



26 April 2018

Dear Shareholder

Successful Share Placement and Entitlement Offer

On 23 April 2018, AtCor announced a fully underwritten non-renounceable rights issue of approximately 56,204,699 new fully paid ordinary shares (**Entitlement Offer**) under which its eligible shareholders will be offered 1 fully paid ordinary share in AtCor (**New Share**) for every 5 fully paid ordinary shares held on the record date, at an issue price of A\$0.02 per share. Eligible shareholders are also offered 1 free attaching new option for every 2 new shares subscribed for and issued under the entitlement offer. The new options are exercisable at \$0.05 and have an expiry date of 30 November 2021.

This Entitlement Offer will be made to those shareholders of AtCor with registered addresses in Australia and New Zealand.

The company is embarking on an ambitious and significant new business strategy that involves a change of direction for the Company including:

- (a) a shift in the traditional sales focus to a “direct” model selling directly to medical practitioners and health providers;
- (b) an investment and strategic collaboration with a wearable and wireless blood pressure device company, Blumio, that specialises in sensor-based diagnostics;
- (c) the development of a consumer and digital media strategy to take advantage of the growth in digital health and electronic medicine;
- (d) a restructuring of the Company into new divisions to allow the Company to additionally focus on new, high growth health technology opportunities outside of cardiovascular health; and
- (e) pursuing a number of other new business development opportunities consistent with these strategies.

The Entitlement Offer will raise approximately \$1,124,094 before costs and the funding received from the transaction will allow the company to execute against its new vision described above, and allow for additional working capital purposes.

All shareholders are encouraged to take part in the Entitlement Offer. The offer is fully underwritten by Taylor Collison.

AtCor has decided that it is unreasonable to make the offer to shareholders with registered addresses outside of Australia and New Zealand (**Ineligible Shareholders**) due to:

1. the small number of shareholders with registered addresses outside of these countries;
2. the number and value of shares those shareholders would be offered; and
3. the cost of complying with the legal and other regulatory requirements in each of the countries concerned.

The Entitlement Offer will not be extended to Ineligible Shareholders and they will not receive a copy of the Entitlement Offer Prospectus or an Entitlement and Acceptance Form.

No action has been taken to register or qualify the Entitlement Offer Prospectus and Entitlement and Acceptance Form, the Entitlement Offer or the New Shares or to otherwise permit a public offering of the New Shares in any jurisdiction outside of Australia or New Zealand.

AtCor expects to dispatch the Prospectus and Entitlement and Acceptance Forms to Eligible Shareholders on or around 3 May 2018. The Prospectus has been lodged with ASIC and the ASX and is available on the ASX website at www.asx.com.au.

The key dates for the Entitlement Offer are set out below:

Entitlement Offer Details

Who may participate	All Australian and New Zealand shareholders
Offer	1 share for every 5 shares held at the record date
Offer price	\$0.02
Option	1 option share for every 2 new shares subscribed for and issued under the Entitlement Offer
Option price	Option are exercisable at \$0.05
Option expiry	30 November 2021
Ex-date	Friday, 27 April 2018
Record date	Monday, 30 April 2018
Offer opens and dispatch of Prospectus	Thursday, 3 May 2018
Last Day to extend offer closing date	Friday, 1 June 2018
Offer closes	Wednesday, 6 June 2018
New Shares quoted on a deferred settlement basis	Thursday, 7 June 2018
Notify ASX of under subscriptions	Tuesday, 12 June 2018
Allotment of new shares	Thursday, 14 June 2018
New shares commence trading on ASX	Friday. 15 June 2018

* This timetable is indicative only and may be subject to change, subject to the ASX Listing Rules.

Existing option holders may participate in the Entitlement Offer upon exercise of their vested options in sufficient time to be registered as holders of the relevant Shares on the Record Date. AtCor sent a letter to its option holders on 24 April 2018 to notify them of their right to participate in the Entitlement Offer upon exercise of their vested options.

For further information about the Entitlement Offer please contact me on +61 2 8296 0000 at any time from 8.30 am to 5.30 pm (Sydney time) Monday to Friday during the offer period.

Yours faithfully

Jarrold White
Company Secretary
AtCor Medical Holdings Limited