

health corporation Limited

ACN 116 800 269

PROSPECTUS

For the offer of up to 1,005 Shares at an issue price of \$0.012 per Share to raise approximately \$12.00 (before expenses).

This Prospectus has also been prepared for the purpose of Section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of Shares issued by the Company prior to the Closing Date.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered by this Prospectus should be considered speculative.

TABLE OF CONTENTS

1.	SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES	1
2.	CORPORATE DIRECTORY.....	2
3.	DETAILS OF THE OFFER.....	3
4.	PURPOSE AND EFFECT OF THE OFFER.....	7
5.	RIGHTS AND LIABILITIES ATTACHING TO SHARES	9
6.	RISK FACTORS	11
7.	ADDITIONAL INFORMATION	14
8.	DIRECTORS' AUTHORISATION	19
9.	DEFINITIONS	20

1. SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES

Timetable and important dates*

Action	Date
Lodgement of Prospectus with the ASIC and ASX	27 June 2011
Opening Date	27 June 2011
Closing Date	5:00pm WST 30 June 2011

*The Company reserves the right to extend the Closing Date or close the Offer early without notice.

Important Notes

Shareholders should read this document in its entirety and, if in doubt, should consult their professional advisers.

This Prospectus is dated 27 June 2011 (**Prospectus**) and a copy of this Prospectus was lodged with the ASIC on that date.

The ASIC and ASX take no responsibility for the content of this Prospectus.

The Expiry Date of the Prospectus is 13 months after the date the Prospectus was lodged with the ASIC. No Shares will be allotted or issued on the basis of this Prospectus after the Expiry Date.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

Risk Factors

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus. For further information in relation to the risk factors of the Company please refer to Section 6 of this Prospectus.

2. CORPORATE DIRECTORY

Directors

Mr Jason Davis
Non-Executive Chairman

Mr David Chapman
Non-Executive Director

Mr Anthony Ince
Non-Executive Director

Company Secretary

Ms Rachel Jelleff

Registered Office

Level 21, Allendale Square
77 St Georges Terrace
PERTH WA 6000

Telephone: +61 8 9389 2000
Facsimile: +61 8 9389 2099

Share Registry*

Boardroom Pty Limited
Level 7, 207 Kent Street
SYDNEY NSW 2000

GPO Box 3993
SYDNEY NSW 2001

Telephone: 1300 737 760
Facsimile: 1300 653 459

Solicitors

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Auditor*

Hall Chadwick
Level 29, St Martin's Tower
31 Market Street
SYDNEY NSW 2000

ASX Code

HEA

* These parties have been included for information purposes only. They have not been involved in the preparation of this Prospectus.

3. DETAILS OF THE OFFER

3.1 Offer

By this Prospectus, the Company invites investors identified by the Directors to apply for up to 1,005 Shares at an issue price of \$0.012 per Share payable in full on application.

The Offer will only be extended to specific parties on invitation from the Directors. Application Forms will only be provided by the Company to these parties. All recipients of the Shares under the Offer will be sophisticated or professional investors (within the meaning of Sections 708(8) and 708(11) of the Corporations Act, respectively).

All of the Shares offered under this Prospectus will rank equally with Shares on issue at the date of this Prospectus.

The secondary purpose of this Prospectus is to remove any trading restrictions that may have attached to the Shares issued by the Company prior to the Closing Date.

Relevantly, Section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body;
- (b) either:
 - (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day of which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

3.2 Opening and Closing Dates of the Offer

The Opening Date of the Offer will be 27 June 2011 and the Closing Date will be 27 June 2011 at 5:00pm WST.

The Directors reserve the right to close the Offer early or extend the Closing Date (as the case may be), should it be considered by them necessary to do so.

3.3 Application for Shares

Applications for Shares must be made by investors at the direction of the Company and must be made using the Application Form accompanying this Prospectus.

Payment for the Shares must be made in full at the issue price of \$0.012 per Share.

Completed Application Forms and accompanying cheques must be mailed or delivered to the Company as follows:

Delivery by hand	Delivery by post
Level 21, Allendale Square 77 St Georges Terrace Perth WA 6000	Health Corporation Ltd PO Box Z5446 St Georges Terrace Perth WA 6831

Cheques should be made payable to “**Health Corporation Limited – Share Offer Account**” and crossed “**Not Negotiable**”. Completed Application Forms must reach the address set out above by no later than the Closing Date.

