Bluechiip Limited
1 Dalmore Drive
Caribbean Business Park
Scoresby VIC 3179 AUSTRALIA

T: +613 9763 9763
F: +613 9763 9764
www.bluechiip.com

ASX Announcement

For immediate release

Thursday 1 September 2016

Bluechiip signs Technology Evaluation Agreement with US-based Auto ID and Data Capture Company & files provisional patent application for over-temperature chip

Bluechiip Limited [ASX:BCT], a leader in the development of sample tracking technology for harsh environments, today announced the signing of a Technology Evaluation Agreement with a major automatic identification and data capture company in the USA's mid-west and the filing of a provisional patent application for an "over-temperature chip".

Technology Evaluation Agreement

The agreement, including a developer kit will allow the company to test and assess Bluechiip's technologies in high-value harsh-environment applications in biobanking and other applications, including aerospace.

The announcement comes on the back of similar sales made to the Chinese Centre for Disease, Control and Prevention, based in Beijing, and a major consumables company in North America.

Bluechiip CEO Andrew McLellan said, "*Each Evaluation agreement or sale of a developer kit sales reinforces the demand that we know exists for better tracking technologies, particularly in harsh, high-value industries like biobanking. Such sales generate initial revenue for Bluechiip but more importantly increase our potential pipeline for further sales through conversion to long term supply agreements*."

Provisional patent application for an "over-temperature chip"

Bluechiip also announced today the filing of a provisional patent application resulting from its government co-funded Research-Connections development project with the University of Melbourne's Centre for Neural Engineering. The patent application covers a new technology which provides a permanent record if a sample's temperature, once frozen, deviates above an ideal prescribed limit causing damage and potential failure.

"This new technology comes after multiple specific requests from end customers," Mr McLellan said. "*The new provisional patent application is a very exciting development for us, and has the potential to increase the sales value of Bluechiip's chip ten-fold. An "over-temperature chip" provides a significant springboard into adjacent markets outside of biopreservation, especially into pharmaceuticals and cold chain logistics markets. Conversion to a genuine product is on Bluechiip's medium-term roadmap*."

END

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

Media:
Richard Allen
Ph: +61 3 9915 6341
Oxygen Financial PR

About Bluechiip Limited:

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

Bluechiip's unique and patented technology combines secure wireless sample tracking with integrated temperature reading for use in extreme environments, working reliably in temperatures from -196°C to +200°C, and impervious to autoclaving, gamma irradiation sterilization, humidification, centrifuging, cryogenic storage and frosting.

Based on MEMS technology, the Bluechiip® tag contains no electronics. Unlike traditional tracking technology like labels, barcodes or RFID, Bluechiip does not require line-of-sight visibility for temperature readings and tracking, and so can be read through frost without damaging the sample.

The tag can either be embedded or manufactured into storage products such as vials or bags. Easy identification, along with any associated information from the tag can be detected by a reader, which can also sense the temperature of the tagged items. Unlike other tracking methods, the Bluechiip® technology can sense the temperature of each item a tag is attached to or embedded in.

This technology is particularly important for industries such as the $2b biopreservation & cryopreservation market, which processes more than 300 million samples per year of tissue, blood, serum, plasma, etc., for industries such as pharmaceuticals, IVF, research and clinical trials. It also has applications in cold chain logistics, food, manufacturing, security and defence.

Further information is available at **www.bluechiip.com**