

FELIX DEVICE VERIFICATION AND VALIDATION PROCESS UPDATE

Highlights

- **Following identification of an engineering issue¹, testing of changes that resolves the issue with a testbed device is underway with our research and development partners.**
- **Initial assessment of this testing confirms the scientific and technical basis of the Felix device that shows an improvement in the sperm separation process compared with the prior Felix device.**
- **Majority of the verification work so far completed is unaffected by the device modification.**
- **Further updates to be provided to the market on the outcome of assessments with the testbed device.**

Australian-based bio-separations company Memphasys Limited (ASX: MEM) ("Memphasys" or "the Company") is pleased to provide an update on the status of the remediation process for the Felix device following the identification of an engineering issue¹ that constrained Felix's performance.

Following investigations, Memphasys identified the source of the engineering issue and considered several possible device modifications to address it. Following evaluation of these alternatives a primary remediation method has been chosen and is currently being tested by our research and development partners.

Importantly, this modification to the design does not require a major redesign of the device. It is not an issue with Felix' core technology or science. As a result, the majority of the Felix verification work so far completed is unaffected by this modification, however some verification tasks will need to be redone. Some validation work previously performed by development partners will also need to be re-performed with the final device.

Whilst the final version of the device will need extra time for retooling and manufacture, the Company has been able to perform preliminary internal assessments with a testbed device that resolves the issue. Initial testing has been positive in validating the science behind Felix, with an improvement in the sperm separation process compared with the prior Felix device.

As a result of the requirement to undertake remediation activities on the Felix device, the schedule to complete the validation process of the Felix device has been extended which in turn has caused a delay in commercial sales of the device.

Memphasys anticipates providing a more detailed timeline on the path to market for the Felix device by the end of the April 2021.

This announcement has been approved for release by the board of Memphasys Limited.

ENDS

¹ Refer ASX announcement dated 8 March 2021

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About Memphasys:

Memphasys Limited (**ASX: MEM**) specialises in biological separations for high value commercial applications. The Company's patented membrane processes in combination with electrophoresis, the application of an electrical potential difference across a fluid, enable the separation of high value substances or contaminants from the fluid in which they are contained.

The main application of the technology is the separation of the most viable sperm cells for artificial reproduction, most particularly for human IVF.

Website: www.memphasys.com

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