

April 5, 2012

Dear VisuRay shareholder,

In mid-2010 the Visuray Board decided that in order to take the next step in the development of its core technology the company needed more oilfield services experience within its ranks.

During discussions with prospective hires at the end of 2010 and early 2011 it became clear that the operating structure with Stavanger as a head office was not conducive to hiring the best people in the industry nor was it optimal from an operating point of view as the potential market for Visuray's product would mostly be located outside Norway and attracting personnel to Stavanger was seen as challenging.

In June 2011 Visuray Holding AS was acquired by way of an exchange offer from Imaging Technologies plc (then renamed Visuray plc), effectively moving the head office to Malta where the company has leased prime office space. This greatly improved our ability to hire highly experienced international oilfield personnel. In 2011 we set up a company in Houston, TX. The board and management are still actively working on optimizing the company's operating structure and shareholders should expect more change in the coming months.

Following the hire of new management by mid-2011 a review of the technical aspects of the Visuwel tool was undertaken. Several of the technical approaches undertaken by Visuray AS in Stavanger were dropped, as they were judged technically too risky, impractical or unfit from an operations point of view. The management decided to keep the work undertaken on the high voltage and X-ray generating tube, albeit with modifications needed; the work on the cooler, detector package, centralizers, and telemetry systems among others were discarded as too risky. Following this Visuray AS, the Stavanger based R&D subsidiary, will take a write off charge in 2011 for some of the capitalized costs of these projects.

During the period from August 2011 to February 2012 the group increased its stake in XCounter AB to 45.5%. This was critical in order to secure the necessary access to advanced X-Ray detector technology. The board also believed that XCounter would be a wise investment as the XCounter group is a leader in its field.

During the autumn of 2011 and into early 2012 work was undertaken at group level to understand how best to implement the detector, cooler and telemetry systems. In early 2012 we entered into an agreement with XCounter that will provide us with high-temperature and high-resolution detectors. We outsourced the work on the telemetry system and found a partner to develop an active

cooling unit. All technology derived from these means are exclusive for Visuray and will become part of the Intellectual Property of the company.

Rather than proceeding quickly with the construction of the final prototype, management consciously decided to de-risk as much as possible each of the individual sections of the tool so as to minimize the risk of surprises during testing. The de-risking has primarily focused on the front end of the tool: the high voltage, tube and detector portion. A substantial effort was undertaken to fully ascertain the correct source detector geometry given that the original solution had been judged too risky to develop.

From November 2011 onwards the company has made considerable progress and it is the opinion of the management that the Visuwell project will be de-risked by mid-June 2012, and we will proceed with the building of the first Visuwell experimental prototype. Furthermore a substantial amount of the work undertaken over the last few months will lessen the time to build from 12 month to ca. 9-10 months. Hence, we expect the prototype to be provided to our JIP partners (BP, Shell, Statoil) and undergo testing by April 2013.

The newly setup Houston office has in the meantime concentrated its effort on the early development of a new generation of well logging equipment. The board believes that the successful development of such a tool will be value accretive to the group. The first conceptual test were undertaken during the autumn and were promising, a further test was undertaken in March 2012 which also was very promising with respect to the feasibility of the tool. Further work will be undertaken over the next 3-4 months to determine some of the engineering issues. The progress so far has been very positive and the board is accelerating the R&D of this project. Separately, preliminary work on the Visuwell360 project has just started and will be a direct continuation of the Visuwell work. Visuwell360 is a tool based on the Visuwell concept but rather than providing downward looking imaging it will provide radial imaging.

The development of a new oilfield service tool requires substantial time, money and involves substantial risk. The time it has taken to develop Visuwell is substantially longer than originally anticipated. This has necessitated several rounds of financing and a lot of patience from shareholders. The company has been working on raising 15-20mEur of equity capital since mid-2011. Despite the high oil price environment this has not been an easy task given the general recessionary environment and the euro crisis. The major shareholders of the company have provided the company with loans that can be converted to share capital at a level similar to the price the financing will be undertaken. We also have managed to get loans from non-shareholders. At the same time we have actively been hiring new employees to replace costly subcontractors, build internal knowledge and to speed up the development of the prototype. The positive aspect of the delay in building the prototype is that the company has had a reduced cash-burn relative to budget while at the same time we have used the time to substantially de-risk the project. The final Visuwell product will be far

superior to the originally intended product. We believe that over the last 15 months there has been radical change and progress at Visuray.

The board believes that VisuRay is now at a stage whereby VisuRay offers an attractive investment proposal. The launch of the prototype is imminent while the project has been de-risked for all intents and purposes. Given the significant recent progress the board is confident after discussions with major shareholders and potential investors that the setting is now in place to raise funds within the next two months. The board intends to invite all current shareholders to participate in the fundraising.



Jean-Philippe Flament
Chairman