



**Press release**  
***For immediate release***

## **VICTHOM ANNOUNCES THE SALE OF ITS INTEREST IN NEUROSTREAM JOINT VENTURE TO ITS PARTNER OTTO BOCK**

**Quebec (Canada), June 16, 2011** - Victhom Human Bionics Inc. ("Victhom," TSX-V: VHB) announced today that the 44.4% participation of its wholly-owned subsidiary, 4504054 Canada Inc., in Neurostream Technologies G.P. ("Neurostream") was acquired by its joint venture partner 4491343 Canada Inc., a related party to Otto Bock Healthcare ("Otto Bock") for an aggregate consideration of \$10 million in cash as well as the payment of royalties on the future net sales of the Neurostep<sup>®</sup> System and eventual monetization proceeds of the sleep apnea and epilepsy technologies of Neurostream.

The effective date of this transaction will be June 30, 2011, at which time Otto Bock will pay the first tranche of \$5 million of this consideration, the balance being payable on February 1, 2012 and secured by a first demand irrevocable bank guarantee. Proceeds from the transaction will be used, as per the incorporating documents of Victhom and the conditions of the outstanding Series "A" preferred shares, to redeem these shares for up to approximately \$7 million and for other general corporate purposes.

As previously announced by Victhom, Neurostream had not met certain partnership milestones, which, pursuant to the terms of the partnership agreement of Neurostream, triggered a call right in favor of Otto Bock to acquire the indirect interest of Victhom in Neurostream. It must be noted that even though Neurostream had not achieved a milestone on May 1<sup>st</sup>, 2010 linked to the European certification of the product in development, Otto Bock had continued to fund the operations of Neurostream on a voluntary basis and had advanced to Neurostream \$11.5 million which were used for the continued development of the Neurostep<sup>®</sup> System.

Post transaction, Victhom will manage its relationship with its two major partners to maximize value from the products that will generate royalties on a going-forward basis. The main assets of Victhom will be composed of the O&P patent portfolio licensed to Ossur and the royalty agreement with Otto Bock.

Mr. Normand Rivard, Chief Executive Officer, commented: "This is a positive outcome for Victhom as the proceeds from this transaction will provide us with immediate access to capital to strengthen our balance sheet while keeping up-side potential from the sales to be generated from Neurostream's unique neuromodulation technology platform. Combined with the royalty stream from the second generation of the Power Knee which, as previously announced, was launched by our partner Ossur earlier this year, I believe the Company is well positioned to generate value for our shareholders on an ongoing basis." He added: "We would like to thank our joint venture partner, Otto Bock, for helping build value in our joint venture which has resulted in a mutually beneficial outcome."

“Neurostimulation is clearly identified as a further driver of growth for Otto Bock that opens a new technological field for us. Further to our work during the last years, we will now be able to consolidate all neurostimulation activities of the group and reach synergies in development, manufacturing, and sales and marketing with the other neurostimulation sites: Neurodan in Aalborg, Denmark and Otto Bock, Vienna, Austria,” said Mr. Johannes Schneider Littfeld, CEO Neurostimulation, Otto Bock. He added: “We would like to express our thanks to our joint venture partner for all the effort put into this operation.”

### **About Victhom**

Victhom is a company which owns patents in the field of orthotics and prosthetics (“O&P”), including intellectual property used in the Power Knee, the world’s first and only motor-powered prosthesis for above-knee amputees, a product distributed under license agreement by Ossur, a global leader in the O&P market. The Company also has a royalty agreement related to the Neurostep® System and neuromodulation products in other indications (sleep apnea and epilepsy) using the Neurobionix technology platform currently under development by Neurostream Technologies, a General Partnership now owned by Otto Bock, a global leader in the O&P market.

### **About Otto Bock**

Otto Bock Healthcare is a global market leader in prosthetics and is on a steady growth course thanks to its leading technology for people. The Company has been owner-managed ever since it was founded in 1919. With headquarters in Duderstadt, Germany, Otto Bock Healthcare has subsidiaries in 43 countries and employs 4,500 people around the world. In 2010, the company’s sales reached €529 million.

The Company has been active in the North American market since 1958, when Otto Bock USA subsidiary was founded in Minneapolis. Otto Bock Healthcare is also represented in Canada through its Toronto subsidiary.

The Company has a global infrastructure in the field of neurostimulation with offices in Austria, Denmark, Canada, and the US. The Company is headed by President & CEO Professor Hans Georg Näder.

## **FORWARD-LOOKING STATEMENTS**

Some of the statements made herein may constitute forward-looking statements. These statements relate to future events or our future financial performance and involve known and unknown risks, uncertainties, and other factors that may cause Victhom's actual results, performance, or achievements to be materially different from those expressed or implied by any of Victhom's statements. Actual events or results may differ materially. We disclaim any intention, and assume no obligation, to update these forward-looking statements.

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Source: Victhom Human Bionics Inc.

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