



Acquisition of neuro-spinal medical product business

Highlights:

- **Acquisition of exclusive distribution rights for IZI Medical and Ilumark products**
- **An established business delivers a strong platform for growth in the neuro-spinal medical product field:**
 - **Combined revenue of \$1.6m p.a.**
 - **Gross profit margins ~ 45%**
 - **Transaction is immediately profit accretive**
 - **Sales and marketing expertise and customer relationships retained via collaboration with Point Blank Medical team**
- **Combined business now in a position to access a broader pipeline of neuro-spinal products**

Melbourne, Australia: **BTC health** (ASX : BTC) (the **Company** or **BTC**) is pleased to announce that its investee company BTC Speciality Health (**BTC SH**) has entered into distribution agreements with IZI Medical Products Inc (USA), and its wholly owned company Ilumark GmbH (Germany), thereby granting BTC Speciality Health the exclusive rights to distribute its range of products in Australia and New Zealand.

Background

The IZI products are a range of high-quality single use tissue and bone biopsy needles used for amongst other things, sampling and injecting cement into collapsed spinal vertebrae. The Ilumark product range comprises disposable needle kits and radiological markers used in conjunction with image guided navigation systems for accurate surgical access during neuro-spinal procedures.

The IZI and Ilumark product ranges have until now been distributed in Australia by Point Blank Medical Pty Ltd (**PBM**). Product registrations, inventory and customer service functions will transfer to BTC Speciality Health immediately and be integrated into the existing company infrastructure.

The existing PBM team brings well established expertise and relationships in the neuro-spinal medical field. Integral to the transaction is the retention of this team, who will be working closely with BTC Speciality Health in providing sales, marketing and training services in support of the customers and the shared growth objectives for the business. PBM will provide its services on a fully commissioned basis, with the amount of commission payable linked directly to monthly sales and gross profit of the products.

Terms of the transaction

BTC Speciality Health will pay a total purchase consideration of up to \$720,000, with \$200,000 payable within 7 business days, a further \$120,000 payable on the completion of specified transition conditions, and up to \$400,000 (Performance consideration) payable in installments over a 36-month period, subject to minimum gross profit hurdles being met. The Company intends to deliver the Performance consideration in the form of 90% cash and 10% BTC health shares, subject to the necessary approvals and conditions being satisfied.

Dr Richard Treagus, Executive Chairman commented, “this is a decisive step for us to establish a presence in the neuro-spinal medical product field. It creates diversification, scale, and contributes immediately to the bottom-line profitability of our business. Importantly this transaction also delivers the crucial expertise and clinical relationships which we expect to leverage as we execute on our growth strategy with the introduction of additional neuro-spinal products.”

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Forward-looking Statements

This ASX-announcement contains forward-looking statements that are subject to risks and uncertainties. Such statements involve known and unknown risks and important factors that may cause the actual results, performance or achievements of BTC health to be materially different from the statements in this announcement.

About BTC Health

BTC health Ltd (“BTC”) is a Pooled Development Fund which makes active investments in businesses that acquire, develop and distribute innovative medical products in Australia and New Zealand. The company is building a group of high-growth businesses which together are focused on providing access to some of the best specialized therapeutics and medical devices from around the world. BTC is listed on the Australian Stock Exchange (Code: BTC). Additional information can be found at www.btchealth.com.au

Authorisation

This announcement was authorised for release to the ASX by the board of directors of BTC health Limited, Level 1, 10 Oxley Rd, Hawthorn, VIC 3122.

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