



ASX ANNOUNCEMENT

ASX CODE: AZV

24 November 2016

Azure Healthcare Limited Announces Oversubscribed Placement & Non Renounceable Rights Offer

Azure Healthcare Limited (ACN 108 208 760) (ASX: AZV) (**Azure** or the **Company**) is pleased to announce the successful placement of 28,456,731 new fully paid ordinary shares in the Company to sophisticated, professional and institutional investors at an issue price of \$0.070 per share, to raise \$1,991,971 (**Placement**).

In conjunction with the Placement, the Company's Directors are also pleased to provide notice to Eligible Shareholders for the opportunity to participate in a 1:15 pro-rata, non-renounceable rights offer (**Rights Offer**) to raise up to \$1,018,119.

The Company's Directors unanimously support the Rights Offer, and all Directors that hold Azure shares intend to take up their full pro-rata entitlement.

The shares issued pursuant to the Rights Offer will be issued at the same price as issued under the Placement, being \$0.070 per share (**Offer Price**).

The Offer Price reflects a 5.7% discount to the 5 day volume weighted average trading price (**VWAP**) of the Company's shares for the period ended on 22 November 2016. The Placement and, if fully subscribed, the Rights Offer, will raise a total of \$3,010,090.

The funds raised from the Placement and Rights Offer (net of offer expenses) will be used by the Company to repay debt and for working capital purposes.

Placement

The oversubscribed Placement involved an allocation of 28,456,731 new fully paid ordinary shares to sophisticated, professional and institutional investors at an issue price of \$0.070 per share, raising \$1,991,971. Investors that participated in the Placement will be eligible to participate in the Rights Offer. The Directors were particularly pleased with the level of support received from institutional investors.

Shares issued under the Placement will rank equally in all respects with the existing fully paid ordinary shares in the Company.

Settlement is expected to take place on 25 November 2016. Shares issued under the Placement are expected to commence trading on ASX on 28 November 2016.

Rights Offer

The Rights Offer will comprise an issue of up to 14,544,552 fully paid ordinary shares (**Rights Offer Shares**) at an issue price of \$0.070 per share (**Offer Price**) to raise up to \$1,018,119.

The Rights Offer is made up of two separate offers as follows:

- (1) a non-underwritten, pro-rata non-renounceable rights offer, of new fully paid ordinary shares in the Company (**New Shares**) to Eligible Shareholders on the basis of 1 New Share for every 15 existing ordinary shares held on the Record Date, at an issue price of \$0.070 per New Share (**Offer Price**) to raise up to \$1,018,119 (**Offer**); and
- (2) any New Shares not applied for under the Offer (**Shortfall Shares**) will be offered to Eligible Shareholders, who may, subject to conditions, apply for additional New Shares in excess of their entitlement under the Offer, at the same Offer Price (**Shortfall Offer**).

Shortfall Shares will be issued to Eligible Shareholders under the Shortfall Offer at the sole discretion of the Directors of the Company in accordance with the Shortfall allocation policy detailed in the Offer Document. There is no guarantee that Eligible Shareholders will receive Shortfall Shares.

The Rights Offer is non-renounceable. Accordingly, there will be no trading of rights on the ASX, and Eligible Shareholders may not dispose of their rights to subscribe for shares under the Rights Offer to any other party.

All Rights Offer Shares issued under the Rights Offer will rank equally with existing ordinary shares on issue in the Company.

The Rights Offer is not underwritten.

The net funds raised from the Rights Offer will be used by the Company as outlined above.

Eligibility to participate in the Rights Offer

The Rights Offer is being made to Eligible Shareholders on the basis of the number of ordinary shares held in the Company as at 7.00 pm (AEDT) on 1 December 2016 (**Record Date**).

Eligible Shareholders are those shareholders who, on the Record Date, are registered holders of ordinary shares in the Company and whose registered address (as shown on Azure's share register) is in Australia or New Zealand (**Eligible Shareholders**).

Rights Offer timetable

The proposed timetable for the Rights Offer is set out below. The dates are indicative only and the Company reserves the right to vary the dates, including the right to extend the Closing Date, or to withdraw the Rights Offer (subject to the *Corporations Act 2001* (Cth) (the **Act**) and the ASX Listing Rules).

The Rights Offer is being made without a disclosure document, pursuant to the exemption granted in s708AA of the Act and applicable ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (**CI 2016/84**).

Azure will send an Offer Document and Entitlement and Acceptance Form to Eligible Shareholders by Tuesday, 6 December 2016.

Date	Event
Wednesday, 24 November 2016	ASX Announcement of Placement & Rights Offer
Thursday, 24 November 2016	Lodgment of Rights Offer Information Booklet (Offer Document), Cleansing Notice and Appendix 3B with ASX
Monday, 28 November 2016	Company sends letter to Eligible Shareholders and non-eligible shareholders containing information of the Rights Offer and Rights Offer timetable
Wednesday, 30 November 2016	Rights Offer Ex Date Company shares trade on an ex-basis for the Rights Offer
Thursday, 1 December 2016 (7.00pm AEDT)	Rights Offer Record Date
Tuesday, 6 December 2016	Rights Offer Opening Date Rights Offer Opens Offer Document and Entitlement and Acceptance Forms dispatched to Eligible Shareholders
	The Company announces that the dispatch has been completed

Date	Event
Tuesday, 3 January 2017 (5.00pm (AEDT))	Rights Offer Closing Date
Wednesday, 4 January 2017	Quotation on a deferred settlement basis
Friday, 6 January 2017	Rights Offer Shortfall Notification Date Company announces results of Rights Offer and notifies ASX of under-subscriptions
Tuesday, 10 January 2017	Rights Offer Allotment Date Issue date under Rights Offer – Deferred settlement trading ends
Wednesday, 11 January 2017	Rights Offer Trading Date Normal trading of Rights Offer Shares
Thursday, 12 January 2017	Rights Offer Dispatch Date Dispatch of holding statements

The timetable above is indicative only and may be subject to change. Azure reserves the right to amend any or all of the above dates and times, subject to the Corporations Act, the ASX Listing Rules, and any other applicable laws. In particular, Azure reserves the right, to extend the Closing Date or to withdraw the Offer without prior notice. Any extension of the Closing Date will have a consequential effect on the date for the allotment of Rights Offer Shares.

An Appendix 3B for the Shares to be issued pursuant to the Placement, and the Rights Offer Shares to be issued pursuant to the Rights Offer, together with the Offer Document, and Cleansing Notice in respect of the Rights Offer will follow this announcement.

This announcement is **not** an Offer Document. Any Eligible Shareholder considering acquiring shares under the Rights Offer should read the Offer Document carefully. Applications for shares under the Rights Offer may only be made using the Entitlement and Acceptance Form to be attached to, or accompanying the Offer Document. Securities will only be issued on the basis of an Entitlement and Acceptance Form issued together with the Offer Document.

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About Azure Healthcare Limited (ASX:AZV)

Azure Healthcare Limited is an international provider of healthcare communication and clinical workflow management solutions. The company is headquartered in Australia, has subsidiaries in six countries and supports healthcare facilities through our global reseller network which includes growing markets in health, aged care and remand care. Azure Healthcare services markets including Australia, New Zealand, Canada, UK, USA, Asia and the Middle East. For further information please refer to the Company's website www.azurehealthcare.com.au