



## **FULLY UNDERWRITTEN RIGHTS ISSUE OFFER DOCUMENT**

A fully underwritten non-renounceable rights issue to eligible shareholders of three (3) new shares at an issue price of \$0.04 per share for every four (4) shares held to raise approximately \$8.158 million before the costs of the Offer.

The offer is fully underwritten by Viburnum Funds Pty Limited ABN 26 126 348 990

**Valid applications must be received by 5.00pm (Australian Eastern Standard Time) on 28 May 2012**

**THIS DOCUMENT IS NOT A PROSPECTUS. THIS DOCUMENT DOES NOT CONTAIN ALL OF THE INFORMATION THAT AN INVESTOR MAY REQUIRE TO MAKE AN INFORMED DECISION REGARDING THE NEW SHARES OFFERED BY THIS DOCUMENT.**

**THIS DOCUMENT IS IMPORTANT AND SHOULD BE READ IN ITS ENTIRETY.**

**IF YOU HAVE ANY QUERIES PLEASE CONSULT YOUR STOCKBROKER OR OTHER PROFESSIONAL ADVISER WITHOUT DELAY.**

**Important Notice- This document is important and requires your attention. It should be read in its entirety.**

**Unless otherwise defined, capitalised terms used in this Offer Document have the meaning given to them in the glossary at the end of this Offer Document**

This Offer Document sets out the terms of a non-renounceable pro-rata rights issue of ordinary shares of Pulse Health Limited (**Company**) under which Shareholders of the Company will be entitled to acquire three (3) new ordinary shares in the Company at an issue price of \$0.04 per share for every four (4) shares held by them at 7.00pm (Australian Eastern Standard Time) on 8 May 2012. Shareholders may also apply for additional New Shares in excess of their Entitlement at the same issue price of A\$0.04 per New Share provided that:

- any such application will be subject to there being New Shares forming Entitlements or part of Entitlements of Shareholders that are not applied for under the Offer by those Shareholders (**Shortfall Shares**);
- any Shortfall Shares will be allocated by the Board of the Company in accordance with the policy set out in section 3;
- relief from the application of section 606 of the Corporations Act has not been granted to the offer of the Shortfall Shares to Shareholders. Shareholders who may be at risk of exceeding the restrictions on acquiring a relevant interest in voting shares in the Company in section 606 of the Corporations Act as a result of applying for any of the Shortfall Shares should seek professional advice before completing and returning the enclosed Entitlement and Acceptance Form.

The Rights Issue is fully underwritten by Viburnum Funds Pty Limited ABN 26 126 348 990.

This Offer Document is not a disclosure statement for the purposes of Chapter 6D of the Corporations Act and has not been lodged with the Australian Securities and Investment Commission. The Company is making the Offer of the securities under this Offer Document without disclosure to investors under Chapter 6D of the Corporations Act, but rather in accordance with the requirements of section 708AA of the Corporations Act as notionally modified by ASIC Class Orders CO 07/571 and CO 08/35. Accordingly, the level of disclosure contained in the Offer Document and otherwise made to shareholders is less than that required under a prospectus that is prepared in accordance with the disclosure requirements of Chapter 6D of the Corporations Act.

The information in this Offer Document does not constitute a securities recommendation or financial product advice, and does not purport to constitute all of the information that Shareholders may require to enable them to evaluate effectively and completely whether to acquire new shares under the Rights Issue. In preparing this Offer Document, the Company has not taken into account the investment objectives, financial situation or particular needs of any particular Shareholder. Shareholders should consider all relevant facts and circumstances, including their knowledge of the Company and disclosures made by or about the Company to the ASX and should consult their professional advisers before deciding whether to accept the Offer or to apply for any Shortfall Shares.

This Offer Document is dated 9 May 2012. An initial version of this Offer Document was lodged with the ASX on 30 April 2012, which was superseded by this version which was lodged with ASX on 9 May 2012. Neither ASX nor any of its officers take any responsibility for the content of this Offer Document.

While this Offer is being made to all Shareholders of the Company, no action has been taken to register or qualify the Offer, or the new ordinary shares to be issued thereunder, or otherwise permit the offering of the new ordinary shares in any jurisdiction outside Australia and New Zealand. In particular, the New Shares and the rights of Shareholders under the Rights Issue have not been, and will not be, registered under the Securities Act 1933. Each investor should seek professional advice before completing and returning the enclosed Entitlement and Acceptance Form and by applying for New Shares an investor is taken to have warranted as to its ability to participate in the Rights Issue without breach of any law.

Any forecast or any forward looking statement contained in this Offer Document may involve significant elements of subjective judgement and assumption as to future events which may or may not be correct, and there are usually differences between forecasts and actual results because events and actual circumstances frequently do not occur as forecast and these differences may be material. Nothing contained in this Offer Document is, or may

be relied on as, a promise or a representation as to the future.

Except to the extent prohibited by law, the Company, its officers, employees and advisers disclaim all liability that may otherwise arise due to any of the information in this Offer Document being inaccurate or incomplete.

**Contact details**

If you have any query or question regarding the Offer or this Offer Document, you may contact the Company or the Company's share registrar as follows:

Computershare Investor Services Pty Limited

1300 607 624 (within Australia)

03 9415 4802 (outside Australia)

## **Letter from the Chairman**

9 May 2012

Dear Shareholder

On behalf of the directors of Pulse Health Limited, I am pleased to invite all Shareholders to participate in a 3 for 4 non-renounceable underwritten rights issue at \$0.04 per share to be made by the Company to raise approximately \$8.158 million of new capital, before costs. In addition to being able to apply for their Entitlement to New Shares, Shareholders who subscribe for their full Entitlement will also have the opportunity to apply for additional Shortfall Shares that may be available as a result of any Shareholder not taking up its Entitlement in full.

This Offer Document outlines further details of the Rights Issue.

### **Background**

As announced to the ASX, the Company has entered into an agreement to acquire Eden Rehabilitation Hospital. The proceeds from this Rights Issue will be used primarily to fund this acquisition.

