanking networks
- **Europe (largely Spain, Italy, France and Germany)**
  - ~400 biobanks in 2010, largely research
  - Number of national biobank networks - Promoting Harmonisation of Epidemiological Biobanks in Europe (PHOEBE), EuroBioBank, BrainNet Europe
- **Asia**
  - Growth region with some large biobanking projects being started/being planned
  - Countries active in biobanking include Japan, Singapore, Taiwan (Cordlife)
  - China (e.g. China Cord Blood Corporation)
  - India

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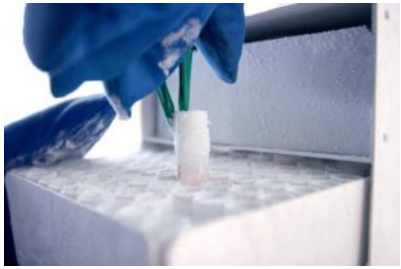
Biobanking – Immediate Need

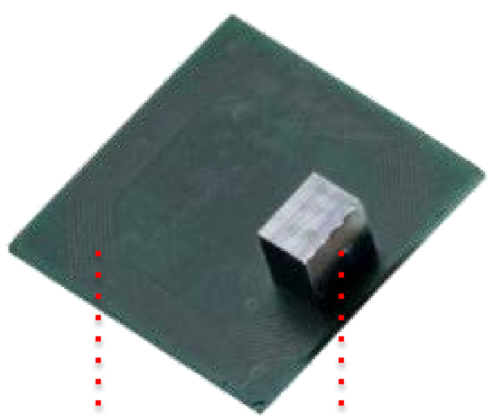
- **Historical labeling and tracking techniques do NOT provide understanding of temperature and other variables that effect sample integrity**
- **Key drivers of growth**
  - Biobanks are handling more and more valuable samples
  - Regulations and guidelines i.e. CAP
  - Recognition need to monitor temperature at item-level

Labels (hand-written/ pre-printed)	**Barcodes** (linear/2D)	**RFID**
• Labels fall off • Transcription errors • **Can't sense temperature**	• Need line of sight • Significantly decreased reading reliability in humidity and frost environments • **Can't sense temperature**	• Not able to survive plastic injection molding process • Not able to survive high temperatures of sterilization and gamma irradiation • Not able to survive <u>AND</u> operate in low temperatures down to -196ºC • **Can't sense temperature**



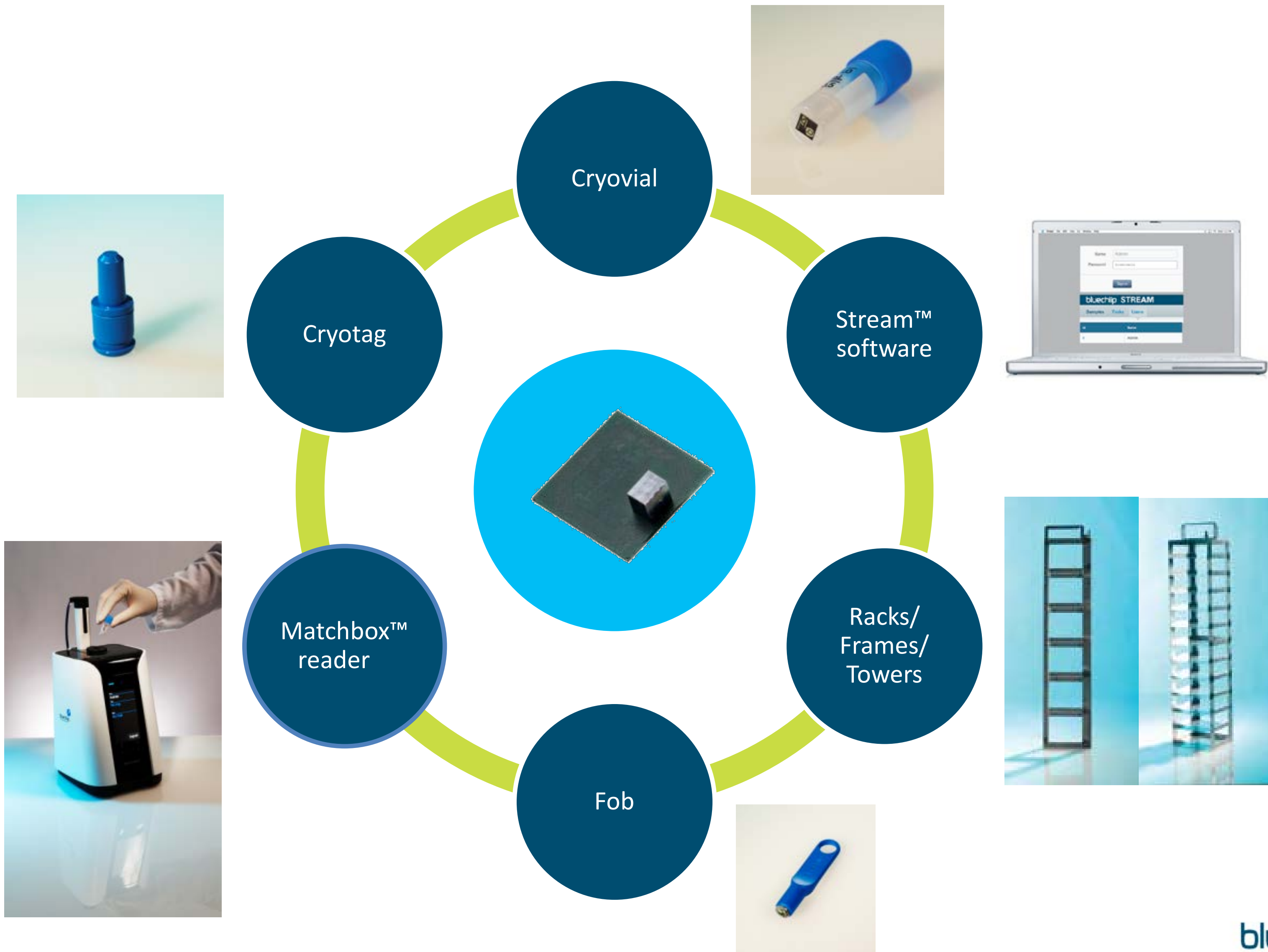
bluechiip® System - Unique Memory Device

