

XX August 2006

The Manager
Company Announcements Office
Australian Stock Exchange Limited

Dear Sir

Re: LabTech Systems signs Development Agreement with Invetech Pty Ltd

Attached for release to the market is an announcement relating to LabTech Systems' Development Agreement with Invetech Pty Ltd, a subsidiary company of the ASX-listed Vision Systems technology group.

Yours faithfully

Paul Mansfield
Company Secretary

ASX ANNOUNCEMENT

XX August 2006

LabTech Systems signs Development Agreement with Invetech Pty Ltd

LabTech Systems Limited (ASX: LBT), a recently listed health care equipment and services company, today announced that it had signed an agreement with Invetech Pty Ltd to develop its automated laboratory instrumentation, MicroStreak®.

Under the terms of the agreement, Invetech Pty Ltd, a subsidiary of the ASX-listed Vision Systems Ltd, will finalise design specifications, build beta prototypes and assist in design verification of the MicroStreak® system in readiness for mass production.

The MicroStreak® system automates routine agar plate processing undertaken in diagnostic microbiological laboratories for the isolation and diagnosis of infectious agents in clinical and other biological samples.

LabTech Systems' Managing Director Lusia Guthrie said the deal was another critical step towards delivering the much-needed technology to market.

"Together with Invetech, we're going to reduce the time taken to prepare a microbiological sample from minutes to seconds by automating all the basic manual processes," said Mrs Guthrie.

"At the conclusion of this development phase, we'll have instrumentation that can select the relevant agar plates, inoculate plates with samples, label and barcode plates, and sort and stack them in preparation for incubation," added Mrs Guthrie.

Workloads in laboratories are steadily increasing as a result of growing populations and emerging disease-causing organisms. Stress on the microbiological industry is further compounded by a current shortage of laboratory technicians who typically undertake the agar plate processing.

Invetech Pty Ltd's Chief Executive, Paul Wright, said the company was proud to continue its business relationship with LabTech Systems.

LabTech Systems Ltd

ACN 107 670 673

“Since June 2005, Invetech has been working with LabTech Systems on the design for MicroStreak®. It’s incredibly rewarding to be moving on to the next phase of commercialising a homegrown Australian invention that has the potential to change laboratory practices, making a tremendous contribution to the worldwide quality of healthcare.

ENDS

For further information contact:

Lusia Guthrie Managing Director	LabTech Systems Ltd Suite 7, 114 Rundle Street Kent Town SA 5065	Phone (08) 8362 2698 Fax (08) 8362 2598 www.labtechsystems.com
Samantha Murray Consultant	Public Relations Exchange	Phone (03) 9607 4500 Fax (03) 9642 8667 Mob 0407 898 724
Dr Rob Danby Manager Invitro- diagnostics	Invetech 495 Blackburn Road Mt Waverley Vic 3149	Phone (03) 9211 7700 Fax: (03) 9211 7703 www.invetech.us

About LabTech Systems Limited

Adelaide-based LabTech Systems was formed in 2004 as a research company to support outstanding opportunities for innovation and advancement in the areas of laboratory automation and cancer management. LabTech Systems listed on the Newcastle Stock Exchange on 11 April 2005 and the Australian Stock Exchange on 31 July 2006.

About Invetech Pty Ltd

Invetech is a wholly owned subsidiary of Vision Systems Ltd, an ASX listed international high technology company, based in Melbourne, Australia. Invetech has more than 200 in-house engineers, designers and scientists at its Melbourne facility specialising in providing ‘Bioautomation’ solutions. With a track record of over 60 Bioautomation system developments, Invetech specialises in contract instrumentation development, instrument manufacturing and custom automation. Projects have been completed for the in vitro diagnostics, life sciences, biotechnology, molecular biology, drug discovery and pharmaceutical manufacturing markets. Invetech serves a client base of start-ups through to multinationals, including six of the world’s top 10 diagnostic companies.

Suite 7, 114 Rundle Street
Kent Town South Australia 5067
Australia
Telephone +61 (0)8 8362 2698
Facsimile +61 (0)8 8362 2598
www.labtechsystems.com