### **Details of your Entitlement**

A personalised Entitlement and Acceptance Form is attached and, as a Shareholder, you are entitled under the terms of the Rights Issue to use that form to subscribe for 3 new Shares at an issue price of \$0.04 per Share for every 4 Shares that you hold at 7.00pm (Australian Eastern Standard Time) on 8 May 2012. The issue price of \$0.04 represents a discount of 16.7% to the Company's closing Share price of \$0.048 on 24 April 2012.

Shareholders who subscribe for their full Entitlement will also have the opportunity to apply for any Shortfall Shares at the same issue price of A\$0.04 per New Share. There is no guarantee of the number of Shortfall Shares (if any) that will be available to Shareholders and those Shortfall Shares will be allocated in accordance with the policy described further in section 3. Further, relief from the application of section 606 of the Corporations Act has not been granted to the offer of the Shortfall Shares to Shareholders. Shareholders who may be at risk of exceeding the restrictions on acquiring a relevant interest in voting shares in the Company in section 606 of the Corporations Act as a result of applying for any of the Shortfall Shares should seek professional advice before completing and returning the enclosed Entitlement and Acceptance Form.

To participate in the Rights Issue, you will need to complete the Entitlement and Acceptance Form and return it with the required payment so that it is received by the Company's share registrar by 5.00pm (Australian Eastern Standard Time) on 28 May 2012 and otherwise in accordance with the instructions provided in the form (further details of how you may accept the Offer are also set out in Section 3 of this Offer Document). To the extent that you do not take up your Entitlement to participate in the Rights Issue, your interest in the Company will be diluted.

The Rights Issue is fully underwritten by Viburnum Funds Pty Limited ABN 26 126 348 990. Further details on the terms of the Underwriting Agreement entered into between the Company and the Underwriter are set out in Section 4 of this Offer Document. If for any reason there is a Shortfall in subscriptions under the Rights Issue after applications by Shareholders for Shortfall Shares have been dealt with and the obligations of the Underwriter have been fulfilled, the Company reserves the right to place the Shortfall at their discretion and in accordance with ASX Listing Rule 7.2.

The New Shares proposed to be issued under the Rights Issue will be fully paid on issue and will rank equally with Company's existing Shares. The Company will make an application to the ASX for official quotation of all New Shares. No dividend is expected to be paid on Shares in the Company in respect of the year ending 30 June 2012, however the New Shares to be issued under the Rights Issue will rank equally with existing Shares for any future dividend.

The maximum number of New Shares to be issued under the Rights Issue is 203,944,843 (subject to adjustment in accordance with the rounding policy adopted by the Company for fractional entitlements and assuming that no Optionholders exercise their Options prior to the Record Date) which if fully subscribed would raise up to approximately \$8.158 million, prior to deduction of the costs associated with the Offer. At the conclusion of the Rights Issue, assuming that the maximum number of New Shares have been issued under the Rights Issue, the total issued Shares of the Company will be 475,871,300 (again, subject to adjustment and the assumption as referred to above).

I am pleased to advise you that each of Your Directors and the Company Secretary have committed to take up their respective Entitlements in full and that the Chief Executive Officer has committed to take up Entitlements to the value of \$60,000.

Your Directors draw your attention to the courses of action available to you in respect of your Entitlement to participate in the Rights Issue and to apply for any Shortfall Shares as set out in Section 3 of this Offer Document.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Stuart James', with a large, stylized initial 'S' and a long, sweeping horizontal stroke extending to the right.

Stuart James  
Chairman

## **1. DETAILS OF THE OFFER**

### **1.1 The Offer**

This Offer Document invites Shareholders to participate in a non-renounceable pro-rata rights issue of continuously quoted securities (as defined in the Corporations Act) of the Company under which Shareholders of the Company will be entitled to acquire three (3) new shares at an issue price of \$0.04 per share for every four (4) shares held by them at 7.00pm (Australian Eastern Standard Time) on 8 May 2012. Shareholders who subscribe for their full Entitlement will also have the opportunity to apply for any Shortfall Shares at the same issue price of A\$0.04 per New Share. There is no guarantee of the number of Shortfall Shares (if any) that will be available to Eligible Shares and those Shortfall Shares will be allocated in accordance with the policy described further in section 3. Further, relief from the application of section 606 of the Corporations Act has not been granted to the offer of the Shortfall Shares to Shareholders. Shareholders who may be at risk of exceeding the restrictions on acquiring a relevant interest in voting shares in the Company in section 606 of the Corporations Act as a result of applying for any of the Shortfall Shares should seek professional advice before completing and returning the enclosed Entitlement and Acceptance Form.

The Offer is an offer of up to a maximum of 203,944,843 New Shares (subject to adjustment in accordance with the rounding policy adopted by the Company for fractional entitlements and assuming that no Optionholders exercise their Options prior to the Record Date).

On issue, the New Shares will rank equally with existing Shares.

Fractional entitlements to New Shares will be rounded up to the nearest whole number.

### **1.2 Purpose of the Offer**

As announced to the ASX, the Company has entered into an agreement to acquire Eden Rehabilitation Hospital. The proceeds from the New Shares issued under the Rights Issue will be used primarily to fund this acquisition.

### **1.3 Underwriting**

The Rights Issue is fully underwritten by Viburnum Funds Pty Limited ABN 26 126 348 990, pursuant to a mandate letter and an Underwriting Agreement summarised in Section 4 of this Offer Document.

Under the terms of the Underwriting Agreement, the Underwriter will receive an underwriting fee or management fee together with reimbursement of certain expenses associated with it underwriting the Offer (See Section 4.1 below for greater detail).

### **1.4 Rights Issue Shortfall**

If there is a Shortfall in subscriptions under the Rights Issue for any reason after applications from Shareholders for Shortfall Shares have been dealt with and the obligations of the Underwriter have been fulfilled, the Company reserves the right to place the Shortfall at its discretion and in accordance with ASX Listing Rule 7.2.

