

22 February 2016

Kromek Group plc
(“Kromek” or the “Company”)

Kromek awarded further \$748K contract by DARPA

US defence agency modifies contract to add \$0.75m for the retrofit of 200 legacy detectors

Kromek, a radiation detection technology company focusing on the medical, security and nuclear markets, is pleased to announce that it has been awarded a modification to its existing contract with the Defense Advanced Research Projects Agency (DARPA), an agency of the U.S. Department of Defense, for the design, development and supply of electronics modules to provide a universal interface, capable of processing data from either SiPM arrays or from standard photomultipliers (PMTs), and to help retrofit and test 200 legacy detectors with new base electronics modules with both wired and wireless connection capability. The contract modification, to be delivered by 30 April 2017, is worth up to an additional c. \$0.75m. From August 2014 to date, Kromek has been awarded a total of \$5.37m in contracted revenues under the SIGMA programme with DARPA. Today, the Company also announced the award of a separate sole source contract, worth approximately \$6.0m, to supply its D3S modules and chargers to DARPA.

The extension to the existing contract is for the utilisation of the technologies and building blocks, developed by Kromek for the D3S product for DARPA, in legacy gamma scintillation detectors. The intention is to ascertain if these legacy detectors can be retrofitted with updated technology so that they can be used in either mobile or vehicle mounted systems. The primary purpose of the modified electronics module is to enable DARPA to utilise a large number of these legacy scintillation detectors that are currently not being used. The secondary goal of the development is to establish a method for implementing a Silicon Photomultiplier-based interface to these scintillation detectors to increase robustness, compactness and ability to withstand high temperature, shock and vibration – all at a lower cost.

Arnab Basu, Chief Executive Officer, said: “The detector technologies we have developed have significant potential for various applications in a number of other major U.S. Government agency programmes requiring similar capability. We expect our work with DARPA will enable us to continue to provide innovative solutions to them and others seeking to protect against acts of terrorism.”

The programme with DARPA, which commenced in August 2014, was to develop an advanced personal detection system for gamma and neutron radiation that can be combined with other such systems to form large networks that can provide information on radiation signatures over an extended area. As stated in the announcement on 5 October 2015, DARPA issued a Sole Source Notice stating that it intended to award a sole source contract to Kromek to supply D3S, the spectroscopic personal radiation detectors (SPRDs) in support of DARPA’s SIGMA programme. The Directors believe that it is the success of this programme that has led to the extension of the contract being announced today.

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.

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 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. Further information on Kromek Group is available at www.kromek.com.