

**With Little Debt and a Good Bottom Line, as a Small Well-Run Company Providing Hearing Services to British Columbia, Alberta and the Pacific Northwest US, Audiotech Healthcare Corporation is Well Positioned to Continue its Steady Growth**

**Healthcare  
Hearing Services  
(AUD-TSXV)**

**Audiotech Healthcare Corporation**

**760-175 Second Avenue  
Kamloops, BC V2C 5W1  
Phone: 250-372-5847  
www.audiotech.org**

**Oswaldo Iadarola  
President and CEO**

**BIO:**

Mr. Iadarola is the President and CEO of Audiotech Healthcare Corporation and its subsidiaries, American Hearing Care and Canadian Hearing Care. Mr. Iadarola has been involved in the management of Hearing and Audiology clinics since 1983 and Hearing and Balance clinics since 2005. He is responsible for ongoing business development, operational growth, corporate finance and acquisitions.

Mr. Iadarola is a director and member of the Audit Committee of Cassidy Gold Corporation. Audiotech Healthcare Corporation and Cassidy Gold Corporation are publicly listed companies on the TSX Venture Exchange. Mr. Iadarola is also President of Excalibur Properties Ltd., a privately held real estate development company.

**Company Profile:**

Audiotech Healthcare provides hearing services to British Columbia, Alberta and the Pacific Northwest US through its 2 main subsidiaries, Canadian Hearing Care and American

Hearing Care.

By partnering with several of the industries leading manufacturers, we offer superior products with a matching level of dedication to client care.

Streamlined management of all our operations relieves the day-to-day stresses of our clinicians allowing them to focus solely on the client and provide the highest level of hearing care possible.

This ensures a high level of client satisfaction and has proven itself with year over year sales growth.

**Interview conducted by:  
Lynn Fosse, Senior Editor  
CEOCFO Magazine**

**CEOCFO:** Mr. Iadarola, what is the vision and grand plan at Audiotech Healthcare today?

**Mr. Iadarola:** We are a small public company in the hearing care industry. Our main focus is providing quality care to our clients, making sure the people we have working for us are the best that they can be and are good at providing quality hearing care. It is a company that is very much like a family; we care for each other and we look out for each other. It is a very good group of people here at Audiotech and their subsidiaries Canadian Hearing Care and American Hearing Care.

**CEOCFO:** What about the hearing care industry in general; do people usually not go to their general practitioner or how does it work?

**Mr. Iadarola:** People usually go see their doctor and then the doctor determine if they should go get a hearing test at a hearing clinic with an audiologist or a hearing aid practitioner (clinician). The clinician at the hearing clinic assesses the patient of there hearing loss. If the hearing loss means that they need hearing aids, then the patient is consulted and recommended to use hearing aids that best suite their hearing loss.

**CEOCFO:** Is this outside of the covered healthcare in Canada, and if so, how does it work?

**Mr. Iadarola:** In Canada it not covered by Medical, but there are extended medical plans, especially for most people that are employed. Retired people tend not to have extended medical plans. However, there is workers comp, so depending on how long you have worked in a noisy environment you usually are covered for compensation.

**CEOCFO:** Audiotech has been at this quite some time; what has changed most in the hearing aid and hearing testing industry?

**Mr. Iadarola:** The biggest change and almost yearly, is the technology. It is just amazing where the hearing care industry has gone and the quality of the hearing aids manufacture. It is so advanced and it is customized for each individual. Technology has come a long way since I first started in 1983 and it greatly improved many lives.

**CEOCFO:** How many locations does Audiotech have today?

**Mr. Iadarola:** We have 16 locations in total.

**CEO CFO:** Do you see more growth in the US; is that an area that you are looking at?

**Mr. Iadarola:** The United States has been challenging, as it was hit a bit harder than Canada by the recession. However, we have found that we were able to hold quite well; not really grow with large increases, but just staying steady at 2% to 6% per year, so we have been happy with our American division. Our Canadian division has grown more rapidly, because the economy has not been as hard hit. However, regardless of what the economy is doing, when it comes to care and your hearing, people realize that hearing is very important and for them to be able to communicate better they find the resources to obtain hearing aids. United States, has more third-party insurances medical plans, but with greater cut backs it seems that there is less money in the system for funding of quality hearing aids. Therefore, fewer funds are provided by the insurance plans and the patients usually end up with a cheaper hearing aid.

**CEO CFO:** Are you looking to go into different provinces or will you stay in western Canada?

**Mr. Iadarola:** We are presently only in Western Canada, but if the oppor-

tunity presented itself we would look at Eastern Canada.

**CEO CFO:** Does Audiotech own its own centers, do you have franchises or is it a combination?

**Mr. Iadarola:** There are no franchises or indirect ownership. It is all direct ownership.

**CEO CFO:** Seems the demographics and people living longer would be in your favor; what about the market potential and the actual opportunities

**Audiotech Healthcare is a small well-run company. It is a company that has little debt and good bottom line. For fiscal 2011, our pre-tax net income for the year was 12% of our total revenues and that is pretty good, but we want to do better. - Osvaldo Iadarola**

in this industry?

**Mr. Iadarola:** The market potential is huge. The Hearing Health Industry is projected to double in growth by 2020 from 2011. Beginning as of 2011 in Canada there is 1,100 people a day that are turning 65 and in the United States, it may be as high as 5,600 people per day turning 65. The baby boomers are turning 65 at a huge pace.

**CEO CFO:** Has hearing loss increased over the years in people; is it a bigger problem than it used to be?

**Mr. Iadarola:** Yes, there is a growing increase of hearing loss, especially

with the aging baby boomers. I remember listening to very loud music, and it continues. People are exposed to a continuous noisy environment.

**CEO CFO:** How does Audiotech position itself to take the best advantage?

**Mr. Iadarola:** Just continue to do what we are doing. We have a good group; we will continue to provide quality service, good technology and fair prices.

**CEO CFO:** Do you do much investor outreach?

**Mr. Iadarola:** We have not had the need for it. Our strategy now is to continue doing what we are doing. We have a strategy to pay down all of our debt within three years. We paid down

37% of our total long-term debt for fiscal 2011. Therefore, we are just going to continue with that strategy and in the near future when the debt is paid off we will start paying dividends to our shareholders.

**CEO CFO:** Final thoughts? Why should potential investor take a look at Audiotech Healthcare?

**Mr. Iadarola:** Audiotech Healthcare is a small well-run company. It is a company that has little debt and good bottom line. For fiscal 2011, our pre-tax net income for the year was 12% of our total revenues and that is pretty good, but we want to do better.



**Audiotech Healthcare Corporation  
760-175 Second Avenue  
Kamloops, BC V2C 5W1  
Phone: 250-372-5847  
www.audiotech.org**