### **1.5 Indicative Timetable**

The proposed timetable for the Rights Issue is set out below:

Announcement of Offer (including giving appendix 3B, Offer Document and notice under section 708AA to ASX) Letter to Optionholders sent	Prior to the commencement of trading on 30 April 2012
Despatch notice to Shareholders containing appendix 3B information	1 May 2012
Shares commence trading on “Ex” basis	2 May 2012
Record Date to determine your Entitlement to New Shares	7.00pm (AEST) on 8 May 2012
Expected date of despatch of Offer Document and Entitlement and Acceptance Form (and notification to ASX when despatch has been completed)	14 May 2012
Offer opens ( <b>Opening Date</b> )	14 May 2012
Last day for acceptance and payment in full ( <b>Closing Date</b> )	5.00pm (AEST) on 28 May 2012
ASX and Underwriter are notified of any Shortfall	31 May 2012
Expected date of allotment of New Shares	5 June 2012
Expected date of despatch of Holding Statements for New Shares	6 June 2012
First day of trading of New Shares	6 June 2012

**Note:** The above dates are subject to change and are indicative only. The Company reserves the right to amend this indicative timetable. In particular, the Company reserves the right, subject to the Corporations Act and the ASX Listing Rules, to extend the Closing Date or to withdraw the Offer without prior notice (in which case any application moneys received will be returned to Shareholders, without interest). Any extension of the Closing Date is likely to cause a delay on the date for the issue of New Shares. Any change in any of the abovementioned dates will be notified to ASX for public disclosure on the Company’s ASX Announcements platform and web-site.

## 1.6 Record Date and Entitlement

The Entitlement of Shareholders to participate in the Rights Issue is to be determined by reference to the Company’s share register as at 7.00pm (Australian Eastern Standard Time) on the Record Date (8 May 2012). Your Entitlement is shown on the Entitlement and Acceptance Form accompanying this Offer Document.

## 1.7 Opening and Closing Dates

The Offer opens for acceptances on the Opening Date (14 May 2012) and all acceptances and payments must be received by the Company’s share registry by 5.00pm Australian Eastern Standard Time on the Closing Date (28 May 2012) or (subject to the Listing Rules) such other time and date as the Directors in their absolute discretion shall determine.

## **1.8 Issue and despatch**

The expected dates for issue of New Shares subscribed for under the Rights Issue and despatch of new holding statements is expected to occur on the dates specified in the timetable set out in Section 1.5 above.

It is the responsibility of each Applicant to determine their respective allocation prior to trading in the New Shares.

***Applicants who sell New Shares before they receive their holding statements will do so at their own risk.***

## **1.9 ASX official quotation**

Application will be made to ASX for the official quotation of the New Shares. If ASX does not grant quotation to the New Shares, the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to the Offer.

## **1.10 New Zealand Securities law requirements**

The Offer will be made in New Zealand pursuant to the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

## **1.11 Foreign Shareholders**

No action has been taken to register or qualify the Offer, or the New Shares to be issued under the Rights Issue, or otherwise permit the offering of New Shares, in any jurisdiction outside Australia and New Zealand.

In particular, the New Shares and Entitlements have not been, and will not be, registered under the U.S. Securities Act 1933.

Each investor should seek professional advice before completing and returning the enclosed Entitlement and Acceptance Form and by applying for New Shares an investor is taken to have warranted as to its ability to participate in the Rights Issue without breach of any law.

## **1.12 Taxation Implications**

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares under the Rights Issue. The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders.

Shareholders should consult their professional tax adviser in connection with, and prior to, subscribing for New Shares under the Rights Issue.

## **1.13 CHESS and issuer sponsored holdings**

The Company participates in the security transfer system known as CHESS. ASX Settlement and Transfer Corporation Pty Limited ACN 008 504 532 (**ASTC**), a wholly owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and the ASTC Settlement Rules. Under CHESS, Shareholders who take up all or part of their Entitlement to New Shares or who apply for and who are issued Shortfall Shares will not receive a Share certificate in respect of those New Shares but will be issued a statement of holding of Shares.

If your Shareholding in the Company is broker-sponsored, and you take up all or part of your Entitlement (and any Shortfall Shares), ASTC will send you a CHESS holding statement. The CHESS holding statement will set out the number of New Shares issued to you under the Rights Issue and provide details of your holder identification number and the participant identification number of the sponsor.

If you are registered on the issuer sponsored sub-register, and you take up all or part of your Entitlement (and any Shortfall Shares), your statement will be despatched by the Company's Share Registry and will contain the number of New Shares issued to you under the Rights Issue together with a security holder reference number.



A CHESS statement or issuer-sponsored statement will routinely be sent to security holders at the end of any calendar month during which the balance of their security holding changes. Security holders may request a statement at any other time. However, a fee may be charged for additional statements.

If investors have enquiries about CHESS, they should contact their broker or ASX.

#### 1.14 Capital structure

##### *Share structure following Rights Issue*

If the Rights Issue is fully subscribed, the effect of the Rights Issue on the capital structure of the Company will be as follows:

Shares currently on issue	Number of Shares to be issued under this Offer Document (subject to rounding)	Total Shares on issue after the completion of the Rights Issue
271,926,457	203,944,843	475,871,300

The above table assumes none of the Unlisted Options are exercised prior to the Record Date and is subject to adjustment in accordance with the rounding policy adopted by the Company for fractional entitlements.

Shareholders who take up their full Entitlements will not have their Shareholdings diluted as a result of the Rights Issue. Shareholders who do not participate in full or at all will have their holdings diluted.

To the extent that any Entitlement to New Shares is not taken up by a Shareholder and some or all of the Shortfall Shares are not applied for and issued to Shareholders, the terms of the Underwriting Agreement (further details of which are described in Section 4) may involve New Shares being issued to the Underwriter or other Sub-underwriters or other persons in the discretion of the Underwriter.

##### Unlisted Options

There are currently 2,625,000 Unlisted Options on issue. Each Unlisted Option entitles the holder, upon payment of the applicable exercise price, to subscribe for one Share.

Details of these Unlisted Options are:

Exercise Price (cents)	Expiry Date	Number as at 26 April 2012
\$0.10	31 July 2012	2,625,000
<b>TOTAL</b>		<b>2,625,000</b>

The current holders of Unlisted Options will only be permitted to participate in the Rights Issue if their Unlisted Options have been exercised and the relevant Shares issued before 7.00pm on the Record Date in accordance with the terms of those Unlisted Options. The number of New Shares issued may therefore increase if some or all of the Unlisted Options are exercised prior to the Record Date. If all of the Unlisted Options are exercised, the number of Shares on issue prior to the New Shares being issued will increase by 2,625,000.

