

Singular Health Group Ltd: SHG

ASX Announcement

8 August 2022

Singular Health Announces Planned Divestment of GeoVR Asset

- Singular Health has entered into an Option Agreement to divest of its 50% shareholding in the GeoVR Pty Ltd joint venture (“GeoVR JV”) to its joint venture partner TerraCentric Pty Ltd (“TerraCentric”)
- The Agreement has an indicative Purchase Price of AUD\$500,000 and a proposed ongoing license fee or royalty.
- Singular Health and TerraCentric currently maintain a 50/50 ownership of the intellectual property (IP) for collaborative 3D and VR mine planning.
- TerraCentric has well-established relationships with Tier 1 resources companies and have been actively promoting the GeoVR platform in South Africa, Europe, and Australia.
- TerraCentric has elected to enter into an Option Deed, in accordance with the terms of the existing Shareholder Agreement for the GeoVR JV, relating to the potential purchase Singular Health’s 50% shareholding of the GeoVR JV.

8 August 2022 – Medical technology company Singular Health Group Ltd (ASX: SHG) (“Singular Health”, or “the Company”) is pleased to announce the signing of a Share Sale Agreement to divest of its 50% shareholding in the in the GeoVR Pty Ltd joint venture (“GeoVR JV”) to its joint venture partner TerraCentric Pty Ltd (“TerraCentric”). The agreement is for an indicative Purchase Price of AUD\$500,000 and a proposed ongoing license fee or royalty.

The intellectual property (IP) that underpins GeoVR allows for the 3D visualisation of large datasets to create a collaborative, interactive virtual twin of mineral exploration and ongoing resource extraction activities from commonly used data formats and is a complementary addition to TerraCentric’s parent company, FlowCentric Technologies Pty Ltd’s existing mineral resource software offerings.

GeoVR Pty Ltd, a joint venture company incorporated in November 2021 as announced in the ASX release “GeoVR JV formed to commercialise 3D & Virtual Reality visualisation software for mineral exploration & mine optimisation.” dated 16th November 2021, holds the GeoVR platform IP.

Indicative Purchase Price & Payment Terms:	AUD\$500,000, subject to adjustments with terms over 5 equal monthly payments.
Proposed License Fee & Ongoing Services:	AUD\$50,000 per annum or 10% of the revenue, to be negotiated. Singular Health to provide software development services on an ad-hoc basis.
Due Diligence Period:	90-days
Costs & Fees:	Each party has borne, and shall bear, their own costs associated with the potential transaction and due diligence process.

Option Deed implications and impact

The execution of the Option Deed today sees the GeoVR JV partner, TerraCentric Pty Ltd, taking a significant step towards potentially acquiring Singular Health's 50% shareholding and consequently acquire a 100% shareholding of GeoVR Pty Ltd and its associated intellectual property assets.

An indicative purchase price of AUD\$500,000 has been offered for the shareholding, subject to standard adjustments in the 90-day due diligence period, along with an ongoing year-to-year license fee of AUD\$50,000 or a 10% revenue share (to be negotiated) to access Singular Health's APIs and Volumetric Rendering Platform.

If a sale proceeds, Singular Health shall continue to support TerraCentric in their future endeavours with GeoVR through the provision of ad-hoc technical, marketing, and corporate services at commercial rates.

At this time there is no guarantee a binding share sale agreement will be reached between the parties in the future. The Company will keep shareholders fully updated on this matter, in accordance with its continuous disclosure obligations.

Singular Health's Managing Director, Thomas Hanly, explaining the planned divestment of GeoVR, said:

"The GeoVR project has been a long-term project with TerraCentric and FlowCentric Technologies with the development work involved proving complementary to Singular's core medical imaging software development.

"We welcome the decision by our JV partner and their interest in the anticipated sale of the GeoVR asset as it would allow Singular to focus solely on advancing our medical imaging technology and its commercialisation."

Managing Director of TerraCentric Technologies, Kevin Hudson, said:

“TerraCentric and FlowCentric Technologies have been working with Singular Health over the last two years, and we are excited to take have this opportunity to take full ownership of GeoVR.

“The technology is complementary to so much of the work our company does in South Africa and Australia, and we look forward to continuing to work with the talented team at Singular Health.”

This announcement is authorised for release by the Board of Directors of the Company.

Ends

For further information contact

Investors	Corporate	Media
James Hill +61 413 825 646 jhill@singular.health	Steven Wood Company Secretary sw@grangeconsulting.com.au	Julia Maguire The Capital Network julia@thecapitalnetwork.com.au

About Singular Health

Singular Health Group Limited (ASX: SHG) is a medical technology company that empowers practitioners and patients via personalised surgical planning solutions that drive better health outcomes.

Singular Health has developed a proprietary Volumetric Rendering Platform (VRP) that leverages existing 2D radiological images to generate fully immersive patient-specific 3D/VR models. Although Singular Health’s VRP technology is applicable to other sectors in which the visualisation of dynamic data is crucial, with it already being utilised in the mining sector, the Company’s core focus is on the medical sector.

Complementing its VRP technology, Singular Health has acquired Virtual Surgical Planning software and a 25% stake in medical-grade 3D printing company Additive Engineering. These investments represent key milestones in Singular Health’s efforts to commercialise its ‘Scan to Surgery’ initiative, a world-first vertically integrated platform that revolutionises the planning and execution of personalised surgical procedures.

A successful full-scale commercialisation of this end-to-end personalised surgical planning platform will give Singular Health the capability to penetrate a multi-billion-dollar global market opportunity in the medical visualisation and additive manufacturing spaces.

With Singular Health, practitioners are empowered by having the ability to collaborate with producers of patient-specific medical components in real-time while patients benefit from having access to easily comprehensible and enhanced medical information.

To learn more, please visit: www.singular.health

About TerraCentric Pty Ltd

TerraCentric Pty Ltd is a nominee company of FlowCentric Technologies (Pty) Ltd. Established in 2000, FlowCentric Technologies (Pty) Ltd is a software development company that delivers business process management (BPM) software and solutions to an international market. FlowCentric Technologies is a privately-owned company with just under 100 employees. Headquartered in South Africa, the company has representation in Australia, the Middle East, North America, Singapore, and the United Kingdom.

With a robust development, services, and support team, FlowCentric is well-positioned to provide quality technology solutions and the related professional services to their geographically diverse community. FlowCentric Processware is widely used by medium to large companies, in multiple business sectors, to digitise, automate, and integrate business-critical processes.