USCOM

(ASX: UCM)

AGM Presentation

13th NOVEMBER 2013

www.uscom.com.au

The Measure of Life

Rob Phillips

Executive Director

Introduction

Board of Directors:

Mr Rob Phillips

Ms Sheena Jack

Mr Christian Bernecker

Company Secretary – Ms Catherine Officer

Proxies Received:

22,378,753 shares or approximately 31.5% of the 71,048,986 ordinary shares in Uscom Limited.

Agenda

- Review of Operations
- Plans FY 2014
- Summary
- Financial Statements and Reports
- Resolutions
  - 1. Election of Director
  - 2. Remuneration report
  - 3. Private Placement Ratification – Pulsecor Acquisition
  - 4. Private Placement Ratification – Working Capital August
  - 5. Private Placement Ratification – Working Capital September
  - 6. Approval of Share Issue – Non Exec Director
  - 7. Additional Share Capacity – Rule 7.1A
- General Discussion

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Director’s Report

2013 Highlights

- Pulsecor acquisition with revenue
- Minimum $6.6m 5yrs China sales deal – underwrites profitability for 5 yrs with current operations
- Sales manager appointed – UK based to expand Europe and US sales
- Operational consolidation
- Foundations for profitability and growth are in place.

Why BP+ ?

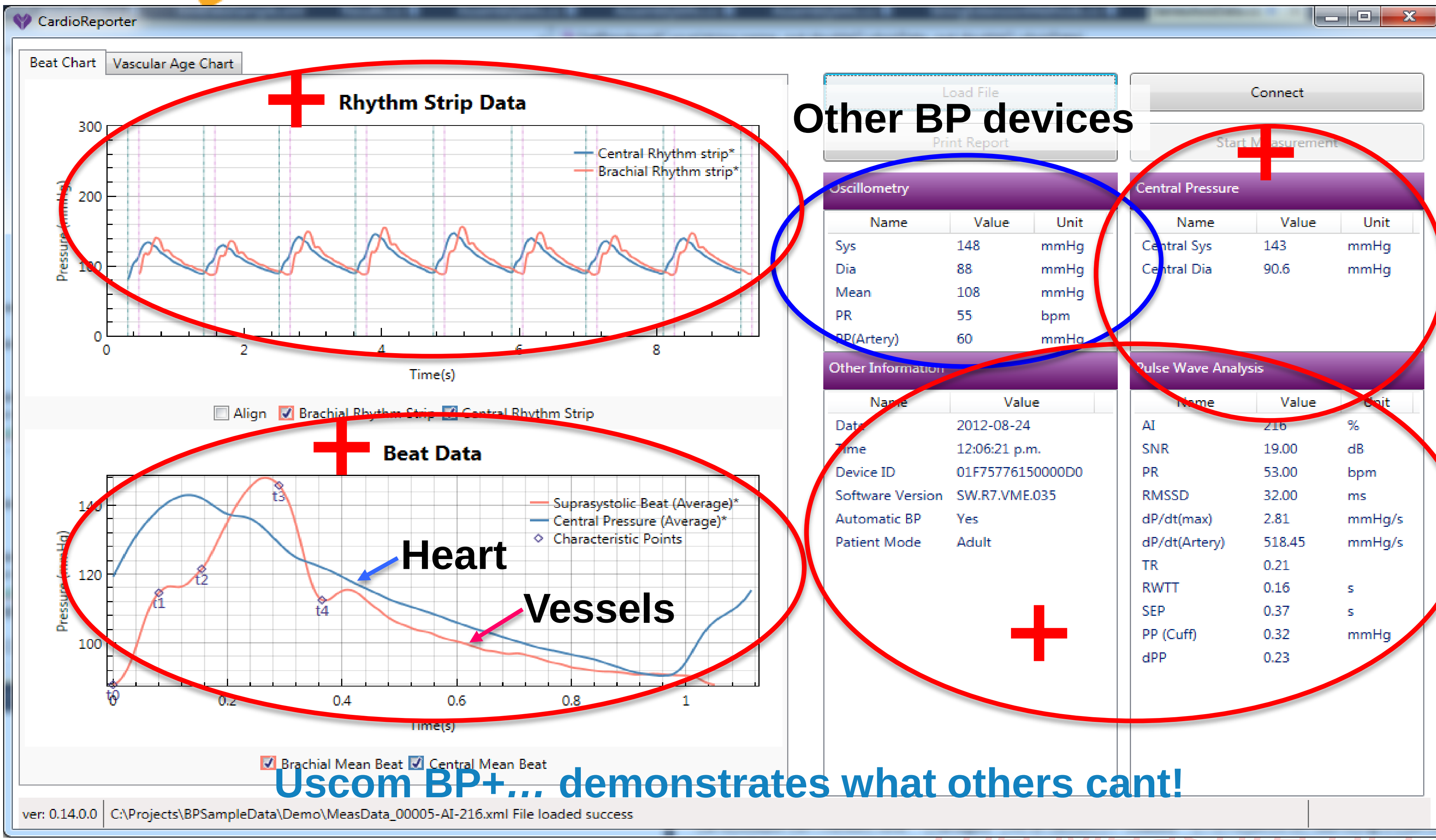
*"Bringing together noninvasive and accurate central blood flow and central blood pressure measurement has been the "**holy grail**" of cardiovascular medicine.*