However, the Company notes that because the exercise price of each of the above Unlisted Options is materially in excess of the prevailing price at which Shares have been trading immediately prior to the despatch of this Offer Document, it does not expect any of the above Unlisted Options to be exercised prior to the Record Date.

### 1.15 Effect on control

The Underwriter is an associate of Wyllie Group Pty Ltd (**Wyllie**), a substantial Shareholder of the Company which, according to the most recent Form 604 Notice of Change of Interests of Substantial Shareholder lodged with the Company, currently holds 37,428,333 Shares (or 13.76% of the issued Share capital of the Company). Additionally, Craig Coleman, a director of the Company, is also a director of Wyllie.

The Underwriter was engaged because, having made due enquiry and based on the experience of directors and senior management, the Company determined:

- there was no reasonable prospect of the Company obtaining a binding commitment to underwrite the Offer from a professional underwriter within the time required to allow the Company to secure the right to purchase the Eden Rehabilitation Hospital; and
- there was no reasonable prospect of the Company being able to obtain underwriting of the Offer on terms any more favourable to the Company than those contained in the Underwriting Agreement.

The potential effect that the issue of New Shares under the Rights Issue will have on the control of the Company, and the consequences of that effect, will depend on a number of factors including the level of Shareholder participation in the Rights Issue, which Shareholders participate, which Shareholders apply for Shortfall Shares and the number of Shortfall Shares that are allocated to those Shareholders, the extent of any Shortfall, and which investors the Underwriter procures to apply for any Shortfall in accordance with the Underwriting Agreement.

If all Shareholders take up their right to subscribe for their full Entitlements, the respective voting power of those Shareholders will remain the same. In that event, the Offer would not be expected to have any material effect or consequence on the control of the Company.

However, if one or more Shareholders do not take up their Entitlement in full, and the Offer proceeds, there will be a dilutionary effect on those Shareholder's proportional shareholding and the Rights Issue may have a material impact on the control of the Company and could alter the Shareholding of certain Shareholders to the extent they have a relevant interest in 20% or more of the issued Shares of the Company (**Substantial Interest**).

As stated in Section 4.2 below, it is a condition precedent of the Underwriting Agreement that the Underwriter procures non-associated sub-underwriters for at least \$3,000,000 of the Offer. The Company has been advised that the Underwriter is in the process of satisfying this condition and, at the date of this document, has engaged sub-underwriters to a value of \$500,000. Further, in the event that sub-underwriters with an aggregate commitment under their sub-underwriting agreements in excess of \$1,000,000 do not, or threaten not to, comply with their obligations as sub-underwriters, the Underwriter may terminate the Underwriting Agreement.

If:

- (a) Wyllie takes up its Entitlement in full;
- (b) The Directors of the Company take up their Entitlements under the Rights Issue in full in accordance with the announcement by the Company to the ASX;
- (c) Shareholders takes up their Entitlements under the Rights Issue and apply for and are issued Shortfall Shares to the extent specified;
- (d) The Underwriter takes up the Shortfall under the Rights Issue with sub-underwriters taking up the Shortfall to the extent specified;
- (e) No Optionholder exercises their Options prior to the Record Date,

then the aggregate shareholding and voting power of the Underwriter and Wyllie following the Rights

Issue would be as illustrated in the table below:

Event	No sub-underwriter takes up any Shortfall		Sub-underwriters take up \$2,000,000 worth of the Shortfall		Sub-Underwriters take up \$3,000,000 worth of the Shortfall	
	Shares held	Voting power	Shares held	Voting power	Shares held	Voting power
0% of remaining Shares subscribed for (100% Shortfall)	231,114,248	48.57%	181,114,248	38.06%	156,114,248	32.81%
25% of remaining Shares subscribed for (75% Shortfall)	189,710,582	39.87%	139,710,582	29.36%	114,710,582	24.11%
50% of remaining Shares subscribed for (50% Shortfall)	148,306,915	31.17%	98,306,915	20.66%	73,306,915	15.40%
75% of remaining Shares subscribed for (25% Shortfall)	106,903,249	22.46%	65,499,583	13.76%	65,499,583	13.76%
Offer is fully subscribed (no Shortfall)	65,499,583	13.76%	65,499,583	13.76%	65,499,583	13.76%

The number of shares held by the Underwriter and Wyllie and their aggregate voting power in the table above show the potential effect of the underwriting of the Offer. However, it is unlikely that no Shareholders will take up Entitlements under the Offer or apply for Shortfall Shares and that all of the sub-underwriters will default in their obligations. The underwriting obligation and therefore voting power of the Underwriter will reduce by a corresponding amount for the amount of Entitlements under the Offer taken up by the other Shareholders and the number of Shortfall Shares applied for and issued to Shareholders. However, while it is unlikely the Underwriter will be required to do so, the Company understands that the Underwriter is in a position to underwrite the entire Offer if considered necessary.

In addition, Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 43% (as compared to their holdings and number of Shares on issue as at the date of the Record Date). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record Date	% at Record Date	Entitlement under Offer	Holding if Entitlement not taken up	% post-Offer
Shareholder 1	10,000,000	3.68%	7,500,000	10,000,000	2.10%
Shareholder 2	5,000,000	1.84%	3,750,000	5,000,000	1.05%
Shareholder 3	1,500,000	0.55%	1,125,000	1,500,000	0.32%
Shareholder 4	400,000	0.15%	300,000	400,000	0.08%
Shareholder 5	50,000	0.02%	37,500	50,000	0.01%

### **1.16 Investment decision**

This Offer Document does not take into account the individual investment objectives, financial situation and particular needs of any Shareholder.

Investing in New Shares involves some risk. There are a number of factors, both specific to the Company and of a general nature, which may affect the future operating and financial performance of the Company and the value of an investment in the Company. Some of these factors can be mitigated by appropriate commercial action. However, many are outside the control of the Company, are dependent on the policies adopted and approaches taken by regulatory authorities, or cannot otherwise be mitigated.

