



May 7, 2015

ProPhotonix Limited
("ProPhotonix" or "the Company")

**ProPhotonix Awarded a two year Supply Agreement
from a Pharmaceutical Customer**

ProPhotonix Limited, (London Stock Exchange - AIM: PPIX and PPIR; OTC: STKR), a designer and manufacturer of LED illumination systems and laser diode modules with operations in Ireland and the United Kingdom, today announces the award of a two year supply agreement, for custom LED illumination devices, from a leading global manufacturer of drug delivery products. Deliveries are expected to begin in the second half 2015 and continue through May 2017.

The LED illuminator, consisting of 100's of LEDs with an input power of >1 kilowatt, is designed with a dynamic operating current range from 1 milliamp ("mA") up to 10,000mA with a 1mA resolution precision. Heat dissipation from the LEDs is approximately 600 watts requiring a reliable water-cooled heat management system. The illuminator operates in either continuous mode or strobe mode (200Hz, 10% duty cycle). Complex software manages multichannel control and monitoring, thermal management, and other such operating protection features.

The supply agreement does not stipulate or require that the customer makes any purchases. The expected revenue to the Company, during the term of the agreement, could be €975,000 if fulfilled at the expected quantities.

Commenting on the Agreement, David McGuinness, Sales Director – EMEA, of ProPhotonix Limited said, "This is a second generation product for the customer and the result of several years of development by our LED engineering team. The successful product began with customer collaboration, a custom design, prototype devices, and ultimately production ready illuminators. The application of this ProPhotonix illuminator is to ensure the efficacy of the end product in a production environment running at speeds of up to 100 units per second. We are delighted to provide unique custom solutions for our customers, enabling competitive advantage in their respective markets."

Tim Losik, President and CEO of ProPhotonix stated, "This project illustrates an ever increasing trend ProPhotonix is seeing, where it is an absolute necessity to have in-house engineering design expertise in optics, electronics, mechanics, materials, software and manufacturing and for compete integration between these functional areas to meet customers' specification and target price. With over 15 years experience in Custom LED and Laser Module design, ProPhotonix delivers such solutions across the wide range of industries we supply including the dental, medical and pharmaceutical industries."

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About ProPhotonix

ProPhotonix Limited, headquartered in Salem, New Hampshire, is an independent designer and manufacturer of diode-based laser modules and LED systems for industry leading OEMs and medical equipment companies. In addition, the Company distributes premium diodes for Ushio (formerly Opnext), 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

Cautionary Statement

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact, including without limitation, those with respect to ProPhotonix's goals, plans and strategies set forth herein are forward-looking statements. The following important factors and uncertainties, among others, could cause actual results to differ materially from those described in these forward-looking statements: uncertainty that cash balances may not be sufficient to allow ProPhotonix to meet all of its business goals; uncertainty that ProPhotonix's new products will gain market acceptance; the risk that delays and unanticipated expenses in developing new products could delay the commercial release of those products and affect revenue estimates; the risk that one of our competitors could develop and bring to market a technology that is superior to those products that we are currently developing; and ProPhotonix's ability to capitalize on its significant research and development efforts by successfully marketing those products that the Company develops. Forward-looking statements represent management's current expectations and are inherently uncertain. All Company, brand, and product names are trademarks or registered trademarks of their respective holders. ProPhotonix undertakes no duty to update any of these forward-looking statements.

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