

BEAUTY HEALTH GROUP LIMITED

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UPDATE IN RELATION TO THE PREVIOUSLY ANNOUNCED POINT OF PAY PTY LTD ('POP') TRANSACTION

Beauty Health Group Limited (ASX: BHG) (**BHG** or **Company**) provides the following update on its previously announced potential agreement with Point of Pay Pty Ltd ('POP').

On 12 June 2014 BHG announced its intention to enter into the financial payment sector through the execution of an agreement with Point of Pay Pty Ltd (ACN 109 933 520) and POPY Pty Ltd (ACN 117 423 177) (**POPY**) (**POP Group**) (**Agreement**).

Under the terms of the agreement POP was required to raise a minimum of AUD\$7.5 million and up to AUD\$10 million by various means, including, if appropriate, through the issue of convertible notes (**POP Capital Raise**).

It was a further term of the Agreement that if POP did not succeed in raising the minimum amount under the POP Capital Raise within 3 months from the date of the Agreement, either party was entitled to terminate the Agreement.

The Company has been notified that POP has not been successful in raising the minimum amount required by the Company under the terms of the agreement and as such BHG has elected to exercise its right to terminate the agreement.

The Directors of BHG have over recent months received a number of unsolicited enquiries in relation to the availability of the BHG corporate structure and with the termination of the POP transaction will now explore those opportunities further. It is contemplated that one or other of these potential opportunities will be able to be pursued shortly which should assist in the re-admission of the Company to ASX.

The Company will keep shareholders informed of developments in relation to these opportunities.

For further information, please contact Con Scrinis (Director) at BHG on +61 (03) 9845 8300.