The New Shares offered under the Offer carry no guarantee in respect of profitability, dividends, return of capital or the price at which they may trade on ASX. The past performance of the Company should not necessarily be considered a guide to the future performance of the Company.

As with any equity investment, substantial fluctuations in the value of an investment may occur. This Offer Document does not set out all the risks you may face in applying for, and holding, additional Shares in the Company.

Before deciding to take up New Shares pursuant to your Entitlement or to apply for any Shortfall Shares, you should consider whether the New Shares are a suitable investment for you and if you have any queries you should consult your stockbroker or other professional adviser without delay. As mentioned above, relief from the application of section 606 of the Corporations Act has not been granted to the offer of the Shortfall Shares to Shareholders. Shareholders who may be at risk of exceeding the restrictions on acquiring a relevant interest in voting shares in the Company in section 606 of the Corporations Act as a result of applying for any of the Shortfall Shares should seek professional advice before completing and returning the enclosed Entitlement and Acceptance Form.

### **1.17 Discretion**

Without limiting the other powers and discretions set out in this Offer Document, the Directors of the Company (or their delegate for this purpose) may implement the Offer and the Rights Issue in the manner that they think fit and may settle any difficulty, anomaly or dispute which may arise either generally or in a particular case in connection with, or by reason of, the operation of the Offer, the Rights Issue or a matter in this Offer Document, as they think fit, whether generally or in relation to any Shareholder or any Shares, and the determination of the Directors (or their delegate) is conclusive and binding on all relevant Shareholders and other persons to whom the determination relates.

### **1.18 Governing law**

The Offer, the Rights Issue and the contracts arising due to the acceptance by Shareholders of the Offer are governed by the law in force in Victoria, Australia.

## **2. INFORMATION ABOUT PULSE HEALTH LIMITED**

### **2.1 Business Information**

The Company's focus is to be positioned in the private health sector as an integrated health services provider with operations encompassing private hospitals, day surgeries and community home care, and recruitment agencies.

The Pulse Health group includes three integrated healthcare divisions:

- Private Hospitals and Day Surgeries
- Community Home Care
- Recruitment and Workforce services

For more information on the Company please visit [www.pulsehealth.net.au](http://www.pulsehealth.net.au)

### **2.2 Disclosing entity information**

The Company, as a disclosing entity under the Corporations Act, is subject to regular reporting and disclosing obligations under the Corporations Act and the ASX Listing Rules.

The Company will provide a copy of the following documents, free of charge, to any person who asks for them during the Application Period (i.e. between the date of despatch of this Offer Document and the Closing Date inclusive):

- the annual financial report for the year ended 30 June 2011;
- reviewed half yearly financial statement for the period ending 31 December 2011; and
- any continuous disclosure notices given by the Company after the lodgement of the annual financial report for the year ended 30 June 2011 and before the lodgement of a copy of this Offer Document with the ASX.

### **3. ACTION REQUIRED BY SHAREHOLDERS TO ACCEPT THE OFFER**

#### **3.1 What you may do**

The number of New Shares to which you are entitled under the Rights Issue is shown on the accompanying Entitlement and Acceptance Form.

You are entitled to do any of the following in respect of your Entitlement under the Rights Issue:

- (a) take up **all** of your Entitlement to New Shares;
- (b) take up **all** of your Entitlement to New Shares and apply for Shortfall Shares;
- (b) take up **part** of your Entitlement and allow the balance to lapse;
- (c) not take up **any** of your Entitlement and allow it to lapse.

#### **3.2 If you wish to take up ALL of your Entitlement**

If you wish to take up your Entitlement in full, you must:

- complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form; and
- forward your completed Entitlement and Acceptance Form together with your payment (which must be made in accordance with the requirements set out in Section 3.6 below) for the amount shown on the form so that it reaches the Company's Share Registry **no later than 5.00 pm (Australian Eastern Standard Time) on 28 May 2012**. If it is received after this time your Entitlement will lapse and be of no further value or effect.

Your completed Entitlement and Acceptance Form, once sent to the Company's Share Registry, cannot be withdrawn.

#### **3.3 If you wish to take up ALL of your Entitlement and apply for Shortfall Shares**

If you wish to accept your Entitlement in full and apply for Shortfall Shares, you must:

- complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form and also fill in the number of Shortfall Shares you wish to apply for in the space provided on the Entitlement and Acceptance Form; and
- forward your completed Entitlement and Acceptance Form together with your payment (which must be made in accordance with the requirements set out in Section 3.6 below) for the amount due in respect of your Entitlement and for the number of Shortfall Shares applied for (being the number of Shortfall Shares you wish to apply for multiplied by \$0.04) so that it reaches the Company's Share Registry **no later than 5.00 pm (Australian Eastern Standard Time) on 28 May 2012**. If it is received after this time your Entitlement will lapse and be of no further value or effect and your application for Shortfall Shares will be invalid.

Your completed Entitlement and Acceptance Form, once sent to the Company's Share Registry, cannot be withdrawn.

As mentioned above, relief from the application of section 606 of the Corporations Act has not been granted to the offer of the Shortfall Shares to Shareholders. Shareholders who may be at risk of exceeding the restrictions on acquiring a relevant interest in voting shares in the Company in section 606 of the Corporations Act as a result of

applying for any of the Shortfall Shares should seek professional advice before completing and returning the enclosed Entitlement and Acceptance Form.

