

MEDIVAC LIMITED

TERM SHEET IN RELATION TO THE PROPOSED ACQUISITION OF 100% OF THE ISSUED SHARE CAPITAL OF BRAND TV MEDIA PTY LTD

Medivac Limited (the "Company") wishes to announce that the Company has on 26 August 2016 entered into a binding term sheet ("Term Sheet") with the shareholders of Brand TV Media Pty Ltd ("Vendors") in relation to the proposed acquisition of the entire equity interest in Brand TV Media Pty Ltd (the "BTVM") by the Company ("Proposed Acquisition").

The Proposed Acquisition, will result in a Reverse Takeover of the Company as defined in Chapter 1 and 2 of the Listing Rules of the Australian Securities Exchange ("ASX") and is subject to, inter alia, the approval of the ASX and the approval of the shareholders of the Company (the "Shareholders") at a general meeting of shareholders ("GM") to be convened.

TRANSACTION HIGHLIGHTS

BTVM to create an international, publicly listed, marketing and commercialisation company that is well managed, well financed and well positioned for future growth.

Medivac shareholders will benefit from the significant value proposition of the BTVM solution as it provides a revolutionary vision for the future of marketing and commercialization for OTT video platforms, a sector that is currently enjoying significant growth and interest.

Medivac shareholders benefit from expanded access to public capital, enhanced corporate visibility and international exposure for the BTVM product.

Both groups benefit from the experience of the current BTVM senior executives, and a core group of dedicated investors all of whom position the company to compete in a lucrative market.

BTVM BUSINESS

- BTVM is a marketing and commercialisation vehicle for OTT Video Platforms combining several key fundamentals to enable brands to leverage OTT Video as a mechanism.
- BTVM is a distributor of online, cloud based OTT Video, which is directly streamed to a range of electronic devices via internet connection.
- BTVM brings program management, marketing, social media engagement, e-commerce capabilities to the OTT Video Platform enabling consumer goods and services companies to envision and execute on a broad-based OTT Video engagement with their market.
- BTVM enables a unique and engaging selling journey for consumers, by delivering a seamless in contextual shopping experience – offering integrated viewing and buying abilities via embedded e-commerce.

PERSONNEL EXPERTISE

- Combined experience 22 years - ASX Listed company management
- Combined experience 68 years - selling and developing high end solutions to large corporates
- Combined experience 15 years - direct to consumer sales distribution

TERMS OF AGREEMENT

Completion of the Acquisition is subject to a number of conditions, including:

The Company obtaining all necessary shareholder and regulatory approvals pursuant to the ASX Listing Rules, Corporations Act 2001 (Cth) (Corporations Act) or any other law to allow completion of the Acquisition (including ASX reinstating Medivac's quoted securities to trading on ASX following completion of the Acquisition);

Medivac receiving an ASX waiver of ASX Listing Rule 2.1 Condition 2 to allow Medivac to issue shares under the Public Raise at 2 cents each.

Medivac preparing outstanding annual and half yearly financial statements to the satisfaction of the Vendors and BTVM as required by the Corporations Act and having those financial statements audited or audit reviewed as required by the Corporations Act

Medivac conducting due diligence enquiries of the Vendors and BTVM to its sole satisfaction within a period of 30 days from the date of this Terms Sheet

Medivac and BTVM raising at least the following amounts (**Capital Raisings**):

- BTVM raising at least \$400,000 in new working capital by issuing the Proposed Convertible Notes that will convert into New BTV Shares prior to Completion (**Preliminary Raise**); and
- Medivac raising at least \$3,600,000 in new working capital by the issue of Medivac Shares to the public at an issue price of not less than \$0.02 each or such other amount determined by Medivac (**Public Raise**);

The holder of the Secured Convertible Note previously issued to Pacific Corporate Services (Aus) Pty Ltd by MDV with a face value of \$360,000 agreeing to convert the note at a rate of conversion equal to \$0.02 per Medivac Share.

