



1 July 2010

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

Company Announcement

Pulse Health Limited (ASX Code: PHG) **Convertible Notes maturing on 30 June 2010**

PHG has 2,650,000 \$0.10 convertible notes which expired on 30 June 2010.

The Company has written to all note holders to seek instructions as to whether they wish to redeem their notes or rollover their notes on the same terms for a further 12 months to 30 June 2011.

The main terms of the rolled over notes include:

- (i) face value of 10 cents;
- (ii) conversion price of 10 cents;
- (iii) Redemption or conversion date of 30 June 2011;
- (iv) 10% per annum coupon, payable quarterly in arrears; and
- (v) Secured over Bega Valley Private Hospital and subordinated security to main financier over PHG.

In summary, the Company will be:

- (a) redeeming 1,375,000 notes totaling \$137,500; and
- (b) rolling over 1,275,000 notes totaling \$127,500.

The Company will be repaying the redeemed notes totaling \$137,500 from internal cash resources. The documentation in relation to the rolled over convertible notes is presently being finalised.

A separate Appendix 3B will be issued outlining the reduced number of convertible notes on issue and updated capital structure.

David Franks
Company Secretary

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