



**ANTEO DIAGNOSTICS AGREES REVISED TERMS TO ACQUIRE ESTABLISHED GLOBAL DIAGNOSTICS COMPANY DIASOURCE IMMUNOASSAYS SA**

**For Immediate Release:**

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**Highlights:**

- Anteo Diagnostics Limited has agreed revised terms to acquire 100% of the equity in global specialty diagnostics company, DIASource ImmunoAssays S.A. (Belgium), in line with previously announced acquisition.
- The originally announced Purchase Price of €15.4m (A\$23.7m), with a two year earn out to vendors, subject to achievement of financial business targets (up to a maximum of €7.3m) remains the same. The Purchase Price consideration (€15.4m) is now to be paid 50% in cash up-front (€7.7m) and the balance (€7.7m) to be paid via a deferred payment plan.
- This transformational acquisition builds Anteo's business operations in the IVD sector accelerating Anteo's objectives.

**6 January 2016** - The Board of Directors of Anteo Diagnostics Limited (ASX: ADO) (**Anteo**) is pleased to announce that it has reached revised payment terms with the vendors of DIASource ImmunoAssays, S.A. (**DIASource**), an established global specialty diagnostics company based in Belgium (**Revised Agreement**).

DIASource is a vertically-integrated specialty diagnostics company that develops, manufactures, markets and distributes clinical diagnostics products in the fields of endocrinology, especially bone metabolism, fertility, cardiovascular and oncology.

Anteo announced on the 26<sup>th</sup> August 2015 that it agreed the terms of the DIASource acquisition based on 100% of the Purchase Price being paid up front in a combination of cash and equity. It was previously proposed to fund the majority cash component through a combination of debt (proposed convertible note facility) and equity, via a non-renounceable rights issue.

Following the successful rights issue and placement raising over \$13.2m Anteo has negotiated revised terms with the vendors of DIASource.

**Revised Terms**

Anteo and the DIASource vendors have now revised the agreement, so that the Purchase Price is now payable via an upfront cash component of €7.7m at completion, and a deferred component of €7.7m (**Deferred Component**), payable as outlined Annexure A.

**Transaction Funding**

Anteo intends to satisfy the upfront cash component of the Purchase Price (€7.7m/AU\$11.85m) from the proceeds of the Entitlement Offer, partial sub-underwriting from the Entitlement Offer and placements, raising in total \$13,239,422 as follows.

The Entitlement Offer raised \$5,256,946 million through the issue of 70,092,623 Shares.

Mr Richard Martin and Dr Geoff Cumming agreed to sub-underwrite 12,000,000 Entitlement Offer Shares and will subscribe for these shares raising a further \$900,000.



Anteo has resolved to place 77,907,377 of the shortfall of the Entitlement Offer to raise \$5,843,053 ("**Shortfall Placement**"), and undertake a placement of 16,525,623 fully paid ordinary shares on the same terms as the Entitlement Offer at an issue price of \$0.075 to raise a further \$1,239,422 ("**Placement**").

Both the Shortfall Placement and the Placement are to be issued without disclosure in accordance with section 708 of the *Corporations Act 2001* (Cth) to certain existing shareholders, employees of Anteo and clients of PAC Partners Pty Ltd.

The Placement is undertaken pursuant to Anteo's 15% capacity under ASX Listing Rule 7.1.

## Status of Convertible Note

As a result of different terms put forward by the proposed convertible note provider, Anteo has ceased negotiations with that party in respect of the previously proposed €10.0m convertible note. As part of severance arrangements, Anteo will issue €100,000 ordinary fully paid shares to that party on the same terms as the Entitlement Offer, and the €1m break fee will not be payable. -

## Moving Forward

The Directors of Anteo believe the revised terms agreed with the DIAsource vendors enables the combined Anteo/DIAsource business to move forward on a strong development path. The DIAsource vendors ongoing participation demonstrates alignment and commitment towards Anteo and its objectives. It also allows the DIAsource vendors to potentially take equity in Anteo on a fair and reasonable basis without causing an imbalance in control.

For further information, see our website ([www.anteodx.com](http://www.anteodx.com)) or contact the persons outlined below.

| Company                                                           | Media and Investor Relations                                                                                                           |
|-------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| Dr. Geoff Cumming, Chief Executive Officer<br>T: + 61 7 3219 0085 | Jane Lowe, IR Department<br>E: <a href="mailto:jane.lowe@irdepartment.com.au">jane.lowe@irdepartment.com.au</a><br>T: + 61 411 117 774 |
| Richard Martin, Chief Financial Officer<br>T: + 61 7 3219 0085    |                                                                                                                                        |

## About DIAsource ImmunoAssays S.A.

DIAsource ImmunoAssays S.A. is a global specialty diagnostics company that develops, manufactures, markets and distributes clinical diagnostic products in the field of endocrinology, with a leading portfolio of Vitamin D products and comprehensive catalogue of ELISA and RIA products offered to customers worldwide. DIAsource is a vertically integrated company, from R&D and antibody production through to customer service solutions that include lab automation instrumentation.

DIAsource is present in 75 countries and sells products both directly and through a global network of 90 main distributors and 40 OEM partners.

For more information, please visit [www.diasource-diagnostics.com](http://www.diasource-diagnostics.com).



**Annexure A**

**Deferred Component** (€7.7m) payable as outlined below:

- **Duration** – 4 (four) years from the date of Completion;
- **Repayment** - Eight (8) instalments, each equal to €962,500. Each of the eight (8) repayments will take place semi-annually after the Completion Date (each a "Repayment Date");
- **Interest Rate** - Interest will accrue at a rate of eight percent (8%) per annum on the principal amount of the Deferred Component outstanding from time to time. Interest will be payable semi-annually;
- **Conversion of First Year's Interest** – The Vendors may elect (prior to Completion) to convert the First Year's interest into fully paid ordinary shares of Anteo. If the Vendors do so, then the deemed interest rate will increase to 12% per annum for the purpose of conversion of the interest;
- **Completion Date** – 11<sup>th</sup> January, 2016.
- **Conversion Right** – The Vendors may elect to request Anteo to convert their outstanding Deferred Component (principal plus interest) in full or in part, into fully paid ordinary shares of Anteo (the "Anteo Conversion Shares");
- **Anteo Conversion Shares Terms** – Election Period is on a semi-annual basis from Completion through to the last payment date. The conversion price will be based on a 20% discount to the 30 day VWAP prior to election (with an agreed floor conversion price of \$0.15 per share). The Conversion Price will be converted into Euro based on the 10 business day average of the AUD:EUR exchange rate prior to election. Shareholder approval for issuance of the Conversion Shares will be obtained if required;
- **Events of Default** – Customary events of default including change of control in respect of Anteo or DIASource or disposal of Anteo's main undertaking which all would require the immediate repayment of any outstanding Deferred Component.
- **Dividends** – Whilst the Deferred Component (or any part of it) is outstanding, Anteo must procure that DIASource does not declare dividends unless such dividends are to be used to pay the Deferred Component or any accrued interest.
- **Negative Pledge** – Anteo will not to enter into any other debt funding arrangements unless approved unanimously by the Anteo Board, and that at all times whilst the Deferred Component (or any part of it) is outstanding a DIASource representative is to be a Board Member of Anteo.