

**FOR IMMEDIATE RELEASE**

TSX VENTURE: HTL



## **HAMILTON THORNE ANNOUNCES 2010 FIRST QUARTER RESULTS**

**TORONTO, Ontario – May 19, 2010** - Hamilton Thorne Ltd. (TSX-V: HTL), a leading provider of advanced laser systems and instruments for the stem cell research and fertility clinic markets, today reported operational and financial results for the first quarter ended March 31, 2010.

“Our family of products continues to expand to meet the needs of the rapidly growing regenerative medicine market worldwide,” said Meg Spencer, Chief Executive Officer of Hamilton Thorne Ltd. “The recently launched HAWK-i™, which allows researchers to monitor experiments remotely, is one such solution that helps to support the ongoing innovation in stem cell research and can be sold by the same sales team, into the same lab, as an extension of our portfolio of lab products. Expanding our product base is only the first step for our future success that will be followed in lockstep, by a thrust in the area of sales and distribution where we plan to add further distribution partners to augment our internal sales effort in the coming quarters.”

### **First Quarter Highlights**

- Launched the HAWK-i™ remote monitoring system with the first major installation of the system at an Ivy League university.
- Signed a Master Service Agreement with Cambridge Technology Enterprises (CTE), a global business and technology services company, to develop customized applications and manage the infrastructure of the Company's HAWK-i™ system for enterprise-wide installations.
- Appointed Michelle Lyles, Ph.D., to the role of Vice President of Sales with responsibility for managing Hamilton Thorne's worldwide sales initiatives and overseeing the Company's sales team and distributor relationships. Dr. Lyles brings more than 15 years of experience in progressively senior Sales and Marketing roles for life science research companies.

### **Financial Results**

*All amounts are in US dollars, unless specified otherwise, and results expressed in accordance with Canadian Generally Accepted Accounting Principles (GAAP).*

For the three months ended March 31, 2010, the Company recorded sales of \$1,180,687, compared to \$1,115,554 for the same period last year. During the first quarter Hamilton Thorne generated sales increases from its existing products, supported by continued strong demand in Asia and the initial installation of its new Hawk-i™ product in the US. Given the current instability and currency fluctuations in Europe, the Company continues to focus its major sales efforts in Asia, particularly in China where the economy continues to be strong, and in North America, where demand is growing, in part as a result of the release of additional NIH funding for stem cell research.

Cost of sales for the three months ended March 31, 2010 was \$470,486, compared to \$418,861 for the same period last year. The gross profit as a percent of sales declined slightly from 62.5% for 2009 to 60.2% for 2010. This decrease was primarily due to certain lower margin accessories sold in connection with Hamilton Thorne's initial Hawk-i™ installation.

For the three months ended March 31, 2010, total operating expenses were \$1,189,377, compared to \$1,001,773 for the same period last year. Research and development expenses increased to \$250,307 from \$176,773 for the same period last year due primarily to a general increase in third party development contracts and patent costs. General and administrative expenses increased from \$382,465 to \$453,383 for the same period last year due primarily to the increase in stock compensation costs and public company expenses. For the three months ended March 31, 2010, sales and marketing expenses increased from

\$442,535 to \$485,687 for the same period last year, primarily due to additional compensation expenses. The increase in operating expenses in research and development, and sales and marketing reflect the Company's continued execution of its strategic plan.

The net loss for the quarter ended March 31, 2010 was \$549,125, an increase from the net loss of \$389,476 for the same period of the previous year. The increase in net loss was due to the planned expansion of sales and marketing efforts, accelerated product development and public company expenses.

As at March 31, 2010, the Company's cash and cash equivalents amounted to \$696,343.

As of March 31, 2010 the Company had 24,415,157 common shares, 5,500,005 warrants, 3,532,756 options, and 440,001 agent compensation options outstanding.

The Company also announced that it has granted 10,000 stock options to a director pursuant to its stock option plan. The options are exercisable at \$0.24 CDN per common share, vesting quarterly over three years with an expiry ten years from the date of grant.

The financial statements are available on [www.sedar.com](http://www.sedar.com).

#### **About Hamilton Thorne Ltd.**

Hamilton Thorne's advanced laser systems and instruments are rapidly emerging as the dominant products to facilitate precise procedures in the stem cell research and fertility clinic markets. Hamilton Thorne's lead products, the ZILOS-tk and XYClone laser systems, attach to standard inverted microscopes and operate as robotic micro-surgeons, significantly reducing time and increasing efficiency in key in-vitro fertilization, stem cell, embryo, reproductive toxicology and living cell procedures.

Hamilton Thorne's growing customer base includes pharmaceutical companies, biotechnology companies, fertility clinics, university research centers and other commercial and academic research establishments worldwide. Current customers include world-leading research labs such as Harvard, MIT, Yale, DuPont, Monsanto, Charles River Labs, Jackson Labs, Merck, Novartis, Pfizer, Oxford and Cambridge. For more information on Hamilton Thorne, visit [www.hamiltonthorne.com](http://www.hamiltonthorne.com).

