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Regulatory clearance to sell blood glucose monitoring product triggers USD 16 million milestone payment to Universal Biosensors

Universal Biosensors, Inc. (ASX: UBI) reports that it has been advised by LifeScan, Inc. that an initial regulatory clearance to sell has been granted for the blood glucose monitoring product developed with UBI.

Regulatory clearance triggers a milestone payment of USD 16 million to UBI.

UBI CEO Mark Morrisson said, "This is a tremendous accomplishment for UBI technology. The product has market leading attributes and our partnership is with a world market leader, LifeScan."

The commercial launch date of the product will be determined by LifeScan.

Ahead of any launch, Universal Biosensors might expect first sales of the LifeScan branded product to accompany inventory building prior to launch. Universal Biosensors' expectation of revenue in the first 12 month period from regulatory approval from all sources, including milestone payments, manufacturing charges and service fees, is approximately A\$25 million.

Ends

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About Universal Biosensors

For additional information in relation to Universal Biosensors, refer to
<http://www.universalbiosensors.com/announcements.html>.

Universal Biosensors is a specialist medical diagnostics company, founded in 2001, that is focused on the development, manufacture and commercialisation of a range of *in vitro* diagnostic tests for point-of-care use.

Universal Biosensors has had an ongoing relationship with LifeScan, Inc since 2001. In May 2009 Universal Biosensors and LifeScan entered an updated Master Services and Supply Agreement under which Universal Biosensors agreed to be a non-exclusive manufacturer of blood glucose sensor strips. Under this relationship Universal Biosensors benefits from milestone and manufacturing payments, as well as ongoing service fee payments of approximately A\$0.01 per strip based on the sale of test strips regardless of the manufacturing site. Universal Biosensors CEO Mark Morrisson has previously estimated that there are approximately 16 billion glucose sensor strips sold worldwide into a market in which LifeScan is a major participant.

Under applicable United States securities laws all of the shares of our common stock are "restricted securities" as that term is defined in Rule 144 under the Securities Act of 1933, as amended (Securities Act). Restricted securities may be resold in the public market to United States persons as defined in Regulation S only if registered for resale or if they qualify for an exemption from registration under the Securities Act. We have not agreed to register any of our common stock for resale by security holders.

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In addition to blood glucose tests, Universal Biosensors develops other point-of-care blood tests from its technology platform. Tests in development include dry immunoassays such as a C-reactive protein test which may be used to assist in the diagnosis and management of inflammatory conditions, and a D-Dimer test for helping to manage blood-clot based conditions. Another application of the platform, using a non-immunoassay mechanism, is a prothrombin time test that may be used for monitoring the therapeutic range of the anticoagulant, warfarin.

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