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ProPhotonix Limited

("ProPhotonix" or "the Company")

ProPhotonix Delivers Digital Lasers for Train Wheel Inspection Systems

ProPhotonix Limited (London Stock Exchange - AIM: PPIX & PPIR, OTC: STKR), a high technology designer and manufacturer of LED illumination systems and laser diode modules, with operations in Ireland and the United Kingdom, announces a new application of its digital lasers, having delivered an initial set of eight prototype laser modules for use in a new wheel wear monitoring and control system ("Wheelwatcher"). Wheelwatcher will provide rail transport operators with accurate and real-time information to improve preventive maintenance of rail systems which may also enhance rail safety.

The Wheelwatcher system is being developed by a consortium of European partner companies and is partially funded by the EU Horizon 2020 programme. ProPhotonix has provided its expertise in laser module design and manufacturing while other consortium partners include a high precision mechatronic system builder (Danobat Group), a thermoelectric cell manufacturer (Dr. Neumann Peltier-Technik), a research centre specialising in machine vision systems (IK4-Ideko), and an end user (Euskotren), a train operating company in the Basque Country of Northern Spain.

The new wheel wear monitoring and control system is designed to operate in extreme climatic conditions within a temperature-regulated enclosure. The laser module designed by ProPhotonix features thermoelectric control to maintain the laser diode temperature in varying climatic conditions ensuring that output power and wavelength stability remain constant. The laser module also incorporates a host of digital control and monitoring features allowing the end user to set operating parameters appropriate to local conditions and to maintain multiple lasers at remote, on-track locations from a central control point.

Jeremy Lane, Managing Director of ProPhotonix Limited UK, commented: "ProPhotonix has more than 15 years of experience with laser diode technology and has developed significant design and manufacturing expertise over this time. Working in close co-operation with our partners, this expertise has allowed us to successfully deliver an innovative laser module solution for this challenging application. Upon completion of extensive field testing and refinement, Wheelwatcher is expected to be commercialized in the summer of 2018 with ProPhotonix supplying laser modules for installations throughout Europe and worldwide in 2019 and beyond. In addition, the various features and technologies developed for Wheelwatcher are intended for broader applications and customer requirements."

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About ProPhotonix

ProPhotonix Limited, headquartered in Salem, New Hampshire, is a high technology designer and manufacturer of LED illumination systems and laser diode modules for industry leading OEMs and medical equipment companies. In addition, the Company distributes premium diodes for Ushio (formerly OCLARO), Osram, QSI, Panasonic, and Sony. The Company serves a wide range of markets including the machine vision, industrial inspection, security, and medical markets. ProPhotonix has offices and subsidiaries in the U.S., Ireland, U.K., and Europe. For more information about ProPhotonix and its innovative products, visit the Company's web site at www.prophotonix.com.