Neither the exchange nor its regulation services provider (as that term is defined in the policies of the exchange) accepts responsibility for the adequacy or accuracy of this release.

Certain information in this press release may contain forward-looking statements. This information is based on current expectations that are subject to significant risks and uncertainties that are difficult to predict. Actual results might differ materially from results suggested in any forward-looking statements. The Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward looking-statements unless and until required by securities laws applicable to the Company. Additional information identifying risks and uncertainties is contained in filings by the Company with the Canadian securities regulators, which are available at [www.sedar.com](http://www.sedar.com).

#### **For more information, please contact**

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**Financials results included below:**

## Hamilton Thorne Ltd

### Consolidated Balance Sheets

As at March 31, 2010 and December 31, 2009

(Expressed in U.S. Dollars - unaudited)

	<b>2010</b>	<b>2009</b>
<b>Assets</b>		
Current		
Cash and cash equivalents	696,343	1,356,371
Accounts receivable	581,966	499,875
Inventories	511,991	512,300
Prepaid expenses and other current assets	41,925	72,689
Note receivable, officer	24,023	23,813
	<b>1,856,248</b>	<b>2,465,048</b>
Capital assets	114,449	90,481
Other assets	127,555	72,454
	<b>2,098,252</b>	<b>2,627,983</b>
<b>Liabilities</b>		
Current		
Accounts payable and accrued liabilities	1,153,930	1,171,562
Notes payable	81,049	83,037
Capital lease obligations, current	5,753	5,753
Deferred revenue	38,798	35,881
	<b>1,279,530</b>	<b>1,296,233</b>
Capital lease obligations, non-current	6,251	7,904
Long-term debt	5,048,000	5,050,000
	<b>6,333,781</b>	<b>6,354,137</b>
<b>Shareholders' Equity (Deficiency)</b>		
Common shares	24,341,938	24,341,938
Warrants	344,949	344,949
Contributed surplus	239,517	199,767
Accumulated deficit	(29,161,933)	(28,612,808)
	<b>(4,235,529)</b>	<b>(3,726,154)</b>
	<b>2,098,252</b>	<b>2,627,983</b>

## Hamilton Thorne Ltd

### Consolidated Statements of Operations and Comprehensive Loss and Deficit

*For the three months ended March 31, 2010 and 2009*

*(Expressed in U.S. Dollars - unaudited)*

	<b>2010</b>	<b>2009</b>
<b>Sales</b>	<b>1,180,687</b>	1,115,554
<b>Cost of sales</b>	<b>470,486</b>	418,861
	<b>710,201</b>	696,693
<b>Expenses</b>		
Research and development	<b>250,307</b>	176,773
Sales and marketing	<b>485,687</b>	442,535
General and administrative	<b>453,383</b>	382,465
	<b>1,189,377</b>	1,001,773
<b>Loss from operations</b>	<b>(479,176)</b>	(305,080)
<b>Other income (expense)</b>		
Interest expense including accretion	<b>(70,159)</b>	(84,605)
Interest income	<b>210</b>	209
<b>Net loss and comprehensive loss</b>	<b>(549,125)</b>	(389,476)
<b>Accumulated deficit at December 31:</b>	<b>(28,612,808)</b>	(27,225,220)
<b>Accumulated deficit at March 31:</b>	<b>(29,161,933)</b>	(27,614,696)
<b>Loss per share</b>		
Basic	\$ (0.02)	\$ (0.02)
Diluted	\$ (0.02)	\$ (0.02)
<b>Weighted average number of common shares outstanding</b>		
Basic	24,415,157	16,035,067
Diluted	24,463,307	16,035,067

## Hamilton Thorne Ltd

### Consolidated Statements of Cash Flows

*For the three months ended March 31, 2010 and 2009*

*(Expressed in U.S. Dollars - unaudited)*

	<b>2010</b>	<b>2009</b>
<b>Cash flows from operating activities</b>		
Net loss for the year	(549,125)	(389,476)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	15,027	29,451
Non-cash interest expense/accretion	-	37,481
Share-based compensation expense	39,750	9,750
Changes in non-cash operating assets and liabilities:		
Accounts receivable	(82,091)	445,330
Inventories	309	6,259
Prepaid expenses and other current assets	30,554	15,752
Other assets	(57,000)	(1,668)
Accounts payable and accrued liabilities	(17,632)	(138,098)
Deferred revenue	2,917	(9,125)
	<b>(617,291)</b>	<b>5,656</b>
<b>Cash flows from investing activities</b>		
Purchase of capital assets	(37,096)	(41,524)
<b>Cash flows from financing activities</b>		
Proceeds from debt	498,043	170,000
Payments on debt	(503,684)	(112,422)
	<b>(5,641)</b>	<b>57,578</b>
<b>Net Increase (decrease) in cash and cash equivalents</b>	<b>(660,028)</b>	<b>21,710</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>1,356,371</b>	<b>5,029</b>
<b>Cash and cash equivalents, end of period</b>	<b>696,343</b>	<b>26,739</b>