Shortfall Shares will only be allocated and issued if all Shareholders do not apply for their full Entitlement and the Offer is consequently undersubscribed. The Board will allocate the Shortfall Shares in accordance with the following policy:

- The offer period for the Shortfall Shares is the same as the offer period for the Rights Issue;
- If the Company receives applications from Shareholders for Shortfall Shares that would not result in the Offer being oversubscribed then the Company will, subject to the other terms of this policy, allocate those Shortfall Shares to the Shareholders who applied for them;
- If the Company receives applications for Shortfall Shares that would result in the Offer being oversubscribed then the Company will not accept such oversubscriptions and will scale back applications in the following manner:
  - on a pro-rata basis, according to the relative number of Shares held by each Shareholder applicant on the Record Date for the Rights Issue;
  - so that the maximum number of Shares to be issued under the Rights Issue (inclusive of the Shortfall Shares) does not exceed the maximum number of New Shares offered under the Offer; and
  - that no Shareholder will be issued with more than the number of Shortfall Shares they applied for.
- Shortfall Shares will be issued at the same time as all other New Shares are issued under the Rights Issue;
- Application monies received but not applied towards subscriptions for Shortfall Shares will be refunded as soon as practicable following the allocation of the Shortfall Shares. No interest will be paid on application monies held and returned;
- The Company will not allocate or issue Shortfall Shares where it is aware that to do so would result in a breach of the Corporations Act, the Listing Rules or any other relevant legislation or law. Shareholders wishing to apply for Shortfall Shares must consider whether the issue of the Shortfall Shares applied for would breach the Corporations Act or the Listing Rules having regard to their own circumstances; and
- If the Company does not receive applications for all of the Shortfall Shares, then any remaining Shortfall Shares will be allocated to the Underwriter in accordance with the Underwriting Agreement and the Company reserves the right if there are still Shortfall Shares that have not been allocated to place the Shortfall Shares at its discretion and in accordance with ASX Listing Rule 7.2.

### **3.4 If you wish to take up PART of your Entitlement and allow the balance to lapse**

If you wish to accept part of your Entitlement and allow the balance to lapse, please:

- complete the accompanying Entitlement and Acceptance Form in respect of the number of New Shares you wish to take up in accordance with the instructions set out on that form; and
- forward your completed form together with your payment (which must be made in accordance with the requirements set out in Part 3.6 below) for the amount due in respect of New Shares you intend to take up (being the number

of New Shares you wish to accept multiplied by \$0.04), so that it reaches the Company's Share Registry **no later than 5.00 pm (Australian Eastern Standard Time) on 28 May 2012**. If it is received after this time your Entitlement will lapse and be of no further value or effect.

Your completed Entitlement and Acceptance Form, once sent to the Company's Share Registry, cannot be withdrawn.

### **3.5 If your Entitlement is NOT taken up AT ALL**

If you do nothing, your Entitlement that is not taken up by 5.00pm (Australian Eastern Standard Time) on **28 May 2012** will lapse and be of no further value or effect.

### **3.6 Payment**

Payment for the New Shares you wish to accept under your Entitlement and any Shortfall Shares that you wish to apply for must accompany your completed Entitlement and Acceptance Form and **must be received by the Company's Share Registry no later than 5.00 pm (Australian Eastern Standard Time) on 28 May 2012** (if it is received after this time your Entitlement will lapse and be of no further value or effect and your application for Shortfall Shares will be invalid).

Payment will only be accepted in Australian currency by way of cheque, bank draft, or BPAY®. Further details are contained on your Entitlement and Acceptance Form. Other currency will not be accepted. **Please do not forward cash.**

#### ***Payment by Cheque or Bank Draft***

If you elect to make payment for your New Shares by cheque or bank draft, then the cheque or bank draft must be for payment in Australian currency and drawn on an Australian financial institution or an Australian branch of a foreign financial institution. Cheques and bank drafts should be made payable to **"Pulse Health Limited – Offer Account"** and crossed **"Not Negotiable"**. Receipts for payment will not be provided. If there are insufficient funds in the account on which the cheque or bank draft is drawn so that the cheque or bank draft does not clear in favour of the Company when it is first presented for payment, then the Company will not be required to accept your Application and your Entitlement will lapse and be of no further value or effect.

#### ***Payment Using BPAY®***

If you elect to make payment for your New Shares using BPAY®, then you must make that payment in accordance with the instructions set out in your Entitlement and Acceptance Form which will contain the Company's Biller Code and your Customer Reference Number in respect of your Entitlement and any Shortfall Shares you wish to apply for. Shareholders who have multiple holdings will have multiple Customer Reference Numbers and must use the Customer Reference Number shown on each Entitlement and Acceptance Form to pay for each holding separately.

### **3.7 Delivery and address details**

Completed Entitlement and Acceptance Forms (together with payment) must be sent so that they reach the Company's Share Registry **by no later than 5:00pm (Australian Eastern Standard Time) on 28 May 2012**.

The Company's Share Registry address is:

#### **Mailing Address**

Computershare Investor Services Pty Limited



GPO Box 253  
Sydney NSW 2001

### **3.8 Application Monies**

Application Money received for New Shares under the Offer will be held in a separate account by or on behalf of the Company until those Shares are issued. Any interest earned on the application money will be retained by the Company and applied against the costs of the Offer, with any balance retained by the Company. If the Offer does not proceed or it withdrawn for any reason, or if any Shortfall Shares that are applied for by a Shareholder are not allocated to that Shareholder, the application money will be returned in full as soon as possible, without interest.

### **3.8 Enquiries**

For further information please call the Offer Information Line on 1300 607 624 (within Australia) or 03 9415 4802 (outside Australia) during business hours in Sydney.

#### **4. UNDERWRITING AGREEMENT**

##### **4.1 Appointment of Viburnum Funds Pty Ltd as Underwriter**

The Company has under a mandate agreement and an underwriting agreement entered into on 27 April 2012 (the **Underwriting Agreement**) appointed Viburnum Funds Pty Ltd as Underwriter to the Rights Issue.

Under the terms of the Underwriting Agreement, the Underwriter has agreed to underwrite the Rights Issue to a maximum amount of \$8,157,793.72 and will receive an underwriting fee of 5% (excluding GST) of the underwritten amount (as reduced by any amount of the underwritten amount to which the Directors or executives of the Company have made a pre-commitment to subscribe for at the date of announcement of the Offer).

Further details of the Underwriting Agreement are set out in Sections 4.2 and 4.3.