Uscom has now done this."

Rob Phillips

Uscom CEO/Chairman

Why BP+ ?



Uscom BP+… demonstrates what others cant!

Why BP+ is Important

cBP is better than brachial BP

Central blood pressure: A new vital sign?

Mary J. Roman*

Weill Cornell Medical College, 520 East 70th Street, New York, NY 10021, USA
Available online 28 October 2009

Central Pressure More Strongly Relates to Vascular Disease and Outcome Than Does Brachial Pressure
The Strong Heart Study

Mary J. Roman, Richard B. Devereux, Jorge R. Kizer, Elisa T. Lee, James M. Galloway, Tauqeer Ali, Jason G. Umans, Barbara V. Howard

"central pulse pressure is more strongly related to vascular hypertrophy, extent of atherosclerosis, and cardiovascular events than is brachial blood pressure"

Artery Research 2009;3: 125-7
Hypertension 2007;50:197-203

Why BP+ is Important

Hypertension

JOURNAL OF THE AMERICAN HEART ASSOCIATION

American Heart Association.

Central Aortic Blood Pressure and Management of Hypertension: Confirmation of a Paradigm Shift?

Alberto Avolio

Hypertension. published online September 23, 2013;
Hypertension is published by the American Heart Association, 7272 Greenville Avenue, Dallas, TX 75231

Print ISSN: 0194-911X. Online ISSN: 1524-4563

cBP - A New Standard of Care

Pulsecor Acquisition

Rationale

- Scientific, operational and strategic synergy – 1+1=3
- Great product - with 34 patents and 4 trademarks
- FDA, CE and TGA clearance
- US re-imbursement
- BP market is established and growing ($15 billion+)
- Global revenue opportunities
- Product diversification - two products with double the opportunity
- Low acquired cost base, debt free and revenue generation 2011 and 2012

Favorable acquisition terms

- 5 million UCM shares
- 2011 Pulsecor valuation = $2.4m before FDA approval, validation and sale

IP Value – Product Pipelines

USCOM

13 granted patents

3 pending applications

6 registered trade marks

Uscom Patent Report – Sept 2013

BP+

34 granted patents

4 registered trade marks

Uscom Patent Report – June 2013

Building a product pipeline….

IP Value

Major Ultrasound method patents

Uscom owns;

Doppler monitoring of Cardiac Output

Doppler monitoring of Oxygen delivery

Doppler monitoring of Cardiac Pressure and Flow

Strong IP position….

