

Bluechiip Limited banks \$1.1 million R&D Tax Incentive Refund

Bluechiip Limited [ASX: BCT], a leader in the development of advanced sample management solutions for harsh environments, today announced that it has received \$1.09M Research and Development (R&D) Tax Incentive Refund from the Australian Tax Office relating to the 2021 Financial Year (FY21).

Andrew McLellan, Bluechiip Limited's Managing Director, welcomed the refund and said it provides a significant cash injection for the Company and augments its existing cash position.

"The \$1.1M is significant, is in line with our expectations and was reported as a provision in our 30 June 2021 accounts. This cash refund comes at a time when we are experiencing an acceleration of commercial activity especially as global markets open-up," he said.

"Our historical investment in R&D has positioned Bluechiip well for the future. The receipt of this R&D refund coincides with increasing sales and cash receipts from both OEM partners and direct customers providing additional runway to execute our strategy.

We continue to deliver on our partnership with FujiFilm Irvine Scientific under our Licence and Development agreement to customise our unique technology for the global Assisted Reproductive Technologies (aka IVF) market towards an anticipated long term Supply agreement. As well, we are delivering on evaluation phase orders with multiple potential partners in the global cell therapy, pharmaceutical and biobanking markets.

Especially encouraging is the uptake of our direct-to-market portfolio of products launched in December 2021 into the global Biobanking market. Our range of Bluechiip branded Advanced Samples Management solutions has now been delivered to 10 laboratories across 9 customers through our direct sales team in North America and Australia and through distributors in Europe. We have also made deliveries to Labcon in North America for their customers."

Andrew noted that the FY 21 refund is lower than FY19 & 20 years' refund of \$1.62M but this was in line with Bluechiip's reducing R&D activity as a result of Bluechiip's core chip technology transition from R&D into full scale production.

"While we are increasing our sales and marketing activities, ongoing R&D for our readers, software and Bluechiip enabled consumables remain an important focus as we adapt to the valuable feedback from our expanding customer base. We expect the R&D Tax Incentive Refund for Financial Year 2022 to be approximately \$800k and, when received later this year, will further extend our runway," he said.

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Authorised for release by the Bluechiip Limited Board

For more information, please contact:

Corporate enquiries

Andrew McLellan
Managing Director / CEO
Ph: +61 457 823 470
andrew.mclellan@bluechiip.com

Media

Richard Allen
Ph: +61 403 493 049
Oxygen Financial PR
richard@oxygenpr.com.au

About Bluechiip Limited

Bluechiip understands that every biological sample – stem cells, blood, eggs, sperm and other biospecimens – is critical, so our objective is to manage each one with optimal quality in the most efficient way. Bluechiip's advanced sample management solution is the only one that provides sample temperature with ID in cryogenic environments, driving productivity and improving quality. Bluechiip's solution delivers confidence in every sample.

Bluechiip's unique patented technology is a MEMS-based wireless tracking solution that contains no electronics. It represents a generational change from current tracking methods such as labels (hand-written and pre-printed), barcodes (linear and 2D), and Radio Frequency Identification. Bluechiip tags are either embedded or manufactured into storage products such as vials or bags. Each product is easily identified and critical information, such as sample temperature, detected by readers and stored in the Bluechiip software. In addition to functioning in extreme temperatures, the Bluechiip® Advanced Sample management solution can survive autoclaving, gamma irradiation sterilization, humidification, centrifuging, cryogenic storage and frosting.

Bluechiip listed on the ASX in June 2011. Since then, we have significantly developed our technology. Today it has applications in healthcare, including in cryogenic storage facilities (biobanks and biorepositories), pathology, clinical trials and forensics. Other key markets include cold-chain logistics/supply chain, security/defence, industrial/manufacturing and aerospace/aviation.

Bluechiip: Delivering confidence in every sample.

Further information is available at www.bluechiip.com