

17 January 2013

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**VISION EYE INSTITUTE LIMITED (ASX: VEI)
NOTIFICATION OF UNDER-SUBSCRIPTIONS**

Vision Eye Institute Limited (Company) advises that on 14 January 2013, it closed its offer for a non-renounceable rights issue (Rights Issue) to the Company's shareholders of up to 67,009,250 shares to raise approximately \$22.8 million (before expenses) on the basis of 2 fully paid ordinary shares in the Company for every 3 shares held at an issue price of \$0.34 per share (Issue Price).

The Company advises that Eligible Shareholders applied for 52,434,895 fully paid ordinary shares under the Rights Issue (New Shares). This represents 78.25% of the fully paid ordinary shares offered pursuant to the Rights Issue.

The Rights Issue was underwritten and the shortfall of 14,497,870 New Shares not taken up by shareholders will be dealt with by the underwriter to the Rights Issue, Bell Potter Securities Limited, in accordance with the terms of the underwriting agreement.

The Rights Issue, before allocation of the shortfall shares pursuant to the underwriting agreement, raised approximately \$17.83 million.

The New Shares are to be allotted to shareholders by 22 January 2013. Holding Statements for the Shares allotted under the Rights Issue are expected to be dispatched to shareholders on 30 January 2013.

Yours sincerely



Karen Lopreiato
Company Secretary
Vision Eye Institute Limited