

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Generation Healthcare REIT

ABN

ARSN 118 712 584

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Ordinary fully paid units
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	The final number of new units issued under the equity raisings announced on 22 May 2014 is: <u>Issued on 3 June 2014</u> • Placement - 5,750,000 units • Institutional Entitlement Offer - 10,715,147 units • Retail Entitlement Offer (early component) - 201,839 units <u>Issued on 20 June 2014</u> • Retail Entitlement Offer (final close) - 25,239,200 units <u>To be issued on 23 June 2014</u> • Placement - 12,083,333 units As a result of reconciliation and rounding of the holdings, the Retail Entitlement Offer was larger than announced on 22 May 2014. The total number of new units issued under the placements and the Entitlement Offer is 53,989,519.

3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Ordinary fully paid units.
4	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	No. The units will not be entitled to the half year distribution for the period ending 30 June 2014. The units will rank equally with existing units on commencement of trading on 26 June 2014.
5	Issue price or consideration	\$1.20 per unit
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The proceeds will be used to fund: • the acquisition of a medical office building located at 55 Little Edward Street, Brisbane, including via the issue of 12,083,333 units as part consideration for the acquisition; • the refurbishment and expansion of Epworth Freemasons Clarendon Street; and • transaction costs. Further details are as set out in the investor presentation lodged with the ASX on 22 May 2014.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	Yes.
6b	The date the security holder resolution under rule 7.1A was passed	28 October 2013

+ See chapter 19 for defined terms.

6c	Number of +securities issued without security holder approval under rule 7.1	6,981,487 units
6d	Number of +securities issued with security holder approval under rule 7.1A	10,851,846 units
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil
6f	Number of +securities issued under an exception in rule 7.2	36,156,186 units
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Issue date - 23 June 2014. Issue price - \$1.20 per unit VWAP will be calculated over 15 trading days prior to 20 June 2014. GHC will advise ASX of the VWAP calculations on the issue date.
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Valuation will be released to the market on the issue date, being 23 June 2014.
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	LR 7.1 - Nil LR 7.1A - 235,227

7 +Issue dates

Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.

Cross reference: item 33 of Appendix 3B.

3 June 2014

- 5,750,000 units pursuant to a placement
- 10,916,986 units issued under the institutional component and early retail component of Entitlement Offer

20 June 2014

- 25,239,200 units pursuant to retail component of Entitlement Offer

23 June 2014

- 12,083,333 units pursuant to a placement

Holding statement for new units issued on 3 June 2014 were dispatched on 3 June 2014.

Holding statements for new units issued on 20 June 2014 will be dispatched on 23 June 2014.

+ See chapter 19 for defined terms.

8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the ⁺ securities in section 2 if applicable)	Number	⁺ Class
		Following the Institutional Placement, Institutional Entitlement Offer and Retail Entitlement Offer there are 162,426,048 units on issue. Following the placement there will be 174,509,381 units on issue.	Ordinary fully paid
9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the ⁺ securities in section 2 if applicable)	Number	⁺ Class
		Not applicable	
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No change.	

Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the ⁺ securities will be offered	3 units for 10 existing units
14	⁺ Class of ⁺ securities to which the offer relates	Ordinary fully paid units
15	⁺ Record date to determine entitlements	7.00 pm on Tuesday 27 May 2014
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No

17	Policy for deciding entitlements in relation to fractions	Fractional entitlements will be rounded to the next whole unit.
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Countries outside Australia and New Zealand.
19	Closing date for receipt of acceptances or renunciations	• 30 May 2014 - Institutional component and early retail component of Entitlement Offer • 13 June 2014 - Retail component of Entitlement Offer
20	Names of any underwriters	Macquarie Capital (Australia) Limited and Morgans Corporate Limited.
21	Amount of any underwriting fee or commission	2.5% of the proceeds raised under the placement and Entitlement Offer
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	\$100 per security holder's application.
25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	A Retail Entitlement Offer Booklet and personalised entitlement and acceptance form was sent to eligible unitholders on 29 May 2014.

+ See chapter 19 for defined terms.

27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	⁺ Issue date	3 June 2014 • 5,750,000 units pursuant to a placement • 10,916,986 units issued pursuant to the institutional component and early retail component of Entitlement Offer 20 June 2014 • 25,239,200 units pursuant to the retail component of Entitlement Offer. 23 June 2014 • 12,083,333 units pursuant to a placement

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of ⁺securities
(tick one)

(a) ☒ ⁺Securities described in Part 1

(b) ☐ All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid,

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of +securities for which +quotation is sought					
39	+Class of +securities for which quotation is sought					
40	Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities? If the additional +securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment					
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another +security, clearly identify that other +security)					
42	Number and +class of all +securities quoted on ASX (including the +securities in clause 38)	<table border="1"><thead><tr><th>Number</th><th>+Class</th></tr></thead><tbody><tr><td></td><td></td></tr></tbody></table>	Number	+Class		
Number	+Class					

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:
(Director/Company secretary)

Date: ...19 June 2014..

Print name:John Freemantle

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	98,640,857
Add the following: - Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 - Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval - Number of partly paid +ordinary securities that became fully paid in that 12 month period <i>Note:</i> - Include only ordinary securities here – other classes of equity securities cannot be added - Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed - It may be useful to set out issues of securities on different dates as separate line items	1,258,708 (<i>DRP – 30/8/2013</i>) 414,161 (<i>Performance Fee – 7/10/2013</i>) 6,140,351 (<i>Unit Purchase Plan – 19/12/2013</i>) 3,450,185 (<i>Performance Fee – 28/2/2014</i>) 966,477 (<i>DRP – 28/2/2014</i>)
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	110,870,739

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	16,630,610
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <i>Note:</i> • This applies to equity securities, unless specifically excluded – not just ordinary securities • Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed • It may be useful to set out issues of securities on different dates as separate line items	9,649,123 (<i>Placement – 19/11/2013</i>) 6,981,487 (<i>Entitlement offer – 22/05/2014</i>)
“C”	16,630,610
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	16,630,610
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	16,630,610
Total [“A” x 0.15] – “C”	Nil <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	110,870,739
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	11,087,073
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items	10,851,846 (<i>Entitlement offer – 22/05/2014</i>)
“E”	10,851,846

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	11,087,073
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	10,851,846
Total [“A” x 0.10] – “E”	235,227 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.