



BTC HEALTH COMPLETES \$8M CAPITAL RAISE TO FUND ACQUISITION OF HOSPITAL INFUSION BUSINESS

- **BTC health completes \$8 million private placement including a cornerstone investment of \$2 million by Sigma Healthcare Limited**
- **Sigma to undertake the hospital distribution of BTC health products**
- **Hospital Infusion Business acquisition scheduled to complete on 31 May 2019**
- **Transformative acquisition which provides a strong platform for future growth**
- **Share Purchase Plan offered to eligible shareholders**

BTC health Limited (ASX: BTC) (**'BTC health'** or the **'Company'**) is pleased to announce the completion of an \$8 million private placement (**'Placement'**) to fund the acquisition, by its wholly owned subsidiary BTC Speciality Health Pty Ltd (**'BTC Speciality Health'**), of the Hospital Infusion Business from Admedus Limited (ASX: AHZ).

The Placement was heavily subscribed with strong support from new and existing institutional, sophisticated and professional investors.

The issue of 100.0 million ordinary shares (**'Shares'**) will take place under a two-tranche structure at an issue price of \$0.08 per Share representing a 5.9% discount to BTC health's last closing price of \$0.085 on 10 May 2019.

Tranche 1 will raise approximately \$2.6 million with Shares issued in accordance with the Company's available 25% private placement capacity under ASX Listing Rules 7.1 & 7.1A. Under Listing Rule 7.1 19,544,479 shares and under Listing Rule 7.1A up to 13,029,653 will be issued. Tranche 2 will raise approximately \$5.4 million with Shares to be issued subject to BTC health obtaining shareholder approval at an Extraordinary General Meeting (**'EGM'**) convened by the Company on or about 21 June 2019. A notice of meeting specifying the date of the EGM and other relevant details will be sent to shareholders and released to the ASX in the near future.

The Shares issued under the Placement and Share Purchase Plan (described below) will be issued on the same terms, and will rank equally with, the existing ordinary shares of BTC health.

In order to complete the acquisition of the Hospital Infusion Business, BTC health has been provided with a short-term funding facility of \$4.0 million from its largest shareholder. As full consideration for this funding facility, BTC health has agreed, subject to shareholder approval, to grant 5.0 million options to this shareholder at an exercise price of \$0.10 with an expiry period three years from the date of issue.

Furthermore, as part of the Placement, the Company is pleased to welcome Sigma Healthcare Limited (ASX: SIG) (**'Sigma'**) as a substantial shareholder following its \$2 million cornerstone investment in BTC health (resulting in a shareholding of approximately 10.5% after all Shares have been issued). Following completion of the acquisition and the transfer of the Hospital Infusion Business from Admedus, Sigma

will undertake the distribution of BTC health products to public and private hospitals using its well established wholesaler distribution network.

In making this investment in BTC health, Sigma CEO and Managing Director, Mark Hooper commented; “The strategic investment in BTC health provides a unique opportunity that aligns with our broader hospital and specialty medicines strategy, as well as leveraging our wholesale distribution network and capabilities. We look forward to working with the team at BTC health to service their existing customer base and seek opportunities to expand the partnership.”

BTC health Executive Chairman Richard Treagus commented; “We are naturally very pleased with the positive response we have received to this acquisition from our existing shareholders as well as from new investors. This is a transformative acquisition for BTC health and provides us with a strong platform on which we can build. Our immediate priorities are to pursue incremental growth in Australia and New Zealand, as well as introduce new products from our BTC health pipeline. We are particularly excited about our strategic partnership with Sigma, which will substantially strengthen our market position, giving us ready access to their hospital services, distribution infrastructure and established customer relationships.”

Indicative Timetable¹

Trading Halt	13 May 2019
Record Date	14 May 2019
Placement and SPP announced and Company’s shares resume trading	15 May 2019
Settlement of issue of Placement Shares under Tranche 1	15 May 2019
Extraordinary General Meeting for approval of issue of Placement Shares under Tranche 2	On or about 21 June 2019
Settlement of Placement Shares under Tranche 2	On or about 26 June 2019

Share Purchase Plan

In addition to the Placement, the Company is offering existing shareholders with registered addresses in Australia and New Zealand and holding shares on the record date of 14 May 2019, the opportunity to subscribe for up to \$15,000 or 187,500 fully paid ordinary shares under a Share Purchase Plan (‘SPP’). The issue price under the SPP will be \$0.08 per Share, which is the same price as under the Placement. Details of the SPP will be released today.

For more information please contact:

Dr. Richard Treagus, Executive Chairman
rtreagus@btchealth.com
+61 417 520 509

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 is a listed entity on the ASX and is a Pooled Development Fund, registered under the Pooled Development Funds Act 1992. The company's strategy is to make active investments in businesses that acquire, develop and commercialize innovative products in the healthcare sector, and which can benefit from greater access to growth capital. The company has the long-term objective of building a group of complementary high-growth businesses which when operating together generate better patient health outcomes and value for its shareholders.

Under the Pooled Development Funds Act 1992, shareholders are entitled to concessionary tax treatment in Australia for income and capital gains derived in connection with their shareholding. Gains realised on the disposal of shares will not be included in an investor's assessable income in Australia. An investor will not be entitled to any deduction or capital loss on the sale of shares. Unfranked dividends received by an Australian resident will be exempt from tax. Franked dividends will also be exempt from tax unless the shareholder elects to be taxed. An Australian corporate tax entity may credit its franking account (with franking credits attaching to a franked dividend), regardless of whether it has elected to treat the dividend as exempt or assessable income. Dividends paid to non-residents will not be subject to withholding tax. A shareholder or prospective shareholder should obtain their own tax advice rather than relying on this summary

About Sigma Healthcare

Sigma Healthcare is a leading Australian full line wholesale and distribution business to community and hospital pharmacy. Sigma has the largest pharmacy network in Australia, with over 1,200 branded and independent stores, including Amcal, Guardian, PharmaSave, Chemist King and Discount Drug Stores. Sigma also has an expanding presence in the hospital pharmacy services industry and third party and fourth party logistics, providing daily services from our national distribution network.

ⁱ The timetable is indicative only and may be varied subject to the ASX Listing Rules.