Approval under section 254H of the Corporations Act to consolidate the number of Medivac Shares on issue on a 350:1 basis (or such other ratio as the parties agree)

CONSIDERATION

In consideration for Medivac acquiring Brand TV Media the Company will issue the following securities to the persons (and/or their nominees) as specified:

- 215,000,000 Medivac Shares to be issued upon settlement of the Acquisition; and
- 30,000,000 Class A Performance Share in the relevant class will convert into one Share upon achievement of the Company (or an entity controlled by the Company) having cumulative contracted revenue of A\$5,000,000 within 18 months from requotation of the Company on the ASX.
- 50,000,000 Class B Performance Share in the relevant class will convert into one Share upon achievement of the Company (or an entity controlled by the Company) having cumulative contracted revenue of A\$10,000,000 within 2 years from requotation of the Company on the ASX.
- 50,000,000 Class C Performance Share in the relevant class will convert into one Share upon achievement of the Company (or an entity controlled by the Company) having cumulative contracted revenue of A\$20,000,000 within 3 years from requotation of the Company on the ASX.
- 25,000,000 Medivac Options (exercisable at \$0.02 each on or before 30 June 2020).

If the relevant Milestone is not achieved by the required date, then each Class Performance Share in that class will be automatically redeemed by the Company for the sum of \$0.00001 within 10 Business Days of non-satisfaction of the Milestone.

The terms of the Performance Shares may be amended as necessary by the Company board in order to comply with the ASX Listing Rules (if applicable), or any directions of ASX (if applicable) regarding the terms provided that, subject to compliance with the ASX Listing Rules, following such amendment, the economic and other rights of the Holder are not diminished or terminated.

CONVERTIBLE LOAN

BTVM providing at least \$400,000 in new working capital by issuing the Proposed Convertible Notes that will convert into New BTVM Shares prior to Completion.

The funds from the Convertible Notes will be used to pay for the costs of developing the BTVM business and the costs incurred by Medivac in association with requotation. BTVM shall advance funds to Medivac directly or indirectly through the payment of various creditors via a convertible loan facility agreement between Medivac and BTVM.

CHANGE OF NAME

Medivac will seek shareholder approval to change its name to a more appropriate name to reflect the change in business. Such name shall be determined by BTVM and be subject to shareholder approval.

RE-COMPLIANCE WITH ASX LISTING RULES CHAPTERS 1 AND 2

The Acquisition will result in a significant change to the nature and scale of Medivac's activities. For this reason, the Acquisition will require Medivac shareholders' approval under ASX Listing Rule 11.1.2 and will also require Medivac to re-comply with Chapters 1 and 2 of the ASX Listing Rules.

To enable Medivac to re-comply with the ASX Listing Rules and to support its growth strategy, Medivac plans to conduct the Capital Raising under a full form prospectus to raise at least A\$3.6 million (Prospectus). The price of Medivac Shares offered under the Capital Raising is \$0.02 per share. Medivac intends to appoint one or more brokers to manage the Capital Raising.

SHAREHOLDER APPROVAL

A notice of meeting seeking shareholder approval for the resolutions required to effect the Acquisition will be sent to Medivac shareholders in due course. It is expected that Medivac will convene a meeting to facilitate shareholder approval in or October 2016.

Medivac securities will remain suspended and, subject to Medivac shareholder approval being obtained, will remain suspended until Medivac has re-complied with the ASX Listing Rules and completed the Acquisition.

PRO-FORMA CAPITAL STRUCTURE

On the basis Medivac completes the Acquisition and associated transactions on the terms set out above, Medivac's capital structure will be as follows (assuming no other shares or options are issued by Medivac).

Event / Point in Time	MDV FPO Shares	Options
Pre Consolidation	834,189,105	
Post Consolidation	2,383,397	
*Vend	215,000,000	25,000,000
Secured Creditor	18,000,000	
Lead Manager Shares	15,000,000	
Public Capital raising \$3.6M at 2 cents per share	180,000,000	
**Total upon Completion	430,383,397	25,000,000

*Vend includes existing and proposed convertible notes

**Excludes milestone Performance Shares

INDICATIVE TIMETABLE

An indicative timetable for completion of the Acquisition is set out below:

Event	Date
Announcement of Acquisition	26 August 2016
Dispatch of notice of meeting to approve the Acquisition and associated resolutions	16 September 2016
Lodgement of Prospectus with the ASIC for the Capital Raising	14 October 2016
General Meeting of Shareholders	21 October 2016
Closing date of Capital Raising	11 November 2016
Targeted Completion of the Acquisition and reinstatement to the Official List of the ASX	2 December 2016

Please note this timetable is indicative only and the directors of Medivac reserve the right to amend the timetable as required.