

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

Virtus Health Limited

ABN

80 129 643 492

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).

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| 1 | +Class of +securities issued or to be issued | Unlisted Performance Rights (Rights) to acquire ordinary fully paid shares in Virtus Health Limited. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 36,472 |
| 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) | No. However, ordinary fully paid shares issued to Rights holders on exercise of the unlisted Rights will rank equally with the existing quoted fully paid shares from the date of allotment. |

+ See chapter 19 for defined terms.

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| 4 | <p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • 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 | <p>Refer to the Virtus Health Executive Option Plan Rules lodged with ASX on 11 June 2013 which sets out the general terms and conditions of the Rights.</p> <p>In addition, the specific terms of the Rights are as follows:</p> <p>Number of Rights: 36,472 Exercise Price: \$Nil Vesting: 10 November 2017 subject to performance hurdles being satisfied Expiry Date: 10 November 2024</p> |
| 5 | Issue price or consideration | Nil |
| 6 | Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets) | To assist in the reward, motivation and retention of executive personnel. |
| 6a | <p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p> | No |
| 6b | The date the security holder resolution under rule 7.1A was passed | Not applicable. |
| 6c | Number of +securities issued without security holder approval under rule 7.1 | Not applicable. |
| 6d | Number of +securities issued with security holder approval under rule 7.1A | Not applicable. |

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| 6e | Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) | Not applicable. | |
| 6f | Number of +securities issued under an exception in rule 7.2 | Not applicable. | |
| 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. | Not applicable. | |
| 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 | Not applicable. | |
| 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 | Not applicable. | |
| 7 | <p>+Issue dates</p> <p>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.</p> <p>Cross reference: item 33 of Appendix 3B.</p> | 18 November 2014 | |
| 8 | Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable) | Number | +Class |
| | | 79,885,938 | Fully paid ordinary shares |
| 9 | Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable) | Number | +Class |
| | | 412,500 | VRTOPT1 class unlisted options expiring on 11 June 2018 (ASX Code: VRTAI) |

+ See chapter 19 for defined terms.

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| 313,005 | VRTOPT2 class unlisted options expiring on 27 January 2017 |
| 36,472 | Unlisted Performance Rights expiring on 10 November 2024 |

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| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | The dividend policy remains unchanged as a result of the issue of these securities. |
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Part 2 - Pro rata issue

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| 11 | Is security holder approval required? | Not applicable. |
| 12 | Is the issue renounceable or non-renounceable? | Not applicable. |
| 13 | Ratio in which the +securities will be offered | Not applicable. |
| 14 | +Class of +securities to which the offer relates | Not applicable. |
| 15 | +Record date to determine entitlements | Not applicable. |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | Not applicable. |
| 17 | Policy for deciding entitlements in relation to fractions | Not applicable. |
| 18 | Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small> | Not applicable. |
| 19 | Closing date for receipt of acceptances or renunciations | Not applicable. |

+ See chapter 19 for defined terms.

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| 20 | Names of any underwriters | Not applicable. |
| 21 | Amount of any underwriting fee or commission | Not applicable. |
| 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 | Not applicable. |
| 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 | Not applicable. |
| 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. |

+ See chapter 19 for defined terms.

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| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | Not applicable. |
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| 33 | +Issue date | Not applicable. |
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+ See chapter 19 for defined terms.