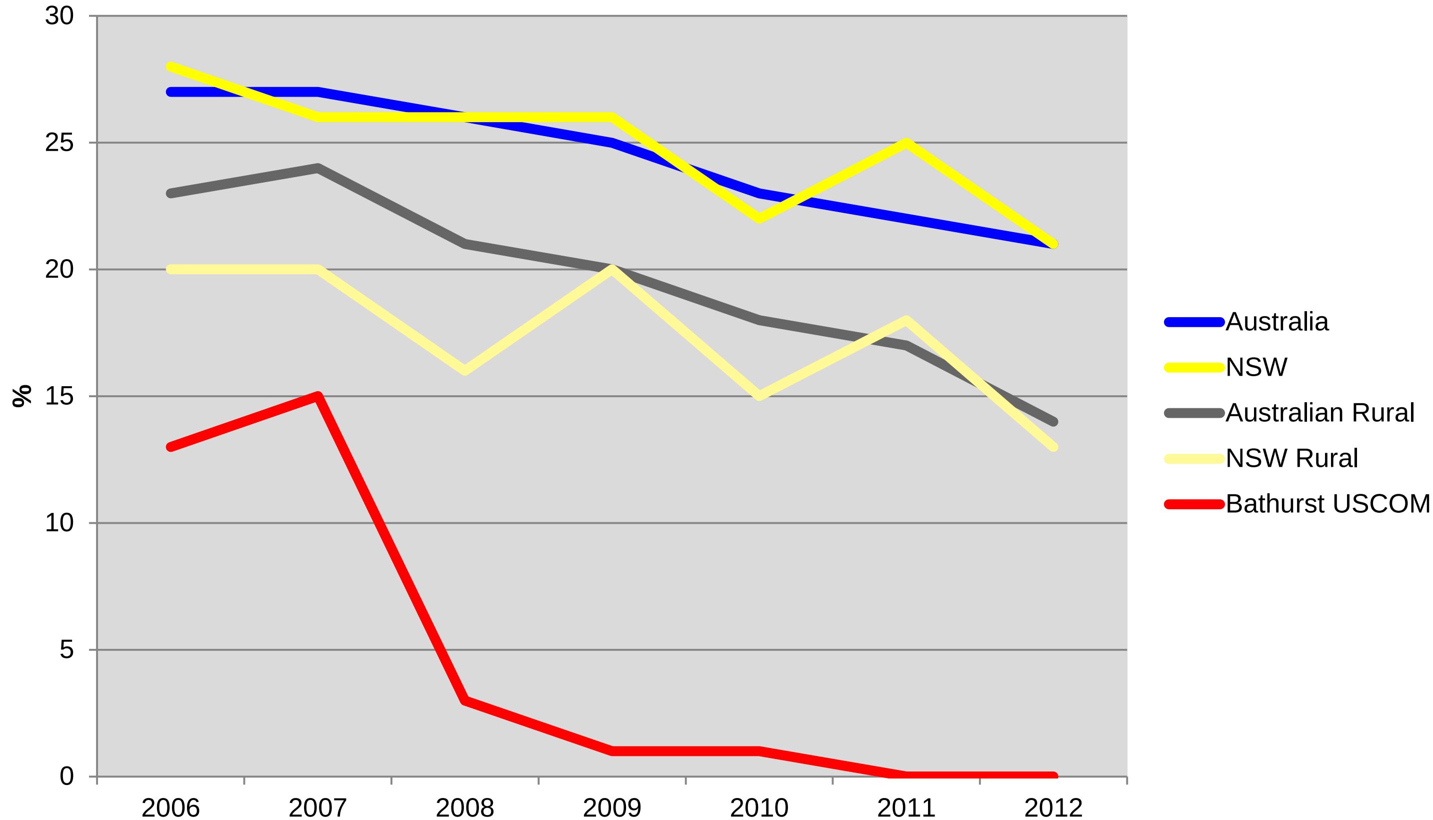
Leading Global Science 2013

1. USCOM reduces mortality by 90% and cost of care by 45% in adult sepsis over 6 yr Australian practice audit
2. USCOM improved management of sepsis in children in 2 leading studies (UK and Canada)
3. USCOM new method for measuring heart function; British Journal of Anaesthesia
4. USCOM more accurate then blood pressure for managing hypertension in pregnancy BJA
5. USCOM improves management of hypertension – 3 presentations at the International Society of Hypertension.
6. USCOM important in monitoring heart function during chemotherapy

BUSH Sepsis Protocol

BUSH Protocol

Mean Mortality % 2006-2012



Smith BE, Phillips RA, Madigan V, West MJ. Decreased Mortality, Morbidity and Emergency Transport in Septic Shock; A New Protocol Based on Advanced Noinvasive Haemodynamics (USCOM) and Early Antibiotics. Crit Care Med 2012; 40(12):1023. doi: 10.1097/01.ccm.0000424114.76434.7a

From ANZICS CORE database.

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BUSH Sepsis Protocol

BUSH Protocol

Conclusion:

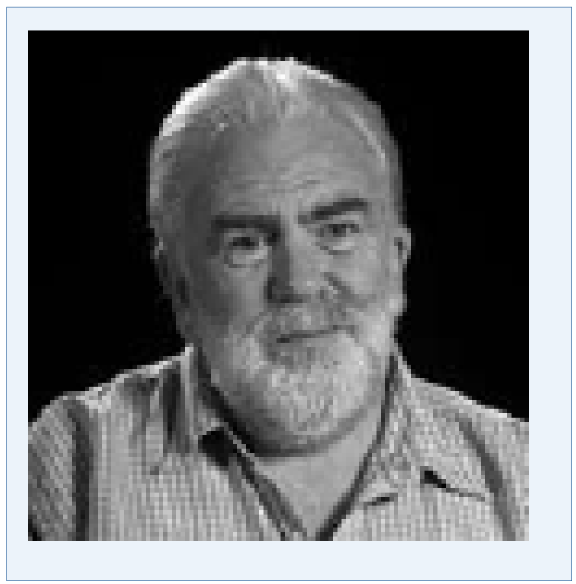
"USCOM management of septic shock …… was associated with ….. a reduction in mortality of 94%, renal failure by 90% and emergency transport costs by 87% in sepsis and septic shock patients in a rural Australian centre between 2007 and 2012."

