

INVESTOR UPDATE

NOVEMBER 2015



PACIFIC EDGE LTD

Welcome to the first of our Investor Updates. As a growth company, our business is continually moving forward. This Update has been developed to keep our shareholders informed on our progress, and complements our formal communications such as our shareholder reports, results announcements and annual meeting.



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EXECUTIVE UPDATE

David Darling, Managing Director and CEO

At our annual meeting in August, we outlined our goals for the 2016 financial year.

The United States healthcare market remains our primary opportunity and earlier this year, we elected to expand our reach and build our sales team. We have recruited an additional four of six proposed sales executives and now have a dedicated sales force of 16 specialists targeting 19 sales regions. These people are the frontline of our business and are essential in building awareness of our products with targeted urologists.

The Veterans Administration and the Centre for Medicare and Medicaid Services are two of the largest healthcare organisations in the US and offer significant potential for our company.

The Veterans Administration (VA) provides patient care and other services to 8.8 million USA veterans and their families, from 1,700 care centres and has an annual budget of US\$152 billion. To gain access to the VA and to reach these patients, we need to be approved and added to the Federal Supply Schedule. This is a highly structured and lengthy process and pleasingly, we are now in the final stages of review.

The Centre for Medicare and Medicaid Services (CMS) is the government healthcare programme that provides medical and health-related services to tens of millions of elderly and low income people in the USA. They represent approximately 40% of our potential market. We are progressing well in our discussions to gain approval for reimbursement for our Cxbladder tests, for all patients covered under Medicare.

Recruitment of patients for the **Kaiser Permanente User Programme for Cxbladder Triage** has been slightly slower than originally anticipated. A new electronic recruitment platform is now being finalised and we expect to see an increasing number of patients recruited for the Programme as we build towards our 2,000 patient target.

We are in the final stages of discussion and negotiation with a new commercial partner in Australia and expect to make an announcement soon. Australia remains a small but real market for Pacific Edge, with approximately 3,000 Australians estimated to have bladder cancer in 2015, compared to more than half million in the USA, our primary market.

As well as the USA and our other smaller markets in New Zealand and Australia, we have also identified a significant opportunity for our company in **South East Asia (SEA)**. There are two distinct markets of interest: Patients requiring testing for bladder cancer and medical tourists coming to SEA for regular wellness medical checks.

We launched a User Programme with the prestigious Tan Tock Seng Hospital (TTSH) in Singapore earlier this year and are working with a number of other healthcare organisations to run User Programmes. These provide an opportunity for clinicians to trial Cxbladder tests with their patients in their own clinical setting and have proven to be an essential part of commercial acceptance and use of our products.

We launched our second Cxbladder product, **Cxbladder Triage** in New Zealand late last year, with a soft launch to targeted physicians in the USA in July this year. We expect final CLIA regulatory approval to commercially process this test in our USA laboratory, prior to Christmas. Once this has been approved, we will complete the launch programme for Cxbladder Triage into the American market. We remain on track to launch our third product, **Cxbladder Monitor**, into the New Zealand market by the end of 2015.

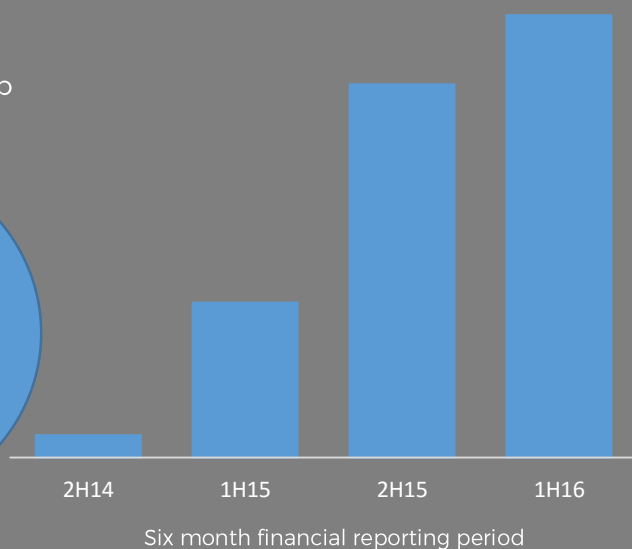
We are continuing to record strong growth in the number of Cxbladder tests processed through Pacific Edge laboratories.

In the six months to 30 September 2015, numbers were up 19% on the previous six months and 185% up on the same six months in the previous year.

1H16 reflects the transition of User Programmes to commercial use in New Zealand, and the seasonal downturn in the USA in July and August. Lab throughput has stepped up again in September and October.

185% increase in test throughput compared to the same six months last year

LABORATORY THROUGHPUT
Includes User Programmes and commercial tests



TAN TOCK SENG HOSPITAL

Pacific Edge is running its first User Programme in South East Asia, with Tan Tock Seng Hospital. This is the third largest and one of the most prestigious hospitals in Singapore. Every day, more than 2,000 patients are seen at its specialist clinics and some 460 patients at its emergency department.