3.4 Minimum subscription

There is no minimum subscription in respect of the Offer.

3.5 Allotment of Shares

Allotment of Shares will take place as soon as practicable after the Closing Date. Application moneys will be held in a separate subscription account until allotment. This account will be established and kept by the Company in trust for each Applicant. Any interest earned on the application moneys will be for the benefit of the Company and will be retained by the Company irrespective of whether allotment takes place and each Applicant waives the right to claim any interest.

The Directors will determine the allottees of all the Shares. The Directors reserve the right to reject any application or to allocate any Applicant fewer Shares than the number applied for.

Where the number of Shares allotted is less than the number applied for, the surplus moneys will be returned by cheque as soon as practicable after the Closing Date. Where no allotment is made, the amount tendered on application will be returned in full by cheque as soon as practicable after the Closing Date. Interest will not be paid on moneys refunded.

3.6 Underwriter

The Offer is not underwritten.

3.7 ASX Listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If approval is not obtained from ASX before the expiration of 3 months after the date of issue of the Prospectus (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application moneys for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

3.8 Restrictions on the Distribution of the Prospectus

The distribution of this Prospectus outside the Commonwealth of Australia may be restricted by law.

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

Residents of countries outside Australia should consult their professional advisers as to whether any government or other consents are required, or whether any formalities need to be observed should they wish to make an application to take up Shares on the basis of this Prospectus. The return of a duly completed Application Form will be taken to constitute a representation and warranty that there has been no breach of such laws and that all approvals and consents have been obtained.

3.9 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing share certificates. The Company is a participant in CHES for those investors who have a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with separate statements (similar to a bank account statement) that set out the number of Shares allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

3.10 Privacy Act

If you complete an application for Shares, you will be providing personal information to the Company (directly or by the Company's Share Registry). The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder or Optionholder (as applicable), facilitate distribution payments and corporate communications to you as a Shareholder or Optionholder (as applicable) and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's Share Registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its Share Registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the *Corporations Act* and certain rules such as the *ASTC Settlement Rules*. You should note that if you do not provide the information required on the

application for Shares, the Company may not be able to accept or process your application.

3.11 Enquiries

Any questions concerning the Offer should be directed to the Company Secretary, Ms Rachel Jelleff, on +61 8 9389 2000.

4. PURPOSE AND EFFECT OF THE OFFER

4.1 Purpose of the Offer

The purpose of the Offer is to raise approximately \$12.06 (before expenses).

The secondary purpose of this Prospectus is to remove any trading restrictions that may have attached to the Shares issued by the Company prior to the Closing Date (including prior to the date of this Prospectus).

4.2 Effect of the Offer on capital structure

The effect of the Offer on the Company's capital structure is set out below.

Shares	Number
Shares currently on issue	189,998,995 ¹
Shares offered by this Prospectus	1,005
Total Shares on issue on completion of the Offer²	190,000,000
Options	Number
Options exercisable at \$1.20 each on or before 1 December 2011	13,198,424
Options offered by this Prospectus	Nil
Total Options on issue on completion of the Offer³	13,198,424

Notes:

1. Includes Shares issued on 27 June 2011 to sophisticated investors pursuant to the placement approved by Shareholders at the general meeting held on 11 May 2011.
2. Assumes the Offer is fully subscribed and no Options are exercised.
3. Assumes no existing Options are exercised.

4.3 Financial effect of the Offer

The principal effect of the Offer will be to:

- (a) increase the cash reserves by approximately \$12.06 immediately after completion of the Offer, after deducting the estimated expenses of the Offer; and
- (b) increase the number of Shares on issue from 94,778,045 to approximately 108,994,751 Shares following completion of the Offer.

Consolidated balance sheet and pro-forma consolidated balance sheet

The Offer will have an effect on the Company's financial position. Set out below is the consolidated unaudited balance sheet of the Group as at 31 December 2010 and the consolidated balance sheet of the Group (pro-forma, unaudited) as at 31 December 2010, incorporating the effect of the Offer (before issue costs).