- **Electronic license plate (unique ID) with temperature sensing capabilities**
  - **MEMS (Micro Electro Mechanical Systems) technology** – purely mechanical device - no electronics
  - Survives and operates in extreme temperatures (+60°C to -196°C)
  - Senses and records temperature history
  - Highly reliable - reads in frost
  - Secure
  - Easily molded into consumables
  - Immune to gamma irradiation (used for sterilization)



Antenna (5.5mm x 5.5mm) Chip (0.5mm x 0.5mm)

bluechiip® - Integrated System Solution – Product developed, tested and available for sale



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Value Proposition of bluechiip® in Biobanking

- **Increase capacity and throughput**
  - Identification and retrieval rate significantly
  - Enhance staff productivity. Minimize labour intensive sample searches
  - Expand customer base and revenue streams

- **Mitigate risk**
  - Streamlined collection, processing, storage, retrieval and dispatch SOP's
  - Reduced sample handling, damage and loss
  - Improved research and translation outcomes
  - Reduced trial costs

Sales Program

Direct Sales and EAP

- Develop sales pipeline
- Made direct sales through Early Adopter Program (EAP) to:
  - **ATCC** (USA)
  - **Gentris** (USA)

Distribution Partners

- Access to number of sales representative around country who will sell bluechiip® to existing and new accounts/customers
- Appointed **Micronic America** as distributor for North America
- In discussion with other global distributors partners

Channel Partners

- Integrate bluechiip® into their product and sell to existing and new customers
- Secured:
  - **Inpeco** (Switzerland)
  - **H&S Qualita nel Software** (Italy)
  - **MiTeGen** (USA)

- **Resources to Manage Sales Program**
  - **Brett Roberts - Commercial Director** - manage sales, marketing and business development activities (Melbourne, Australia)
  - **Eric Hall - Product Manager for North America** - sales, services, support and training (North Carolina, USA)
  - Add to team over time as required – different geographical regions

Converting Sales Pipeline

Company	Agreement	Organisation type	Region	Expected sales 2H CY 2013	Expected sales 1H CY 2014	Expected sales 2H CY 2014
CURRENT						
ATCC	EAP	Biological resource center + research organization	USA/Global			
Inpeco	Collaborative Development	Automation equipment solution provider	Global			
MiTeGen	Collaborative Development	Sample handling products for crystallography - synchrotrons/pharmaceutical companies	Global			
Micronic America	Distribution Agreement	Sample storage supplier - accessories, equipment	North America			
Gentris	EAP Strategic Partnership	Pharmacogenomic testing + biorepository services	USA/China			
H&S Spa	Collaborative Development	Software + LN2 equipment provider	Global			
IN-PROCESS						
	EAP/Potential Client	Tissue bank	North America			
	EAP/Potential Client	Cord blood bank	Australia			
	Distribution Agreement	Cryogenic storage equipment supplier	Global			
	EAP/Potential Client	Tissue bank	North America			
	Potential Client	Pharmaceutical company	Global			
	EAP/Potential Client	Clinical trial company	Global			
	Potential Clients	Cord blood bank(s)	North America			
	Potential Clients	IVF organisation	North America			
	Distribution Agreement	Asia, Europe + increased USA	Europe/Asia/Global			
	Clients	Various Channels and Opportunities	Global			

Experienced and Commercially Focussed Management and Board of Directors

Brett Schwarz CEO, Managing Director, Co-founder	• >22 years experience in chartered accounting and consulting prior to founding Zmood Innovations (MEMS technology consultancy) (2001) and Bluechiip (2003)
Dr Jason Chaffey CTO	• >6 years with BCT • Actively involved in MEMS technology for >12 years
Brett Roberts Commercial Director	• >18 years experience • Senior sales positions with Pfizer Australia and Cell Care Australia
Iain Kirkwood Chairman, Non-Exec. Director	• Substantial investor/shareholder • 35 years experience with healthcare and other companies • Chairman/Director of 3 other ASX-listed companies • Joined board in November 2007
Joe Baini Non-Executive Director	• >20 years experience in pharmaceuticals industry • Involved with BCT since July 2008 • Was senior executive and board member of two Australian listed biotechnology companies
Ron Finkel Non-Executive Director	• >26 years in venture capital • Extensive experience in commercialization of product • Chairman/director of numerous companies • Joined board in July 2012

