



Wednesday 4 November 2009

Company Announcements Office
Australian Stock Exchange
20 Bridge Street
Sydney NSW 2000

ASX Announcement

Pulse Health Limited (ASX Code: PHG)

Capital Raising

Highlights

- **\$3 million placement of ordinary shares at \$0.06 per share**
- **Extension of bank facilities to 31 December 2010**
- **Share Purchase Plan**
- **Commencement of new Chief Executive**

The Directors of Pulse Health Limited ("Pulse") are pleased to announce that Pulse has secured commitments for a Placement to raise gross proceeds of \$3 million from institutional and sophisticated investors. The Placement is conditional on shareholder approval which is being sought at the forthcoming Annual General Meeting of the Company on 26 November 2009.

Pulse has today reached agreement with its principal bankers, subject to completion of this capital raising, for an extension of its current bank facilities to 31 December 2010.

In order to provide eligible shareholders with an opportunity to participate on the same terms as the Placement, Pulse intends to raise an additional \$2 million by implementing a capped and partly underwritten Share Purchase Plan ("SPP").

Andrew Gregory, Director of Pulse, commented "*I am delighted that Dr Ian Kadish, Pulse's new chief executive, has been able to bring forward his start date with Pulse to 1 November 2009.*"

The agreement reached with our bankers provides Pulse with a secure platform from which to continue the implementation of Pulse's business strategy.

The Placement, together with the SPP, will bring additional funds to Pulse to execute the Company's strategy under Dr Ian Kadish's leadership, as well as provide further capital for investment and reduce the Company's bank facilities."

Use of Funds

The funds raised by Pulse will provide further capital for investment into its hospitals, additional working capital and a reduction of debt.

Placement

The Placement of \$3 million has been made to Institutional and Sophisticated investors. The issue price of shares under the Placement is \$0.06 each, representing a discount of 28% to the 5 day volume weighted average price prior to the Company entering into a trading halt on 31 October 2009.

The issue of shares is subject to Resolution 7, in the Notice of Annual General Meeting, being approved at the Annual General Meeting on 26 November 2009.

Share Purchase Plan (SPP)

The Company intends to undertake a Share Purchase Plan, capped at \$2 million, to provide eligible shareholders the opportunity to subscribe for shares. Further details of this will be announced shortly.

The Placement was lead managed by State Equity Group and has seen the introduction of a number of new shareholders to Pulse's register.

Andrew Gregory

Director

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For more information of **Pulse Health** please visit www.pulsehealth.net.au