In addition, if all of the Shares are issued under this Prospectus, the effect will be to increase the cash at bank, total assets, net assets, contributed equity and total equity by \$12.06.

Consolidated statement of financial position
31 March 2011

	31 March 2011	31 Dec 2010
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	166,907	51,858
Trade and other receivables	9,059	11,576
Inventory	-	-
Other Current Assets	21,073	43,530
Total Current Assets	197,039	106,964
NON-CURRENT ASSETS		
Trade and other receivables	-	-
Financial assets	-	-
Property, plant and equipment	-	-
Goodwill	-	-
Intangible assets	-	-
Total Non-Current Assets	-	-
TOTAL ASSETS	197,039	106,964
CURRENT LIABILITIES		
Trade and other payables	297,824	339,202
Borrowings	-	-
Financial liabilities	18,393	18,393
Provisions	-	-
Total Current Liabilities	316,217	357,595
NON-CURRENT LIABILITIES		
Borrowings	-	-
Financial liabilities	-	-
Total Non-Current Liabilities	-	-
TOTAL LIABILITIES	316,217	357,595
NET ASSETS	(119,178)	(250,631)
EQUITY		
Contributed equity	4,561,864	4,378,743
Retained earnings	(4,681,042)	(4,629,374)
Parent interest	(119,178)	(250,631)
Non-controlling interest	-	-
TOTAL EQUITY	(119,178)	(250,631)

5. RIGHTS AND LIABILITIES ATTACHING TO SHARES

The following is a summary of the more significant rights and liabilities attaching to Shares to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

The rights, privileges and restrictions attaching to Shares can be summarised as follows:

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of persons (if any) entitled to shares with special rights to dividend the Directors may declare a final dividend out of profits in accordance with the Corporations Act and may authorise the payment or crediting by the Company to the Shareholders of such a dividend. The Directors may authorise the payment or crediting by the Company to the Shareholders of such interim dividends as appear to the Directors to be justified by the profits of the Company. Subject to the rights of persons (if any) entitled to shares with special rights as to dividend all dividends are to be declared and paid according to the

amounts paid or credited as paid on the Shares in respect of which the dividend is paid. Interest may not be paid by the Company in respect of any dividend, whether final or interim.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no shareholder is compelled to accept any shares or other securities in respect of which there is any liability. Where an order is made for the winding up of the Company or it is resolved by special resolution to wind up the Company, then on a distribution of assets to members, Shares classified by ASX as restricted securities at the time of the commencement of the winding up shall rank in priority after all other shares.

(e) **Transfer of Shares**

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the Listing Rules.

(f) **Variation of rights**

Pursuant to Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

6. RISK FACTORS

6.1 Introduction

The Shares offered under this Prospectus should be considered speculative.

Potential Applicants should consider the specific and general risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Shares. Potential Applicants should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

6.2 Specific risks

Limited history and losses

The Company was incorporated on 21 October, 2005. Since incorporation, the company has experienced consistent losses. The Company's prospects must be considered in light of the risks, expenses and difficulties encountered by companies in their early stages of development, which is specifically relevant to the Company's current position.

In light of its limited history, the Directors believe that they do not have a reasonable basis to make any relevant earnings forecast for the Company.

Competition

The Company's current and future potential competitors include companies with substantially greater resources to develop similar and competing products. There is no assurance that competitors will not succeed in developing services and products that have higher customer appeal.

To keep ahead of competitors, the Company aims to adopt an aggressive business pathway over the next two years, maintaining high standards and the ongoing input from the new Board and management team to identify new business opportunities will be paramount to success.

There can be no guarantee that revenue growth will be stimulated or that the Company will operate profitably in the short term, or at all.

Contractors and service providers

The Directors are unable to predict the risk of financial failure, default, insolvency or other managerial failure by any of the contractors used by the Company in any of its activities; or insolvency or other managerial failure by any of the other service providers used by the Company for any activity.

Strategic alliances

The Company may in the future seek to enter into strategic alliances with other parties, some of which may be corporations much larger than the Company, in the pursuit of new business opportunities. There is a risk in managing strategic alliances and partnerships with large corporations.

Should other participants in any strategic alliance not act in the Company's best

interests, this may have a material adverse effect on the Company's operations.

The Directors are unable to predict the risk of financial failure or default by a participant in any strategic alliance to which the Company may become a party.