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Production Strategy

- **Use specialist contract manufacturers/OEMs**
- **Secured Tier 1 corporations for high-volume and quality production**
  - Chips/tags – STMicroelectronics NV (NYSE: STM)
    Facilities in Italy
  - Readers – Plexus Corp. (NASDAQ: PLXS)
    Facility in Penang, Malaysia
  - Cryotags and racks - RC Precision Engineering
    Facility in Penang, Malaysia
  - Cryovials – supplier being selected

life.augmented

The Product Realization Company

- **Centralize warehousing and co-ordination of shipping/logistics around world – initially in Penang, Malaysia**

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Strong IP Portfolio

- **All IP wholly owned by Bluechiip**

- **Patents**
  - Portfolio of 15 patents over 7 patent families
  - 7 granted in USA and Europe
  - Some patent applications currently under examination and awaiting examiners report
  - Progress patent applications from Provisional ⇨ PCT ⇨ National Phase over coming year
  - Continue to build portfolio by filing new patent applications for further protection
  - Established Freedom-to-Operate (FTO)

- **Trademarks**
  - Trademarks (word and logo) registered in Australia and USA

Financial and Capital Position

- **Revenues generated to date ~$100k (early sales – EAP)**

- **Successful capital raising history - raised ~$13.5M since November 2005**

- **Cash at bank at 31/3/13 ~AU$1.2M**
- **Monthly burn ~AU$250-300k per month**

- **Expected cash inflows**
  - **Sales**
  - R&D tax incentive
  - Options
  - Grants

Corporate Summary (as at 31 May 2013)

Key Statistics

Company incorporated	2003
Listed on ASX	9 June 2011
ASX Code	BCT
Current Share Price	AU $0.18
52 Week High/Low	AU $0.30/$0.18
Shares on Issue	99.6M
Market Capitalization	~AU$18M
Options (unlisted)	22.1M
Total shares and options	121.7M
Cash raised to-date	~AU$13.5M (inc. AU$3M IPO)

Major Shareholders

Holder Name	**%**
Dr Stephen Woodford; Dr Stephen Woodford & Patricia Woodford	15.0
Edward St Consulting Pty Ltd; *Iain Kirkwood*	7.6
Rainbow Investments (Aust) Pty Ltd, *Brett Schwarz* and Kermett Pty Ltd	7.6
Roshi Blue Pty Ltd; *Robert Kampf*	7.1
Sub-total	37.4

Total - 477; Top 20 – 62.0M shares (62.3%)

Sophisticated/HNW investors, Private Equity, Institutional Investors

Share Price Performance

Investment Proposition

- **Highly focussed strategy with experienced management and Board**
- **Revenue/earnings growth in 2H 2013 and beyond**
- **Highly-scalable commercial model – platform technology**
- **Attractive growth in initial biobanking and future markets**

- **Anticipated Near-Term Value-Creating Milestones**
  - Major sales contracts
  - Forming partnerships with route-to-market partners
  - Entering co-development and license agreements
  - Entering other market verticals
  - Granting of additional patents

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Opportunity and Next Steps

- **Opportunity**
  - To invest in Bluechiip Limited on ASX as it enters next growth phase
  - Looking for new investors (retail, sophisticated, professional, institutional, strategic) to bolster company's share register
- **Next steps**
  - Go to www.bluechiip.com – view announcements, articles, analyst reports, financials
  - Speak to your broker re BCT
  - Contact Brett Schwarz
    - Meet during investor forum
    - Mobile 0419 367 590
    - Email brett.schwarz@bluechiip.com

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The future of tracking is bluechiip®
“Has it been bluechiiped?”
® bluechiip and bluechiip (Logo) are registered trade marks of Bluechiip Limited

Appendix - Financials summary

	12 months to 30 June 2011 (AU$000s)	12 months to 30 June 2012 (AU$000s)	6 month to 31 December 2012 (AU$000s)
Income			
Sales/Revenue	**-**	**18**	**57**
R&D tax incentive	674	920	570
Grants	13	84	-
Interest	37	62	8
Total income	726	1,084	635
Expenses			
R&D	656	1,083	719
Employee benefits expenses	736	890	526
Other expenses	951	1,126	665
Sub-total	2,343	3,099	1,910
Share-based payment expense (shares/options)	1,980	830	360
Depreciation and amortisation	18	23	12
Total expenses	4,341	3,953	2,283
(Loss)	(3,616)	(2,870)	(1,648)
(Loss) before share-based payment expenses and depreciation/amortisation	(1,618)	(2,016)	(1,275)
Earnings Per Share (EPS)	(5.50)	(3.50)	(1.87)
Net Tangible Asset (NTA)	1.56	0.87	1.63
Cash	1,492	516	1,613

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