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ASX Announcement

## **PROPOSED BIOHEALTH ACQUISITION**

The Directors of Acuvax Ltd (“Acuvax” or the “Company”) are pleased to advise that, subject to a satisfactory outcome on due diligence and securing regulatory approvals where necessary, the Company has negotiated the opportunity to secure a potential controlling ownership stake in an unlisted biopharmaceutical company, BioHealth Pty Ltd. Acuvax will in turn, assist with revenue growth, market penetration and new product development of its present platform formulation.

BioHealth is focused on effective, illness-specific medicines comprised of natural non-toxic ingredients. The first of BioHealth’s products, “proVent”, has been approved and listed by the Australian Therapeutic Goods Administration (TGA) on the Australian Register of Therapeutic Goods (ARTG) as a complementary medicine with the claim: “Helps Maintain Health Respiratory Function”. BioHealth has been successfully selling the product in a limited capacity over the past two years from a modest financial base and has reached the point of moving beyond breakeven and into sustained profitability. “BioHealth” as a word is used synonymously in reference to the biopharmaceutical/CAM (Complementary and Alternative Medicine) industry. Value was seen by the Acuvax Board in the company’s name, trademark and domain name: biohealthlimited.com for future expansion opportunities.

The Board of BioHealth believes that with the injection of capital provided by Acuvax’s shareholding along with a network in Asia that its officers can introduce, together with its own contacts in select European markets, BioHealth can achieve an increased sales rollout and quicker entry into various overseas market. Subsequent to a successful increase in its marketing and revenue program, BioHealth intends to conduct further research and development, exploring other illness-specific “healthy” medicines from the platform formulation it currently uses and other non-related products as and when new opportunities are presented.

Under the terms of the acquisition Acuvax shall pay an initial \$10,000 option fee which will allow for a 60 day due diligence period. Subject to a satisfactory outcome a further \$178,000 is to be paid to hold 51% of the debt free biopharmaceutical organisation. The option to take another 10% for a further \$100,000 in mid-2012 and a further option of taking 19% for \$200,000 during the 2 ½ years following completion of the initial 51% transaction has been negotiated. The opportunity to move to a total shareholding stake of 80% of the subsidiary therefore exists.

Acuvax and BioHealth will use their best endeavours to progress the commercial development of BioHealth’s products which currently offer potential health benefits to the millions of Australians

and tens of millions globally that are affected by respiratory complaints. The first six months following completion of the initial aspects of the transaction is set to see increased sales activities and results within Australia through pharmacies and natural health shops. BioHealth's ongoing business plan will then be continued or accelerated further as appropriate milestones are achieved. Acuvax has the option to continue contributing and acquiring greater ownership as success dictates.

The Directors of Acuvax believe that the acquisition of BioHealth is a sound commercial and ethical investment which it seeks to utilise as a platform for greater expansion of its revenue base both within BioHealth's product range and through unrelated opportunities the Company seeks out in the healthcare and life sciences market space.

Ian Murie  
Chairman  
**Acuvax Limited**