"Reproduction of these results Australia wide would have saved 8,237 lives and $1.01b in the same period."

Smith BE, Phillips RA, Madigan V, West MJ. Decreased Mortality, Morbidity and Emergency Transport in Septic Shock; A New Protocol Based on Advanced Noinvasive Haemodynamics (USCOM) and Early Antibiotics. Crit Care Med 2012; 40(12):1023. doi: 10.1097/01.ccm.0000424114.76434.7a

USCOM – Why we are here!

"This machine is saving lives.
There are no two ways about it! "



Professor Brendan Smith

BUSH Adoption in China

The Shandong visual collaboration initiative

Real time visual collaboration with Shandong Provincial Hospital and 12 regional hospitals in the Shandong Province

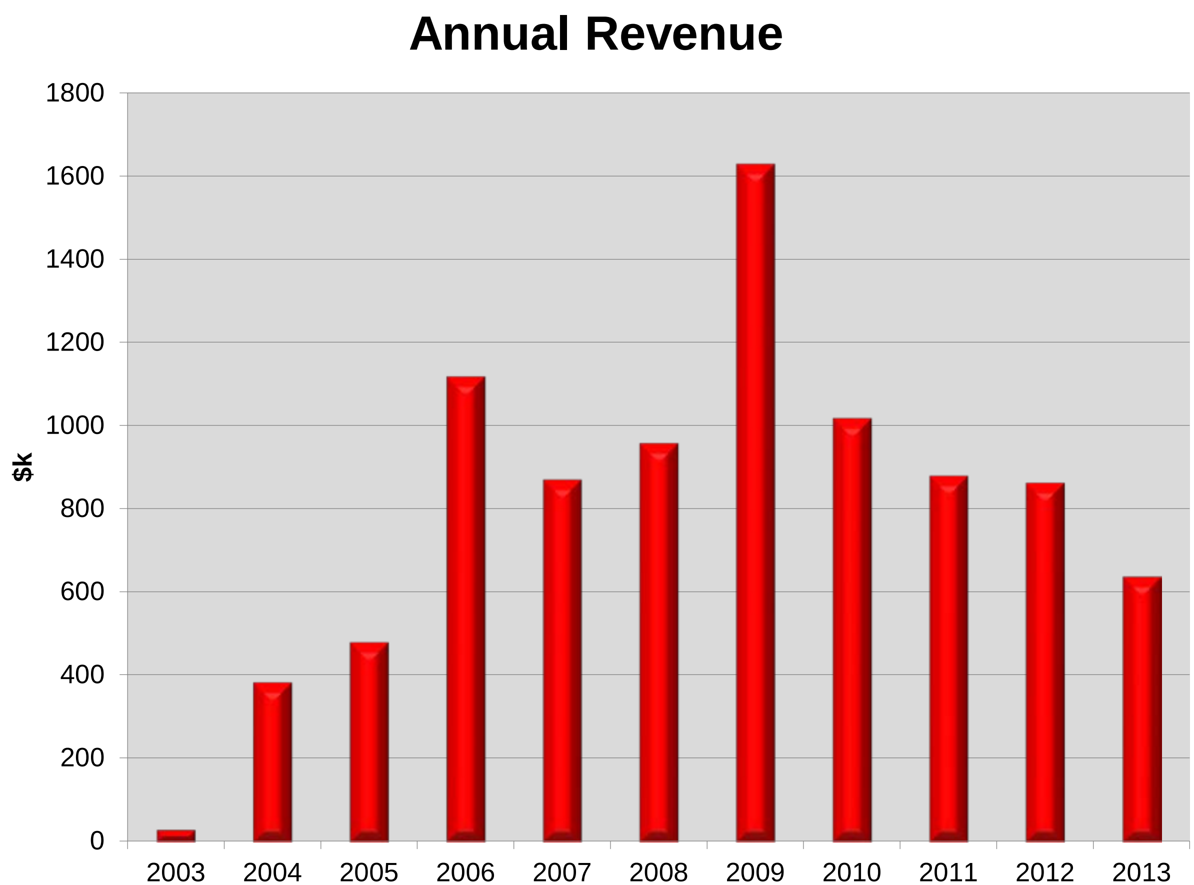
China Pioneer Pharma

- Shanghai based medical distribution company
  - Revenue ≈ 1.5b RMB (260m AUD)
  - 1000 third party partners
  - 20,000 hospitals
  - More to come
- Minimum $6.6m or $1.33m pa over 5 years for China alone
- Targets $8.3m ($1.66m pa)
- Uscom cash consumption 2013 - $0.97m pa
- To commence on CFDA approval
- Distribution of other products – pipeline to China

Global Sales Manager

- Steve Haken
- UK based to service Europe and US
- Prior ICU experience
- MBA from Imperial College
- Widely known and respected
- 16yrs prior device experience – GE, Medtronic, Philips, Novartis, Welch Allyn, Pfizer and Drager
- USCOM and BP+ responsibilities
- Mandate to establish BP+ and reinvigorate USCOM distribution
- Revenue indexed KPI's

