

**IMMUNOTEC INC. – QUARTER ENDED JANUARY 31, 2007**  
**First reporting following reverse take-over transaction of Magistral Biotech Inc.**

**Vaudreuil-Dorion, Québec – April 3, 2007** – Immunotec Inc. (TSX: IMM), is engaged primarily in the development, manufacturing and marketing of health and wellness products which are classified as dietary supplements or natural health products. These products are distributed and sold in Canada and the United States through a network marketing system and in other countries under exclusive distributorship agreements.

**REVERSE TAKE-OVER**

The following events occurred following the successful take-over transaction (the “RTO”) of Magistral Biotech Inc. (“Magistral”) on December 20, 2006 by Immunotec Research Ltd. (“Immunotec Research”):

- 1- Magistral changed its name to Immunotec Inc. (“Immunotec”) on December 21, 2006;
- 2- Immunotec was amalgamated with Immunotec Research on January 1, 2007; and
- 3- The year end of Immunotec was changed to October 31.

**FIRST QUARTER ENDED JANUARY 31, 2007**

The financial information regarding the operations of Immunotec for the first quarter includes the results of operations of Magistral from December 20, 2006. The comparative consolidated figures for the quarter ended January 31, 2006 are from Immunotec Research since, for accounting purposes, Immunotec is considered to be a continuation of Immunotec Research.

Total assets as at January 31, 2007 increased to \$21.9 million from \$15.1 million as at January 31, 2006. This increase of \$6.8 million results mainly from the net assets of \$4.4 million acquired on the RTO and the balance from increases in inventories and cash.

Shareholders’ equity as at January 31, 2007 was \$15.5 million compared to \$10.9 million as at January 31, 2006, an increase of \$4.6 million, resulting mainly from \$3.5 million attributed to the share value on the RTO plus net earnings of \$3.1 million from the operations of Immunotec less dividends paid in the amount of \$2 million for the 12 month period to January 3, 2007.

Net sales for the first quarter in 2007 were \$8.7 million, down 10.1% from \$9.6 million in the first quarter of 2006. This decrease of \$0.9 million results from a stronger Canadian dollar, as more than 50% of Immunotec’s sales are in US dollars; the completion of the RTO in the last quarter which required the attention of senior management instead of focusing on operations to achieve sales growth; and, the lingering effects created by the departure of our Vice president, sales and marketing, who left Immunotec Research in May 2006 after an extended illness and by his replacement only being appointed in August 2006.

The cost of sales, as a percentage of net sales for the first quarter of 2007, was 15.8% compared to 15.5% in 2006. This increase results from new products being introduced in 2006 with lower profit margins and their impact in our mix of products sold during the quarter.

Sales incentives were 42.1% of net sales for the first quarter of 2007 compared to 42.8% for the same quarter of 2006. This decrease of 0.7% results from increased sales in other countries which represented 6.2% of total net sales in 2007 compared to 5.3% in 2006. Sales made outside Canada and the United States have lower incentives paid, if any, since these incentives are assumed by the licensee in each country from their local sales of products.

Selling, general and administrative expenses increase 6.7% to \$2.9 million in the first quarter of 2007 compared to \$2.7 million in 2006.

Net earnings were \$505,763 for the first quarter of 2007 compared to \$892,918 for the same quarter in 2006, a decrease of \$387,155. This decline is largely attributable to the decline in net sales of \$971,866, additional costs related to Immunotec being a public company and a charge for stock-based compensation of \$98,038.

## **FINANCIAL SITUATION AND LIQUIDITY**

Working capital amounted to \$2.6 million as at January 31, 2007 compared to \$2.0 million as at January 31, 2006, an increase of \$0.6 million.

Long term liability is minimal and represents future income taxes totaling \$328,673 in 2007 compared to \$218,000 in 2006.

## **OUTLOOK**

Immunotec benefits from a solid balance sheet, skilled and motivated employees, well established suppliers, repeat customers and a dedicated network of distributors. Management believes that the new measures and sales and marketing initiatives being implemented will help increase sales in fiscal 2007.

Immunotec, following recommendations from its Product Development Committee, is constantly developing new products that are appropriate for its health and wellness markets.

Management is of the opinion, that its investment in current research in such areas as cancer cachexia, prostate health, aging and aging related conditions will enable Immunotec to produce and bring to market more value added products which will continue to differentiate its products from competing products.

## **FORWARD LOOKING STATEMENTS**

Certain statements include in this press release include forward looking information about Immunotec's future financial position, operating results and sales. They may be based on market expectations, management opinions and assumptions. Such information involves significant risks and uncertainties that are difficult to predict and rely on assumptions that may prove inaccurate. Actual results and events may differ materially from these forward looking statements.

**FINANCIAL HIGHLIGHTS**

	<b>Q1 JAN 31, 07</b>	<b>Q4 OCT 31, 06</b>	<b>Q1 JAN 31, 06</b>
SALES			
CANADA	\$4,308,853	\$4,031,242	\$4,834,713
UNITED STATES	3,807,810	3,935,067	4,281,930
OTHER COUNTRIES	538,480	614,313	510,366
	<u>\$8,655,143</u>	<u>\$8,580,622</u>	<u>\$9,627,009</u>
COST OF SALES	<u>\$1,368,427</u>	<u>\$1,484,128</u>	<u>\$1,489,240</u>
	15.8%	17.3%	15.5%
SALES INCENTIVES	<u>\$3,642,906</u>	<u>\$3,500,505</u>	<u>\$4,120,962</u>
	42.1%	40.8%	42.8%
SELLING, GENERAL AND ADMINISTRATIVE	<u>\$2,894,961</u>	<u>\$2,683,841</u>	<u>\$2,713,269</u>
	33.4%	31.3%	28.2%
NET EARNINGS	<u>\$505,763</u>	<u>\$639,776</u>	<u>\$892,918</u>
	5.8%	7.5%	9.3%
NET EARNINGS PER SHARE			
Basic	<u>\$0.008</u>	<u>\$0.010</u>	<u>\$ 0.013</u>
Diluted	<u>\$0.007</u>	<u>\$0.010</u>	<u>\$0.013</u>
AVERAGE NUMBER OF SHARES			
Diluted	<u>68,325,721</u>	<u>66,924,115</u>	<u>66,924,115</u>
	<b>JANUARY 31, 07</b>	<b>JANUARY 31, 06</b>	
TOTAL ASSETS	<u>\$21,854,553</u>	<u>\$15,150,521</u>	
LONG TERM DEBT	<u>\$328,673</u>	<u>\$218,000</u>	
SHAREHOLDERS' EQUITY	<u>\$15,467,806</u>	<u>\$10,877,422</u>	

## **ABOUT IMMUNOTEC**

*Immunotec operates out of a 37,000 square foot facility located in Vaudreuil-Dorion, Quebec, Canada as well as a manufacturing facility located in Blainville, Quebec, Canada and a distribution centre located in Swanton, Vermont, USA. Immunotec is engaged primarily in the development and marketing of dietary supplements, food, vitamins, personal care products and natural health products, some of which are manufactured on its behalf by third parties. Immunotec's products are distributed and sold in Canada and the United States through a network marketing system and in other countries under exclusive distributorship agreements.*

*The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.*

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