##### **4.2 Underwriting Agreement**

Under the Underwriting Agreement:

- (a) the Underwriter's obligation to underwrite the Rights Issue is subject to the fulfilment of a number of conditions, including:
  - the accuracy of warranties and representations made by the Company;
  - The Underwriter having appointed sub-underwriters to a minimum level of \$3 million, on such terms as it thinks fit;
  - no event having occurred up to 31 May 2012 (being the date on which the Shortfall under the Rights Issue is determined) which would entitle the Underwriter to terminate the Underwriting Agreement;
- (b) the Underwriter may terminate its obligations on the occurrence of certain other termination events, some of which are set out in Section 4.3 below;
- (c) the Company must:
  - (i) reimburse the Underwriter for its costs, expenses and disbursements (including legal costs on an indemnity basis, travel and accommodation costs, due diligence costs, marketing and communication costs, postage, printing, couriers and other disbursements);
  - (ii) apply to the ASX for quotation of the New Shares in accordance with the requirements of the Corporations Act and the Listing Rules of ASX; and
  - (iii) conduct the Offer in accordance with the Underwriting Agreement and this Offer Document.

The Underwriting Agreement contains other terms and conditions that the Company considers are usual for a document of this nature.

##### **4.3 Termination Events**

The occurrence of certain events entitles the Underwriter to terminate its underwriting commitment under the Underwriting Agreement. These events include (among other such events) the following:

(Indices fall): any of the All Ordinaries Index or the All Industrial Index as published by ASX closing on 2 consecutive business days at 10% or more below its level as at the close of business on the business day prior to the date of the Underwriting Agreement;

(Announcement): the Company does not lodge an announcement of the Offer to the ASX, together with an appropriate Appendix 3B, by the lodgement date in the timetable;

(Offer Document): the Offer Document or the Offer is withdrawn by the Company;

(Copies of Offer Document): the Company fails to provide the Underwriter with such number of the Offer Document as it reasonably requires and such failure is not remedied within 5 business days of written notice from the Underwriter.

(No Official Quotation): Official quotation for the New Shares has not been unconditionally granted by the date for notifying the Underwriter of the Offer Shortfall or, having been granted, is subsequently withdrawn, withheld or qualified;

(Supplementary Offer Document): the Underwriter forms the view on reasonable grounds that a supplementary Offer Document should be issued and the Company fails to issue a supplementary Offer Document in such form and content and within such time as the Underwriter may reasonably require; or the Company issues a supplementary Offer Document without the prior written agreement of the Underwriter;

(Non-compliance with section 708AA of the Corporations Act): it transpires that the Offer Documentation does not contain all the information required by section 708AA of the Corporations Act;

(Misleading Offer Documentation): it transpires that there is a statement in the Offer Documentation that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Offer Documentation (having regard to the provisions of section 708AA of the Corporations Act) or if any statement in the Offer Documentation becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Offer Documentation is or becomes misleading or deceptive or likely to mislead or deceive;

(Restriction on allotment): the Company is prevented from allotting the Rights Securities within the time required by this Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;

(Withdrawal of consent for Offer Document): any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Offer Document or to be named in the Offer Document, withdraws that consent;

(ASIC application): an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Offer Documentation, the date the Underwriter is required to apply for the underwritten Shares has arrived, and that application has not been dismissed or withdrawn;

(ASIC or other prosecution): ASIC gives notice of any deficiency in the Offer Documentation or related documents or ASIC gives notice of an intention to hold a hearing, examination or investigation, or it requires information to be disclosed in connection with the Offer or the Company;

(Takeovers Panel): the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel;

(Authorisation) any authorisation which is material to anything referred to in the Offer Documentation is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter;

(New circumstance) an obligation arises on the Company to give ASX a notice in accordance with subsection 708AA(12) of the Corporations Act (as inserted by ASIC Class Order 08/35), in relation to a matter that the Underwriter reasonably considers to be adverse, or a new circumstance that the Underwriter reasonably considers to be adverse, arises or becomes known which, if known at the time of issue of the Offer Documentation and the Cleansing Notice would have been included in the Offer Documentation or the Cleansing Notice;

(Unable to issue Shares) the Company is prevented from allotting and issuing the underwritten Shares within the time required by the agreed timetable, the ASX Listing Rules, applicable laws, an order of a court of competent jurisdiction or a government agency;

(Future matters) Any statement or estimate in the Offer Documentation which relates to the future performance of the Company or the Shares or becomes incapable of being met or, in the reasonable opinion of the Underwriter, unlikely to be met in the projected timeframe;

(Indictable offence): a director or senior manager of the Company or any of its subsidiaries is charged with an indictable offence; and

(Sub-underwriters): One or more Sub-Underwriters who have an aggregate commitment under their sub-underwriting agreements in excess of \$1,000,000 do not comply with their obligations under the sub-underwriting agreements or threaten to not comply with their respective obligations under their sub-underwriting agreements.

Subject to resulting or being likely to result in a material adverse effect or liability to the Underwriter, the following are also termination events:

(Default): default or breach by the Company under this Agreement of any terms, condition, covenant or undertaking;

(Incorrect or untrue representation): any representation, warranty or undertaking given by the Company in this Agreement is or becomes untrue or incorrect;

(Contravention of constitution or Act): a contravention by the Company or any of its subsidiaries of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;

(Adverse change): an event occurs which gives rise to a material adverse effect or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of the Company or any of its subsidiaries including, without limitation, if any forecast in the Offer Documentation becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;

(Error in Due Diligence Results): it transpires that any of the due diligence results or any part of the verification materials in connection with the Company's due diligence program with respect to the Offer was false, misleading or deceptive or that there was an omission from them;

(Significant change): a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;

(Public statements): without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer or the Offer Documentation;

(Misleading information): any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the Issue or the affairs of the Company or any of its subsidiaries is or becomes misleading or deceptive or likely to mislead or deceive;

(Official Quotation qualified): the official quotation of the New Shares is qualified or conditional other than in respect of any customary condition;

(Change in Act or policy): there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;

(Prescribed Occurrence): any of the following occurs:

- the Company or any of its subsidiaries taking certain actions with respect to its share capital;
- the Company or any of its subsidiaries disposing, or agreeing to dispose, of the whole, or a substantial part, of its business or property;
- the Company or any of its subsidiaries charging, agreeing to charge, the whole, or a substantial part, of its business or property;
- the Company or any of its subsidiaries resolving that it be wound up;
- an insolvency event occurring in respect of the Company or any of its subsidiaries;

