

ORION HEALTH GROUP LIMITED

25 August 2017

NZX Limited
Wellington

NOTIFICATION OF REDEMPTION OF SHARES

For the purposes of Listing Rule 7.12.1 of the NZX Main Board Listing Rules, Orion Health Group Limited (**OHE**) advises that the following OHE securities issued in accordance with the Orion Health Long Term Share Incentive Scheme (the **Scheme**) have now been redeemed and cancelled:

Class of Security	Fully paid, redeemable ordinary shares in OHE (Shares)
ISIN	NZOHEE0001S3
Number issued	24,255 Shares
Nominal value	N/A
Redemption price	NZ\$4.00 per Share (being the issue price of the Shares under the Scheme)
Payment in cash	Yes
Amount paid up	Fully paid
Principal terms of the Securities	<p>The purpose of the Scheme is to enable individually selected employees of OHE to participate in the success of OHE. As such, the Scheme aligns employee benefits with OHE's success. Shares are acquired by participants, with the purchase price funded by a loan from OHE.</p> <p>The Shares (or the equivalent amount of Shares) are vested to the participants in the Scheme in tranches over annual vesting periods if performance conditions are achieved relating to the financial year in which the awards are made. The performance conditions can include operating revenue and net profit before tax targets.</p> <p>If the relevant performance hurdle is not met, or other conditions are not satisfied, the participants' Shares are redeemed and cancelled.</p>
Percentage of the total Class of Securities redeemed	0.0124% (as a percentage of Shares on issue prior to this redemption to 4 d.p.)
Reason for redemption	<p>The Shares were issued to key employees in accordance with the rules of the Scheme. The Shares will not vest with the participant as the vesting conditions have not been met.</p> <p>Accordingly, the Shares have been put back to OHE, redeemed under the terms of the Scheme and cancelled.</p>
Specific authority for redemption	<p>Section 74 of the Companies Act 1993.</p> <p>Waiver from NZX Main Board Listing Rule 7.6.1 granted by NZX Regulation on 25 February 2016.</p>
Terms of issue	The participants have put their unvested Shares to OHE in accordance with the terms of the Scheme. In turn, OHE has redeemed the Shares by paying the issue price of those Shares to the participants and the participants have contemporaneously repaid the outstanding loan amount in respect of those Shares to OHE.
Total number of securities of the Class in existence	195,502,032 Shares



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after the redemption	
Treasury stock	N/A
Date of redemption	25 August 2017

Mark Tisdell
Group Chief Financial Officer and Company Secretary

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