The Department of Urology at Tan Tock Seng Hospital is a one stop shop that provides a comprehensive range of urological services that include bladder cancer. The Department is currently headed by Adjunct Assistant Professor Chong Yew Lam and comprises seven consultants, one associate consultant, two registrars and three senior residents.

Consultants complete their formal subspeciality training at top centres in the USA and Australia and the Department is an active contributor to local and regional training of urologists in Singapore and across Asia.

Our focus is to grow the use and commercial acceptance of our Cxbladder products by these highly respected urologists at Tan Tock Seng Hospital.



PACIFIC EDGE NAMED IN TIN100 TOP 10



Pacific Edge's global growth and positive revenue trajectory was recognised with the company named number 5 in the TIN100 Top Ten list of Hot Emerging Companies for 2015.

Technology Investment Network produces the annual TIN100 report tracking the progress of New Zealand's technology companies and selection is based on revenue growth for FY15. The TIN100 Top Ten Hot Emerging Companies for 2015 includes firms with revenues of \$3 million to \$14 million.

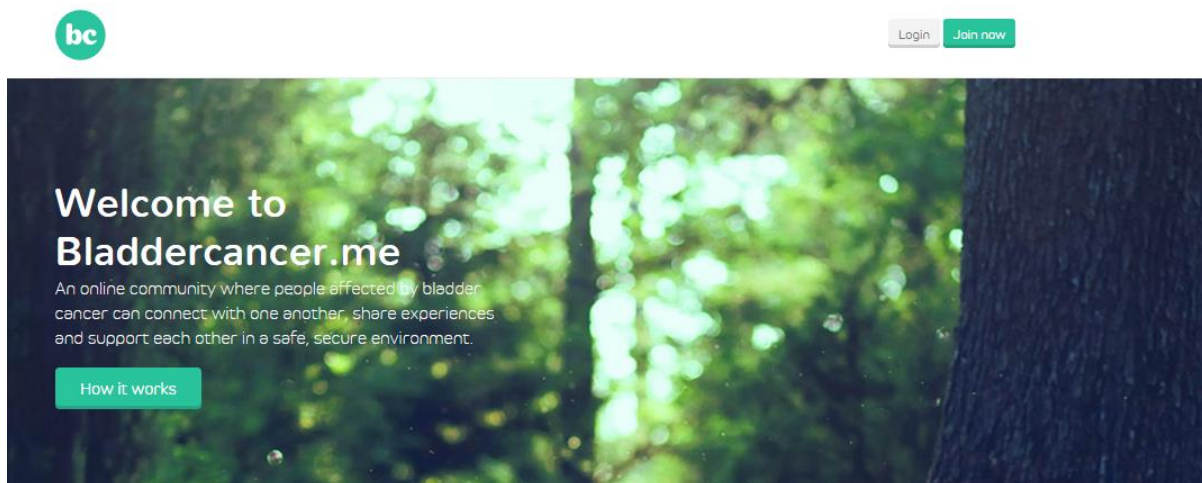
A number of the high growth companies named, including Pacific Edge, are gaining traction and exposure in the USA and TIN Managing Director, Greg Shanahan, noted that it was indicative of "a growing level of expertise and understanding of how to grow a global business."

Pacific Edge has been building its knowledge of the USA market over the past three years and now has an effective strategy that it is using to build awareness, trial and acceptance of its innovative bladder cancer diagnostic tests.

Its successful progress in the implementation of its strategy since launching in the USA in mid-2013 is reflected in the significant uplift in commercial revenue in the past two years.



LAUNCH OF BLADDERCANCER.ME



Pacific Edge is proud to be the leading sponsor of an online patient community bladdercancer.me which has been developed by Melon Health, with the official launch expected by end-December 2015.

This community site provides relevant, online resources for bladder cancer patients including peer support, access to appropriate healthcare providers and symptom tracking.

Bladder cancer, often referred to as the Cinderella of cancers, is the fifth most common cancer among men, yet awareness of the recurrent disease is low. If detected early, it is treatable but it has one of the highest recurrence rates of all cancers requiring regular and vigilant screening.

There is a need for support and resources for people affected by bladder cancer and their families including access to a urologist nurse, which is why we are supporting this patient community.

We are very proud to sponsor this site and provide support for the large number of people globally who are diagnosed with bladder cancer.

Melon Health is driving a major national health campaign to have Bladder Cancer Awareness Week recognised in New Zealand next year. This will help to raise awareness of this disease.

Melon Health is driving changes in healthcare services through mobile apps. It received the best start up award at the annual New Zealand Healthtech Week, took the top prize at the USA Mobile Innovation Awards, as well as awards at Health 2.0 which is the largest health innovation event in the United States. Melon Health was listed among USA magazine Entrepreneur's 100 Brilliant Companies in 2013.

UPCOMING DATES

End of 2016 half year	30 September
Interim Results announcement	26 November 2015
Interim Report	By end-December 2015

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