Epistem Plc
("Epistem" or "the Company")

**Epistem signs Tuberculosis channel partner agreement**

Epistem (London AIM:EHP), the biotechnology and personalised medicine company, is pleased to announce today the signing of a sales and marketing agreement for its rapid molecular test for Tuberculosis (TB) with Xcelris Labs, one of India’s leading Genomics research and Diagnostic testing companies. Following the completion of clinical testing, Epistem will prepare regulatory submissions in advance of the launch of its first molecular TB test including patient assessment for antibiotic resistance using its novel Genedrive™ platform.

Genedrive™ provides a major advance in next generation molecular diagnostic testing. It provides a rapid (less than 30 minutes), low cost, simple to use ‘Point of Care’ device with high sensitivity and DNA specificity. This is applicable to a wide range of viral, bacterial, fungal and somatic mutation disease areas. Genedrive™ will be targeted at providing the ‘gold standard’ for TB identification and antibiotic resistance testing and will be priced competitively with existing less accurate and slower methods of diagnosis such as microscopy and culturing. The World Health Organisation (WHO) has publicly recommended that nations incorporate new rapid molecular tests for tuberculosis into their disease testing programs. Designed as a handheld device, Genedrive™ brings a new and disruptive approach to diagnostic testing across a broad spectrum of infectious diseases such as TB, Dengue Fever, HIV and a wide range of sexually transmitted diseases (STD’s).

India has the largest number of TB sufferers in the world, more than twice the number in China, which has the second highest infection rate. According to the WHO, every year 2 million new patients in India develop TB, with the highest incidence of fatalities occurring in remote rural areas. Xcelris will be the channel partner for distribution of the Genedrive™ technology across India and the Indian sub-continent. Following regulatory approval, Genedrive™ will be positioned to be included as part of the Indian Revised National TB Control Program (RNTCP).

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Notes for editors

Epistem is a biotechnology and personalised medicine company commercialising its expertise in stem cells in the areas of epithelial (oncology, gastrointestinal and dermatological) and infectious diseases. Epistem develops innovative therapeutics, biomarkers and diagnostics (Genedrive™) alongside contract research services to drug development companies. The Group’s core expertise is focused around the regulation of adult stem cells located in epithelial tissue including the gastrointestinal tract, skin, hair follicles, breast and prostate and utilizing novel as well as proprietary next generation molecular biology for use in personalised medicine. www.epistem.co.uk

Xcelris is one of India’s leading Genomics research and diagnostic testing companies having expertise in Next Generation Sequencing (NGS) technology and novel molecular diagnostic techniques. Xcelris offers Genomics and bioinformatics services to over hundred major research institutions and companies in India and abroad and participates in collaborative research with various bodies. With a focus on cutting-edge technology in the bioscience domain, Xcelris will liaise with the Revised National TB Control Program (RNTCP) in India to offer innovative and easy-to-use diagnostic solutions to aid the TB detection, effort in India. www.xcelrislabs.com