6.3 General risks

In addition to the specific risks outlined above, there are general risks associated with the Company's existing and proposed business operations.

The value of the Company's Shares is affected by a number of general factors which are beyond the Company's or the Board's control.

Factors such as inflation, currency fluctuation, interest rates, supply and demand and industrial disruption have an impact on operating costs, local and international economic conditions and general investor sentiment.

Operating risks

The Company's current and future operations, including, appraisal and possible expansion activities may be affected by a range of factors, including:

- (a) industrial accidents, industrial disputes and other force majeure events;
- (b) unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment; and
- (c) inability to obtain necessary consents or approvals.

Economic risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's development activities, as well as on its ability to fund those activities.

Market conditions

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities. Neither the Company nor the Directors warrant the Company's future performance or any return on an investment in the Company.

Security investments

Applicants should be aware that there are risks associated with any securities investment. Shares listed on the stock market have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of the relevant companies. These factors may materially affect the market price of the securities, regardless of the Company's performance.

Legislative changes, Government policy and approvals

Changes in government regulations and policies may adversely affect the Company's financial performance.

Future capital requirements

The Company's ongoing activities will require substantial expenditure. The funds raised through the Offer will not be sufficient to successfully achieve all the objectives of the Company's overall business strategy, and the Company will be required to undertake further capital raisings. If the Company is unable to continue to use debt or equity to fund expansion after the substantial exhaustion of the net proceeds of the Offer, there can be no assurances that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional fundraising on terms acceptable to the Company or at all. Any additional equity financing will be dilutive to Shareholders and any debt financing, if available, may involve restrictive covenants, which may limit the Company's operations and business strategy.

The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's ability to operate as a going concern.

Reliance on key personnel and employees

The Company's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. To manage its growth, the Company must attract and retain additional highly qualified management, technical, sales and marketing personnel and continue to implement and improve operational, financial and management information systems. Investors must be willing to rely to a significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors.

In addition, the Company cannot guarantee that its activities will not be negatively affected by any inability to employ appropriately skilled staff as and if required.

6.4 Investment speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of Shares offered under this Prospectus. Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Shareholders should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

7. ADDITIONAL INFORMATION

7.1 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in Section 111AC of the Corporations Act) for the purposes of Section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in Section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and

- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in Section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since the lodgement of the 2010 Annual Report:

Date	Description of Announcement
27/06/2011	Appendix 3B – Completion of Placement
14/06/2011	Appendix 3Y – Amended
14/06/2011	Form 603 – Initial Substantial Shareholder Notice
14/06/2011	Appendix 3Y – Change of Directors Interest Notice
14/06/2011	Appendix 3B
11/05/2011	Results of General Meeting
27/04/2011	Resignation of Director
27/04/2011	Appendix 4C – Third Quarter Report
08/04/2011	Notice of General Meeting/Proxy Form
30/03/2011	Appointment of Director - Mr David Chapman
29/03/2011	Form 603 – Initial Substantial Shareholder Notice
28/03/2011	Completion of Placement – Cleansing Statement and Appx 3B
01/03/2011	Placement to Raise \$1.14m
01/03/2011	Resignation of Director
01/03/2011	Half Yearly Report and Accounts
14/02/2011	Response to ASX Query - Appendix 4C
31/01/2011	December Quarterly Activities and Cashflow Report
31/12/2010	Securities Trading Policy
03/12/2010	Appendix 3B
30/11/2010	Results of Annual General Meeting
02/11/2010	Conditional Agreement Executed
29/10/2010	Notice of Annual General Meeting/Proxy Form
29/10/2010	Conditional Agreement for Sale of Non Performing Assets
28/10/2010	September Quarterly Activities and Cashflow Report

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal

office hours.

7.2 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer pursuant to this Prospectus; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce them to become, or to qualify them as, a Director or otherwise for services rendered by them or by the firm in connection with the formation or promotion of the Company or the Offer.

The Directors' relevant interests in the Company's securities as at the date of this Prospectus and remuneration information for the last two financial years is set out below:

Name	Shares	Options	Remuneration FY10	Remuneration FY11
Jason Davis	9,544,190	Nil	\$2,634.41	Nil
David Chapman	Nil	Nil	Nil	Nil
Anthony Ince	Nil	Nil	Nil	Nil

The Constitution of the Company provides that the Directors may be paid for their services as Directors, a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting.

