

3 September 2015

BATM Advanced Communications Limited
(“BATM” or “the Group”)

First major pathogenic waste treatment contract win in agricultural sector

Pathogenic Waste Treatment and Sterilisation unit wins \$1.5m contract for application of new technology solution in poultry farming

BATM Advanced Communications Limited (LSE: BVC), a leading provider of real-time technologies for networking solutions and medical laboratory systems, is pleased to announce that its Pathogenic Waste Treatment and Sterilisation unit has been awarded its first major contract in the agricultural sector from a major poultry farming company based in Israel. The contract has an initial value of approximately \$1.5m, which the Group believes could increase to approximately \$7.5m over the next two years. This follows the launch of the new solution, based on its Integrated Steriliser and Shredder (“ISS”), for agri-business in H1 2015.

The Group will install its ISS-based technology at the customer’s poultry processing site. The ISS will safely treat the byproducts of chicken processing in a more efficient manner than conventional farming methods and render it suitable for use in producing other commercial products such as Meat and Bone Meal for animals (“MBM”) and Meat and Bone Fat (“MBF”). The customer is already one of the main suppliers of MBM and MBF to a large producer of animal food in Israel. By enabling the production of usable byproducts, the Group believes the solution offers excellent ROI. In addition, the award of this contract follows a one-year proof-of-concept study, by the Veterinary Authority of Israel, to attest to the uniqueness and efficacy of the solution.

During the first phase of the project, the Group will receive payment for the ISS-based units through a revenue share agreement based on the sale of the usable byproducts. Under the terms of the contract, the Group will initially treat 10 tonnes per day – while the overall capacity of the facility is between 60-90 tonnes per day. The Group expects that, following the success of the first phase, the installation will be expanded to treat the entire capacity.

Dr Zvi Marom, Chief Executive Officer of BATM, said: “We are delighted that we are continuing to find new and significant applications for the unique technology that we have developed with the ISS. With our recent contract win in the pharmaceutical industry, this first major award in the agricultural sector strengthens our position for further success and expansion with ecologic-based projects. We are already in advanced discussions for another contract in the agricultural sector and it is our belief that we will receive interest from other industries as the new opportunities that our technology provide become increasingly apparent.”

Enquiries

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