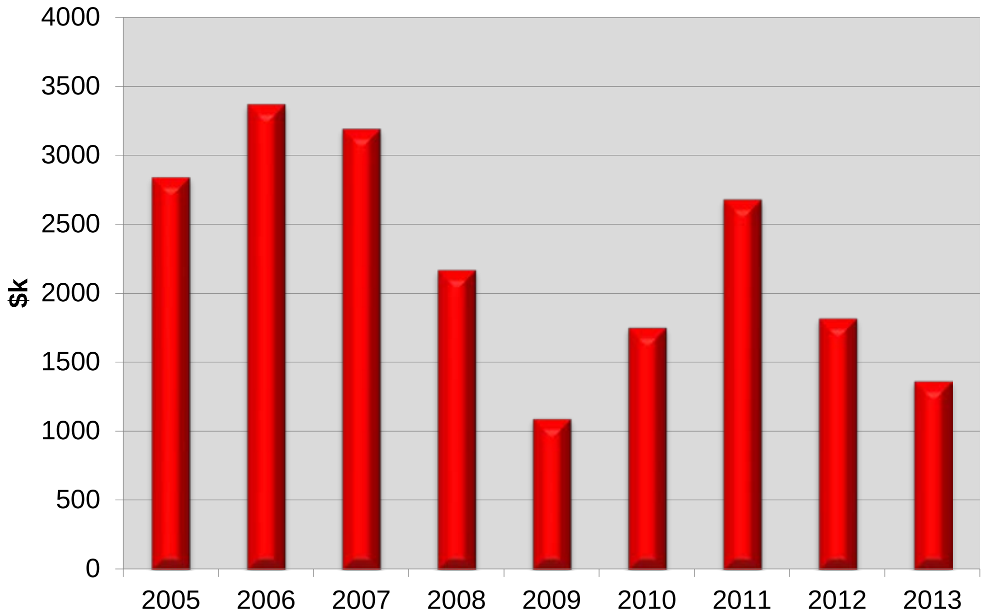
Operations



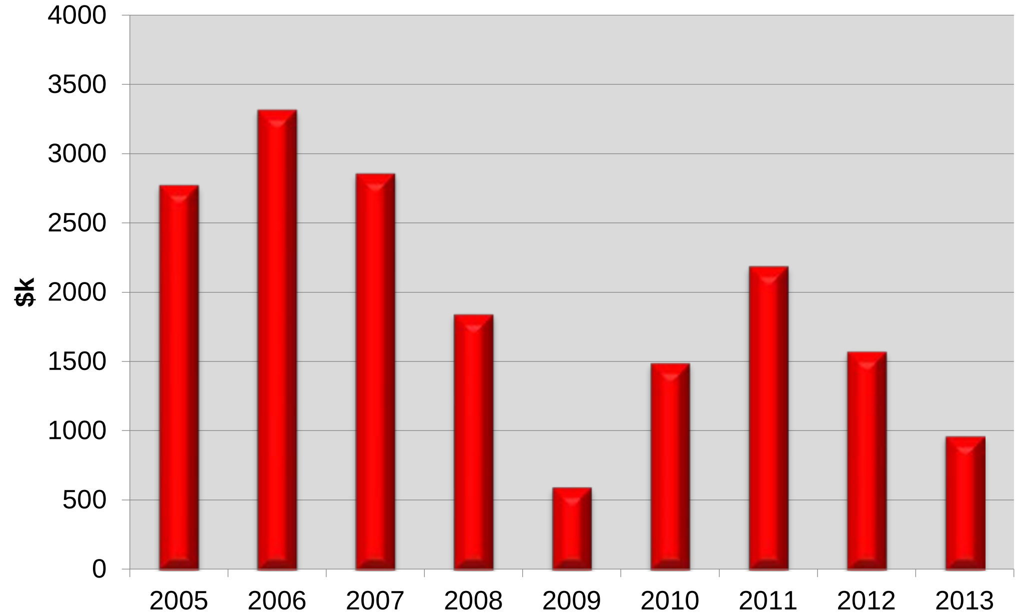
FY 2013

Operations

Net Loss after Income Tax

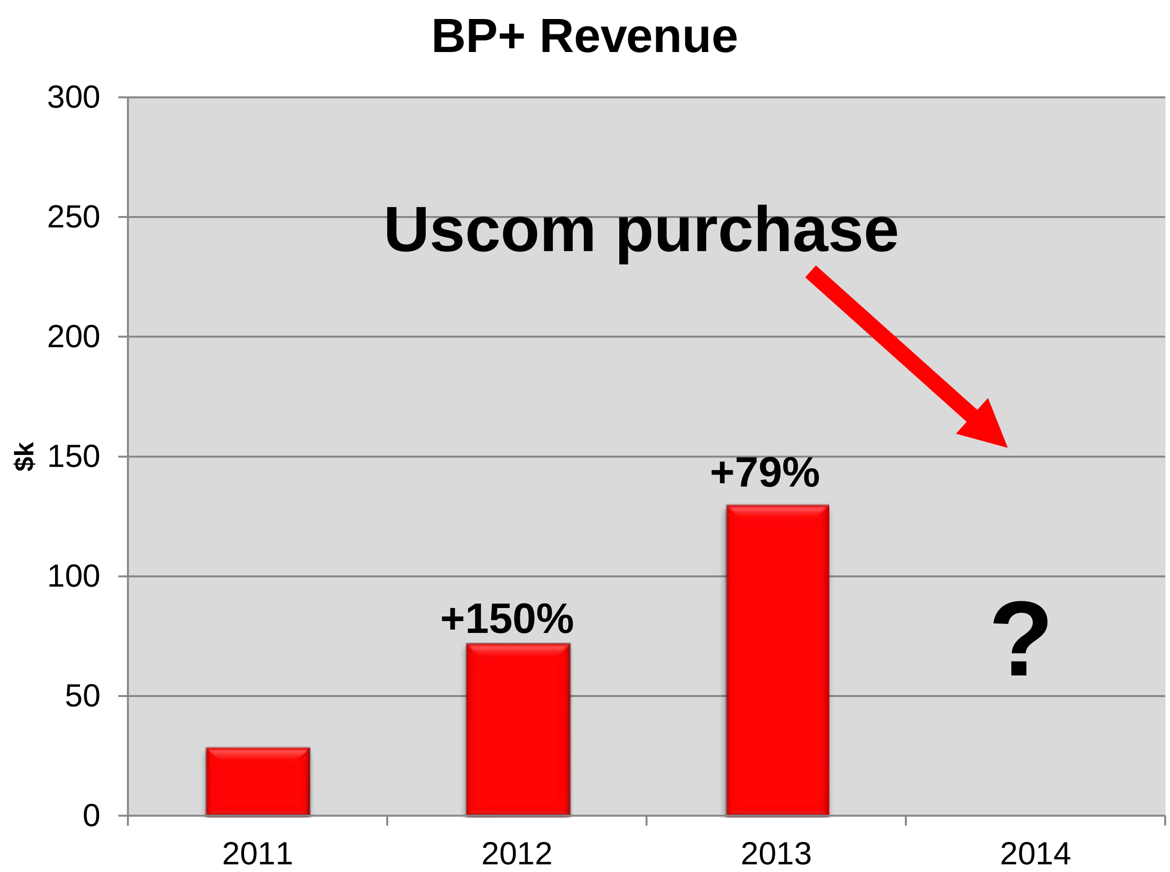


Cash Consumption

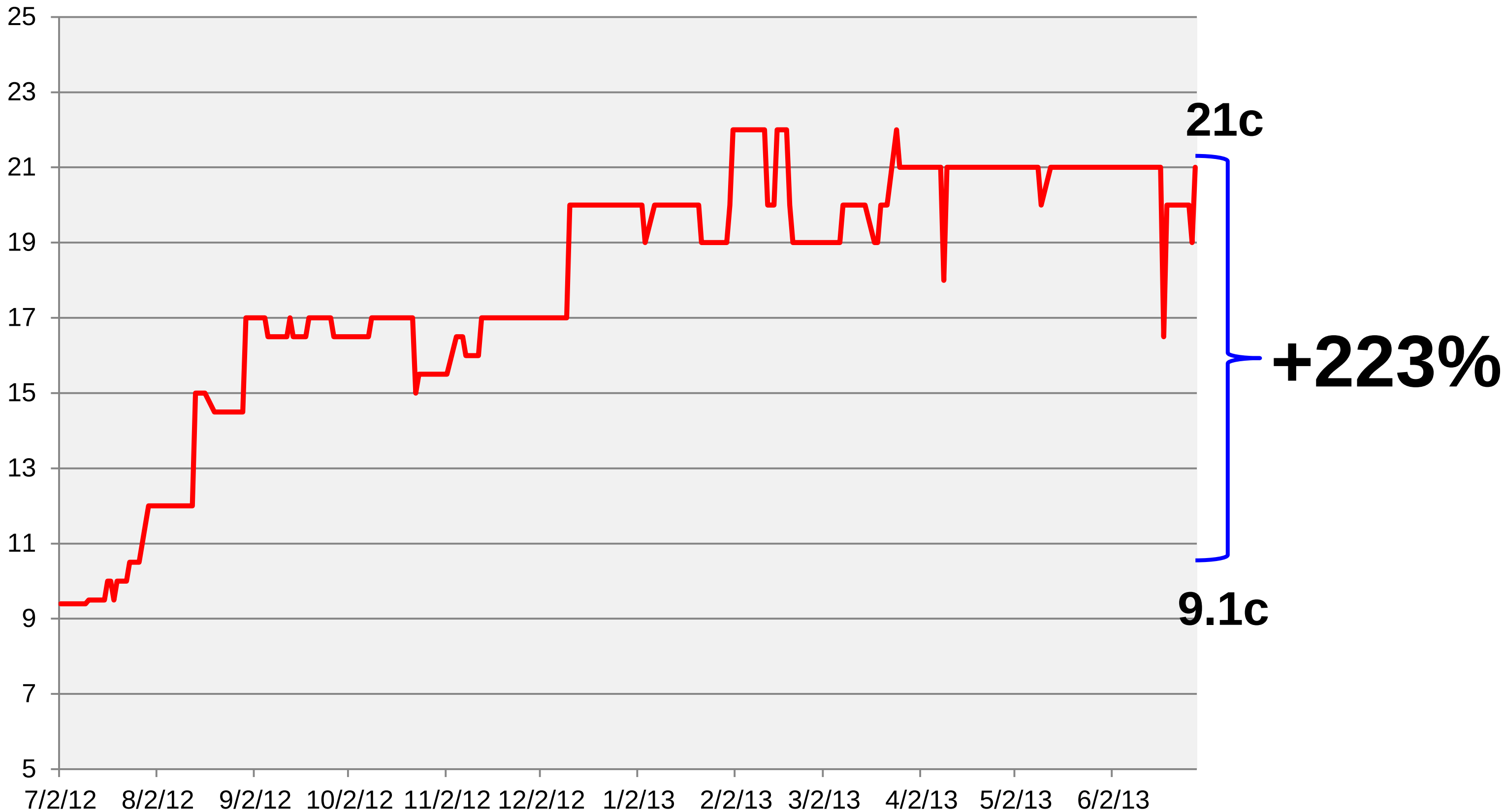


FY 2013

New BP+ Revenue



UCM Share price 2013



VWAP 15c

Successful PP Capital Raising

$1.05m raised at 15 and 20c

New and established investors

2014 Strategy

- Focus on sales, distribution and revenue
- Develop BP+ for global manufacture and sale
- Push USCOM to must have status
- Continue sound operational management
- Pursue strategic opportunities

Summary and outlook

- Two proven regulatorily approved devices with significant value
- An established and stable business team
- Focus on global sales, licensing, revenues and strategic partnerships
- Profitability underwritten by long term sales agreements
- Balance sheet strengthening with strong newsflow pipeline
- The right foundations for growth and value creation are in place.

Summary

"2013 was a great year for Uscom, and 2014 is looking even better.