The Company paid to the Directors and former directors of the Company a total of \$737,270 for the year ended 30 June 2009 and \$670,246 the year ended 30 June 2010. Further details can be found in the Company's annual report for the year ended 30 June 2010.

Directors, companies associated with the directors or their associates are also reimbursed for all reasonable expenses properly incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

7.3 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or was associated, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, or to any firm in which any of those persons is or was a partner, or to any company with which any of those persons is or was associated, for services rendered by that person, or by the firm or the company, in connection with the formation or promotion of the Company or the Offer.

Steinepreis Paganin have acted as solicitors to the Company in respect of this Prospectus. Steinepreis Paganin will be paid approximately \$5,000 (excluding GST) for services in relation to this Prospectus. In the past two years, Steinepreis Paganin have received \$44,242.50 in fees (excl GST and disbursements) from the Company for professional services.

7.4 Consents

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section; and
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Steinepreis Paganin have given their written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin have not withdrawn their consent prior to the lodgement of this Prospectus with the ASIC.

7.5 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings, however the Directors are aware of potential legal proceedings threatened against the Company by Health For Tomorrow Pty Ltd (**Plaintiff**) in connection with proceedings in the Brisbane Supreme Court [matter no. 344 of 2010] (**Proceedings**). The Proceedings involve a dispute between the Plaintiff and HIP Qld Pty Ltd and Lawsfield Holdings Pty Ltd relating (in part) to a loan of approximately \$579,642 (**Loan**) from the Plaintiff to the Company which was novated by the Company to HIP Morwell Pty Ltd (an entity controlled by Mr Ken Lee) as part consideration for the purchase of assets from the Company by Mr Lee (as announced to the market on 2 November 2010). The Plaintiff has applied to the Court for directions that the Company be joined as the second respondent to the Proceedings on the basis that the Plaintiff claims that the Loan was not validly novated. As at the date of this Prospectus, the proposed directions have not been made by the Court and the Company has not been joined as a party to the Proceedings. Accordingly, the Company has not yet determined the extent of its exposure (if any) in connection with the Proceedings, however it is noted that Mr Ken Lee has agreed to indemnify the Company in respect of any loss or liability of the Company in connection with

the Loan and accordingly, the Proceedings are not currently considered material.

7.6 Estimated expenses of Offer

The total expenses of the Offer are estimated to be approximately \$9,568 as follows:

Expense	(\$)
ASIC fees	2,068
ASX fees	1,500
Legal expenses	5,000
Printing and other expenses	1,000
Total	9,568

7.7 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest and lowest market sale prices of the Company's Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest: \$0.019 on 4 April 2011

Lowest: \$0.013 on 27 May 2011

The latest available closing sale price of the Company's Shares on ASX prior to the lodgement of this Prospectus with the ASIC was \$0.014 on 22 June 2011.

7.8 Electronic Prospectus

Pursuant to Class Order 00/044, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please phone the Company on (08) 6468 0388 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or Prospectus or any of those documents were incomplete or altered.

8. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Dated the 27th day of June 2011

Signed for and on behalf of
Health Corporation Limited



Jason Davis
Non-Executive Chairman

9. **DEFINITIONS**

\$ means Australian dollars.

Applicant means an investor who applies for Shares pursuant to the Offer.

Application Form means an application form either attached to or accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASTC Settlement Rules means the settlement rules of the securities clearing house which operates CHESS.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires.

ASX Listing Rules means the Listing Rules of the ASX.

Board means the board of Directors unless the context indicates otherwise.

Business Day means a day on which trading takes place on the stock market of ASX.

Closing Date means the date specified in Section 1 (unless extended or closed earlier).

Company means Health Corporation Limited (ACN 116 800 269).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Group means the Company and its subsidiaries.

Offer means the offer of Shares referred to in the "Details of the Offer" section of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Prospectus means this Prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Share Registry means Boardroom Pty Limited (ACN 003 209 836).

Shareholder means a shareholder of the Company.

WST means Western Standard Time as observed in Perth, Western Australia.

[APPLICATION FORM]