# Bluechiip Corporate Overview

April 2016

## What we do

Bluechiip (ASX:BCT) provides unique and patented technology that combines secure wireless sample tracking with integrated temperature reading for use in extreme environments.

## The Company

Founded in 2003 and ASX listed in 2011, Bluechiip has its head office in Melbourne, Australia and distribution channels around the globe.

Bluechiip's strong IP portfolio includes 21 granted patents in 7 families, including the core MEMS (Micro Electro Mechanical System) memory device and sample storage and monitoring systems that include sample level ID & temperature tracking.

## Our product

The core Bluechiip system consists of a wireless tracking/measuring chip, a reader, and associated software.

- The chip: The Micro Electro Mechanical Systems (MEMS) chip is a purely mechanical device with no powered electronics. It is different from labels, barcodes and radio-frequency identification (RFID) technology in that it performs in extreme environments, operating reliably at -196°C, resistant to gamma sterilisation, is extremely difficult to clone or corrupt and provides temperature reading. It can be attached to any plastic for a variety of uses (e.g. in vials or consumables).
- The reader: The reader can be handheld or multi-point. It enables instant tracking of ID and temperature sensing, increasing productivity and reducing human error.
- The software: The easy-to-use software database has wireless connectivity and keeps a chain of custody data record for samples in one location.

## Primary target market

Bluechiip's initial target is the $2b biopreservation & cryopreservation market, processing more than 300 million samples per year of tissue, blood, serum, plasma, etc., for industries such as pharmaceuticals, IVF, research and clinical trials.

## Additional markets

The Bluechiip technology also has applications in cold chain logistics, food, manufacturing, security and defence.

## Strategy

With a maturing Bluechiip core technology, we are now (as of 2015) actively moving into commercialisation. We have brought in a team with extensive experience in taking technology products to market, and they have decided to initially target companies who handle high-value samples (where the cost of failure is high), such as IVF, regenerative medicine, protein crystallography, cryo transport and pharmaceutical applications. These industries must take all possible steps to minimise the risk of sample failure, and they quickly grasp the value of the Bluechiip system in mitigating this risk.

## Competitive advantages

There are few technologies that work in extreme environments, and no other technologies provide integrated wireless temperature reading and tracking.

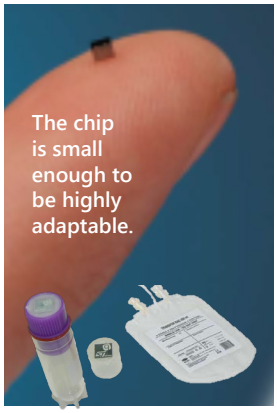
Traditional tracking technologies are not suited for the abovementioned industries because:

- Labels and barcodes can't be read through frost, and removing frost to take a reading can damage the sample.
- RFID technologies typically do not survive in low temperatures or sterilization.

Conventional temperature-sensing technologies are limited because:

- They sense the environmental temperature, not the temperature of the specific samples.
- They require wiring and electronics, which do not work in harsh environments.


Frost is a real problem for labs working in extreme environments.


The chip is small enough to be highly adaptable.


The reader can be handheld for mobile applications or multi-point.

## Progress thus far

The team has made great progress in the last year, and we are delighted to report that Bluechiip now is receiving revenue from select clients.

### Key accomplishments:

- The Bluechiip reader has been configured for OEM adoption and is now being adopted by an OEM partner.
- The team has established a technical sales and support team and crafted a developer kit. We are now beginning to train and assist OEM companies to integrate the chip and reader into their own systems.
- We have engaged several lead customers to evaluate and validate our products.
- We are demonstrating a visible revenue stream through OEM licensing fees in the IVF sector. We have also received initial revenue from developer kit sales and validation customers.

### Projects in progress:

- We are engaged in Government co-funded projects with University of Melbourne and Swinburne University to make Bluechiips adaptable and suitable for various formats.
- We are now standardizing the chip reader for direct customer sales. We have a mature mobile handheld reader and a prototype multi-vial reader.
- We are building a track record of real product applications for OEM proof.
    - Fully executed OEM agreement
    - 2 agreements in place for protein crystallography and cell therapies
    - OEM pipeline has grown from two to over 15 companies.

## For more information

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