

## **Kromek Group plc**

### **Contract Wins**

#### **Nuclear detection and Breast Cancer imaging technology**

##### **(“Kromek” or “the Company”)**

Kromek, a supplier of patented radiation detection technologies to the medical, security and nuclear markets, is pleased to announce that it has signed a number of further contracts, in the Nuclear Detection and Medical markets.

##### ***Nuclear Detection***

Kromek has been awarded a contract with the US Defense Threat Reduction Agency (“DTRA”) for the design, manufacture and optimisation of high sensitivity, next generation, solid state detectors for the homeland security radiation detection market. The contract is worth \$1.45 million to Kromek over the next two years and will commence in July 2014.

**Commenting on the contract win, Arnab Basu, CEO of Kromek, said** *"Kromek is delighted to receive this award, which follows on from previous and current successful US Government programmes, and continues Kromek's strategy in leading the field in detector technology and material identification. With other potential future applications of this new technology in security, medical and civil nuclear radiation detection we believe that this programme can further cement Kromek's detector technology platforms into global growing markets".*

Additionally contracts, amounting to over \$950,000 to supply innovative nuclear detection products to customers in the US and around the world, have recently been signed across a broad range of clients. These contracts are in the process of being fulfilled with revenues due to Kromek now and falling in the financial year ended 2015.

##### ***Medical Imaging***

Kromek has been granted contracts worth £150,000 due over of the next 12 months from the Technology Strategy Board, the UK Government's innovation agency. These are to develop an enhanced detection system for breast imaging in conjunction with the UK's Centre for Process Innovation. The project proposes to develop conformal detectors based on plastic electronic solution which can be wrapped around or inside regions of interest (e.g. breasts, limbs, suspicious packages, parts for inspection) and that the production methods will be cost competitive vs existing silicon technologies. Work on this project has already begun.

**Arnab Basu added:** *"We continue to win new customers in our key markets, highlighting the strength of our technology and the growing adoption of the new capabilities we can offer to partners and customers across the world. We look forward to updating shareholders as to further progress from our strong pipeline in due course."*

**-ends-**

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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 70 granted patents and 110 pending applications.

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.