

22 September 2014

Kromek Group plc
("Kromek" or the "Company")

Kromek Progresses to Second Year of Development Contract with Global OEM in CT Medical Imaging Markets

Kromek, a radiation detection technology company focusing on the medical, security and nuclear markets, is pleased to announce that a top four Original Equipment Manufacturer ("OEM") in the Computed Tomography ("CT") market has confirmed its decision to progress to the second year of a previously announced programme with the Company. Kromek has received a \$1m exclusivity payment for the second year.

This payment is part of a programme that comes under Kromek's mutually exclusive development contract, worth up to \$5.3m, with the OEM for developing and supplying Cadmium Zinc Telluride ("CZT") based multispectral (colour) detectors for producing high resolution colour X-Ray images by CT scanners. The decision to continue the programme for the second year was based on sustained progress towards meeting the aims of the development programme.

Arnab Basu, CEO of Kromek, said: "We are delighted to be progressing this project to advance colour CT imaging, which can lead to major healthcare benefits for diagnosis and treatment of cancers, cardiovascular diseases and other pathologies. With the success of our collaboration, our relationship with this key OEM partner continues to develop and grow stronger. This latest step is a clear endorsement of our technology and our long-term strategy to position Kromek's subcomponents at the heart of major global OEMs' medical imaging systems to improve diagnostic capabilities, resulting in better clinical outcomes."

This contract does not change the Company's expectations for the year ended 30 April 2015. However, it provides further evidence of the progress towards meeting market expectations.

Arnab Basu, CEO, and Derek Bulmer, CFO, will be hosting a webinar today at 12pm where they will give a presentation on their results for the year ended 30 April 2014. No additional disclosure will be made about financials or current trading further to the Company's announcement released on 28 August 2014. Analysts and investors wishing to join can register at:
<https://attendee.gotowebinar.com/register/5530034774550287105>

Enquiries

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About Kromek Group plc

Kromek Group plc is a UK technology company (global HQ in County Durham) and a leading developer of high performance radiation detection products based on cadmium zinc telluride ("CZT"). Using its core CZT technology Kromek designs, develops and produces x-ray and gamma ray imaging and radiation detection products for the medical, security screening and nuclear markets.

The Group's products provide high resolution information on material composition and structure and are used in multiple applications, ranging from the identification of cancerous tissues to hazardous materials, such as explosives, and the analysis of radioactive materials.

Kromek uses multiple technologies in its manufacturing processes, including the established methods of 'liquid phase' detector production, and also 'vapour phase' production methods, which allow the production of high quality, high performance detectors on an industrial scale. Kromek has an intellectual property portfolio of more than 250 pieces of IP.

The Group's business model provides a vertically integrated technology offering to customers, from the growth of CZT crystals to finished products or detectors, including software, electronics and application specific integrated circuits ("ASICs").

The Board believes that the vertical integration offered by Kromek, combined with the benefit of 25 years of research into CZT production and the patents and trade secrets accumulated by the Group, are unparalleled in the market place.

The Group has operations in the UK, Germany and US (California and Pennsylvania), and is selling internationally through a combination of distributors and direct OEM sales.

Currently, the Group has over a hundred full time employees across its global operations.