The building blocks have been positioned for profitability and rapid growth"

Summary

Good science

Good organisation

Good products

Good culture

Bias to action and growth

Good people

Great future

Uscom

Rob Phillips

Chairman

Accounts and Resolutions

Information relating to the Financial Accounts and Resolutions were included in the Notice of Meeting, dated 11th October 2013

Financial Accounts discussion and adoption
Resolution 1 – Election of Christian Bernecker
Resolution 2 – Remuneration Report
Resolution 3 – Ratification of Private Placement Shares - Pulsecor
Resolution 4 – Ratification of Private Placement Shares - Capital
Resolution 5 – Ratification of Private Placement Shares - Capital
Resolution 6 – Approval of Issue of Shares to Sheena Jack
Resolution 7 – Additional Share Issue under Listing Rile 7.1A

QUESTIONS?

Adoption of Accounts

Financial Accounts discussion and adoption

“Financial Statements and Reports To receive and consider the reports of the directors and of the auditors, the income statement, balance sheet and cash flow statement for the year ended 30 June 2013.”

QUESTIONS?

Resolutions

ALLOCATION OF PROXIES:

The Chairman intends to abstain from voting on res 2.

	For		Against		Open		Total	
	Shares (%)	Hold(%)	Shares (%)	Hold(%)	Shares (%)	Hold(%)	Shares	Hold
1. Elect Christian Bernecker	22,265,531 (99.49)	25(67.57)	3,500(0.02)	1(2.7)	109,722 (0.49)	11(29.73)	22,378,753	37
2. Remuneration report	3,308,840 (82.16)	22(68.75)	718,700 (17.84)	10(31.25)	0(0)	0(0)	4,027,540	32
3. Ratification PP Pulsecor	21,721,831(96.99)	22(61.11)	564,200 (2.52)	3(8.33)	109,722 (0.49)	11(30.56)	22,395,753	36
4. Ratification PP Aug 2013	21,721,831(96.99)	22(61.11)	564,200 (2.52)	3(8.33)	109,722 (0.49)	11(30.56)	22,395,753	36
5. Ratification PP Sept 2013	19,721,831(93.69)	18(47.37)	564,200 (2.77)	3(8.57)	109,722 (0.54)	11(31.43)	20,395,753	35
6. Approve Shares to Sheena Jack	22,227,266(99.25)	22(61.11)	58,765 (0.26)	3(8.33)	109,722 (0.49)	11(30.56)	22,395,753	36
7. Additional Share Issue	20,680,621(92.34)	18(50)	1,493,030 (6.67)	6(16.67)	222,102 (0.99)	12(33.33)	22,395,753	36

Resolutions

Resolution 1 – Election of Christian Bernecker

To consider and, if thought fit, to pass the following ordinary resolution of the Company:

"That Mr Christian Bernecker, a Director having been appointed since the last AGM, retires in accordance with Rule 6.4 of the Company's Constitution and, being eligible for re-election, be re-elected as a Non-Executive Director of the Company."

Resolutions

Resolution 2 – Adoption of the Remuneration Report for the Year Ended 30th June 2013

To consider and, if thought fit, to pass the following non-binding resolution of the Company:

'That the Remuneration Report for the year ended June 2013 (as set out by the Company's Directors' Report) be adopted'.

Resolutions

Resolution 3 – Ratification of Private Placement of Shares for the Acquisition of Pulsecor Assets

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 7.4, and for all other purposes, the issue of 5 million shares at an issue price of $0.50 per share on 17 June 2013 to the persons identified, and on the terms desrcibed, in the Explanatory Statement which forms part of this notice of Meeting, is approved."

Resolutions

Resolution 4 – Approval of Private Placement of Shares for Working Capital (August 2013)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 7.4, and for all other purposes, the issue of 150,000 fully paid ordinary shares at a price of $0.20 per share on 6 August 2013 to the persons identified, and on the terms described, in the Explanatory Statement which forms part of this Notice of Meeting is approved."

Resolutions

Resolution 5 – Approval of Private Placement of Shares for Working Capital (September 2013)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 7.14, and for all other purposes, the issue of 7,100,001 fully paid ordinary shares at a price of $0.15 per share on 18 September 2013 to the persons identified, and on the terms described, in the Explanatory Statement which forms part of this Notice of Meeting is approved."

Resolutions

Resolution 6 – Approval of Issue of Shares to Nonexecutive Director Sheena Jack

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the issue of 166,667 fully paid ordinary shares at a price of $0.15 per share to Sheena Jack, or her nominee, on the terms described in the Explanatory Statement which forms part of this Notice of Meeting is approved."

Resolutions

Resolution 7 – Additional Share Issue Capacity under Listing Rule 7.1A (Special Resolution)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

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Questions and Discussion?

USCOM 1A

BP

The Measure of Life