

MODE Diagnostics Ltd receives approval to commence sales of its digital home-use bowel-screening test; successfully completes significant financing round

Glasgow, Scotland - February 6th, 2014 - MODE Diagnostics Limited (“MODE” or “the Company”) today announces that it has received a European CE mark for its first product, *measure* Bowel Health, a user-friendly digital bowel cancer screening test for the home use market.

MODE also announces that it has successfully completed a significant funding round led by new investor Longwall Venture Partners. The financing was also strongly supported by existing investors including IP Group plc, Parkwalk Advisors and Scottish Enterprise's Scottish Investment Bank. Funds raised will be used to support the launch of *measure* Bowel Health into key European markets as well as on developing a product pipeline centred-around MODE’s proprietary digital screening platform - *measure*.

Dr. Paul Heaney, CEO of MODE, added "The Company has made major technical and regulatory strides in a short period and we are now preparing for product launch into a series of markets. We are delighted to welcome new and returning investors at this exciting phase in the company’s growth”. Heaney continued “Bowel Cancer is the third highest mortality rate cancer in UK and around the Globe but early detection is proven to dramatically improve these survival rates. Our mission is to make well designed, hygienic and easy to use screening tests that will encourage individuals to screen regularly and catch problems early”.

measure BOWEL HEALTH represents an evolution in bowel cancer screening (faecal occult blood detection) offering significant technical and user-orientated improvements over the current testing methods. The CE Certification was received following review by an external notified body and enables MODE to sell *measure* into the ‘over the counter’ home health screening market. The approval follows MODE's earlier achievement last year of ISO 9001 and ISO 13485 quality management systems.

MODE's proprietary platform - *measure* - is a flexible, low-cost and hygienic platform that can easily be configured to create a series of health tests for both the Physicians Office and Consumer self-testing.

Michael Penington, Partner at Longwall Ventures, commented "MODE as a company offers entry into exciting new healthcare markets with modern and appealing user friendly devices - health screening for the 21st Century. These devices help promote the concept of early detection that can lead to early intervention and effective medical treatment outcomes – this is key to the new paradigm being pursued by pioneering Healthcare providers and empowers the individual”.

Kerry Sharp, Head of the Scottish Investment Bank, commented, “SIB, through its Scottish Venture Fund, is delighted to further support this ambitious Scottish life sciences company. MODE has shown a commitment to innovation and the development of new products that enhance healthcare provision, and we are pleased to be able to build on previous Scottish Enterprise support from SMART: SCOTLAND to help them accelerate their growth plans”.

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Contact

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About MODE: MODE is an innovative product development company rapidly building a pipeline of user friendly and medically informative health screening products specifically designed for the Physicians office and consumer self-testing.

About Longwall Venture Partners: Longwall Venture Partners is an Oxford based, venture capital fund management company. Longwall

specialises in managing early stage investments in science, engineering and technology start-ups. It manages the £30m Oxford Technology ECF and the £40m Longwall Ventures ECF.

About IP Group: IP Group is a leading UK intellectual property ("IP") commercialisation company, developing technology innovations primarily from its research intensive partner universities. The Group offers far more than traditional venture capital, providing its companies with access to business building expertise, networks, recruitment and business support.

About Parkwalk Advisors: Parkwalk invests in innovative UK growth companies across various stages of their development. Parkwalk Funds seek capital appreciation, with the added advantages to investors of the tax reliefs offered under the Enterprise Investment Scheme (EIS) and Business Investment Relief (BIR).

About Scottish Investment Bank: The Scottish Investment Bank is the investment arm of Scottish Enterprise, operating Scotland-wide in partnership with Highlands and Islands Enterprise. It manages a suite of funds including the Scottish Co-investment Fund and the Scottish Venture Fund, which are partly funded by the European Regional Development Fund (ERDF); the Scottish Seed Fund, the Scottish Plastics Loan Fund and the Renewable Energy Investment Fund. SIB is also the cornerstone investor in the privately-managed Scottish Loan Fund and an investor in the Rock Spring Ventures Life Sciences Fund. These support Scotland's SME funding market to ensure businesses with growth and export potential have adequate access to capital. SIB also provides a team of financial readiness specialists to help companies prepare for new investment and more easily access finance.