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

Kromek awarded three-year project by Innovate UK to deliver Molecular Breast Imaging Device

Project with leading NHS Trust, the Newcastle-upon-Tyne Hospitals, will utilise Kromek's CZT-based SPECT detectors to greatly improve the detection of breast cancer in a significant proportion of women

Kromek (AIM: KMK), a radiation detection technology company focusing on the medical, security and nuclear markets, announces that it has been awarded funding from the UK's Innovation agency, Innovate UK, for a three-year programme to deliver, in partnership with one of the country's few 'Outstanding' NHS Trusts, Newcastle-upon-Tyne Hospitals NHS Foundation Trust ("Newcastle Hospitals"), a Low Dose Molecular Breast Imaging ("LDMBI") technology based on Kromek's CZT-based SPECT detectors. The project, commencing in mid-2018, is worth £1.4m.

In the first phase of the project, Kromek will utilise new developments in the Company's CZT-based SPECT detector technology to reduce the required dose of radiation in molecular breast imaging, a cutting-edge technology which uses a radioactive tracer to identify tumours. In this imaging technique, the tracer concentrates more heavily in malignant breast tissue, allowing the tumour to be easily identified irrespective of breast density. By partnering with breast cancer experts at the Newcastle Hospitals for the development, the team will ensure that the technology is tuned to clinical and patient needs. The LDMBI device will subsequently be used in a pilot study with the Newcastle Hospitals to demonstrate the clinical benefits of incorporating Kromek's SPECT detectors.

Since its introduction thirty years ago, the breast screening programme in the UK has relied principally on x-ray mammography, a technique which is effective only when there is a significant difference between the density of a cancer tumour and the surrounding breast tissue. For over a third of women, their breast tissue is sufficiently dense that mammography is unable to clearly image tumours, resulting in undiagnosed cancers. By leveraging its SPECT detector technology to develop a functional low dose device, Kromek will help unlock the potential for molecular breast imaging, thereby improving detection of cancerous breast tissue in women with denser breast structures.

Dr Arnab Basu, CEO of Kromek, said: "This project is further evidence that CZT-based detectors are becoming a core technology in replacing legacy diagnostic products across the medical imaging sector. Our innovative SPECT detectors are capable of significantly lowering radiation doses, thereby offering cost savings for health services and, crucially, making enhanced detection and early diagnosis of breast cancer accessible on a much wider scale. We look forward to collaborating with Newcastle-upon-Tyne Hospitals NHS Foundation Trust as well as our OEM partner to carry out this vital work."

Louise Robson, Joint Acting Chief Executive for the Newcastle Hospitals, commented: "Providing patient care which is safe and of the highest quality is a key priority for us and by working collaboratively in this way, we are able to ensure new, advanced treatments are as safe as they can be. We welcome working with Kromek on this exciting initiative, and hope to see many more similar ventures which benefit patient care, whilst placing the North East firmly on the map as a leader in healthcare innovation."

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About Kromek Group plc

Kromek Group plc is a UK technology Group (global HQ in County Durham) and a leading developer of high performance radiation detection products based on cadmium zinc telluride (“CZT”) and other advanced technologies. Using its core technology platforms, 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 radiation detector materials to finished products or detectors, including software, electronics and application specific integrated circuits (“ASICs”).

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

Currently, the Group has over one hundred full time employees across its global operations. Further information on Kromek Group is available at www.kromek.com and <https://twitter.com/kromekgroup>.

About Innovate UK

Innovate UK is the UK’s innovation agency. It works with people, companies and partner organisations to find and drive the science and technology innovations that will grow the UK economy. For further information visit www.innovateuk.gov.uk.