(Suspension of debt payments): the Company suspends payment of its debts generally;

(Judgment against the Company or any of its subsidiaries): a judgment in an amount exceeding \$250,000 is obtained against the Company or any of its subsidiaries and is not set aside or satisfied within 7 business days;

(Litigation): litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced or threatened against the Company or any of its subsidiaries, in which the amount claimed is in excess of \$1,000,000 other than any claims foreshadowed in the Offer Documentation;

(Board and senior management composition): there is a change in the composition of the Board or a change in the senior management of the Company before completion of the Offer without the prior written consent of the Underwriter;

(Change in shareholdings): there is a material change in the major or controlling shareholdings of the Company or any of its subsidiaries takeover offer or scheme of arrangement pursuant to Chapters 5 or 6 of the Corporations Act is publicly announced in relation to the Company or any of its subsidiaries;

(Timetable): there is a delay in any specified date in the agreed timetable which is greater than 5 business days;

(Force Majeure): a force majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;

(Certain resolutions passed): the Company or any of its subsidiaries passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;

(Intellectual Property): the Company ceases to own or have the right to use any intellectual property used in the course of its business;

(Infringements): there is an infringement or alleged infringement by the Company or a third party of any intellectual property used by the Company in the course of its business;

(Investigation): any person is appointed under any legislation in respect of companies to investigate the affairs of the Company or any of its subsidiaries;

(Market Conditions): a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets;

(Material Agreements): the Company enters into (or makes any binding offer to enter into), amends or terminates a material agreement without the prior written consent of the Underwriter;

(Suspension): ASX announces that the fully paid ordinary shares in the Company will be delisted, removed from quotation, withdrawn from admission to trading status or

suspended from trading (and that suspension is not lifted within 24 hours following such suspension).

As noted above, there are other termination events which entitle the Underwriter to terminate the Underwriting Agreement. Certain of them require the Underwriter to form the opinion that the event in question will have or be likely to have a material adverse effect on the prospects of the Offer.

## **5. IMPORTANT ADDITIONAL INFORMATION**

### **5.1 No authority for statements**

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Offer Document. Any information or representation not contained in this Offer Document may not be relied upon as having been authorised by the Company, the Directors or any other person in connection with the Offer.

### **5.2 Privacy Act**

As a Shareholder, the Company and the Share Registry have already collected certain personal information from you. If you apply for New Shares, the Company and the Share Registry may update that personal information or collect additional personal information. The Company and the Share Registry will collect, hold and use such information to assess your Application, service your needs as an Applicant, provide facilities and services that you request, and carry out appropriate administration.

We require the information to be collected in connection with your Application. If you do not provide the information requested, your Application may not be able to be processed efficiently or at all.

The Company and the Share Registry may disclose your personal information for purposes related to your Application to their agents and service providers, including those listed below or as otherwise authorised under the Privacy Act 1988 (Cth) (**Privacy Act**):

- the Underwriter;
- the Share Registry, in order to assess your Application and for ongoing administration of the Share Register;
- ASTC and CHESS; and
- the printers and the mailing house for the purposes of preparation and distribution of statements and for handling of mail.

Under the Privacy Act, you may request access to your personal information held by (or on behalf of) the Company or the Share Registry. You may request access to your personal information by telephoning the Share Registry as follows:

Computershare Investor Services Pty Limited

Tel: 1300 607 624 (within Australia) 03 9415 4802 (outside Australia)

### **5.3 Computershare**

Computershare Investor Services Pty Limited has given and, as at the date hereof, has not withdrawn, its written consent to be named as Share Registrar in the form and context in which it is named.

Computershare Investor Services Pty Limited has had no involvement in the preparation of any part of this Offer Document other than being named as Share Registrar to the Company. Computershare Investor Services Pty Limited has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of this Offer Document.



## 6. DEFINITIONS

In this Offer Document the following terms and abbreviations have the following meanings unless otherwise stated:

**Applicant** refers to a person who submits an Entitlement and Acceptance Form in order to apply for New Shares;

**Application** refers to an Entitlement and Acceptance Form that has been submitted to the Company;

**Application Moneys** means the moneys received by or on behalf of the Company from Applicants;

**ASX** means ASX Limited (ACN 008 624 691) or, where the context permits, the Australian Securities Exchange operated by ASX Limited;

**Board** means the Directors convened and acting as a board of directors;

**Closing Date** means 5:00pm (Australian Eastern Standard Time) on 28 May 2012, or such other date as is specified in accordance with the terms of the Offer;

**Company** means Pulse Health Limited ACN 104 113 760;

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

**Directors** means the directors of the Company from time to time;

**Entitlement** means an entitlement of a Shareholder to submit an Application for 3 New Shares for every 4 Shares held by that Shareholder at 7.00pm on the Record Date, and otherwise under the Rights Issue;

**Entitlement and Acceptance Form** means the Entitlement and Acceptance Form accompanying this Offer Document;

**Listing Rules** means the Listing Rules of ASX;

**New Share** means a new Share to be issued pursuant to this Offer;

**Offer** means the offer to subscribe for Shares under the Rights Issue;

**Offer Document** means this Offer Document dated 30 April 2012;

**Opening Date** means 14 May 2012;

**Option** means the right to acquire a Share;

**Optionholder** means a person who is the registered holder of an Option;

**Record Date** means 8 May 2012;

**Rights Issue** a 3 for 4 non-renounceable underwritten rights issue at \$0.04 per share together with the opportunity to apply for any Shortfall Shares to be made by the Company on the terms set out in this Offer Document;

**Section** means a section of this Offer Document;

**Share** means an ordinary fully paid share in the capital of the Company, and includes a **New Share**;

**Shareholder** means a Shareholder whose details appear on the Company's register of Shareholders as at 7.00pm on the Record Date;

**Shortfall** means the number of Shares (if any) that have not been applied for and issued to Shareholders under the Rights Issue;

**Shortfall Shares** means New Shares forming Entitlements or part of Entitlements of Shareholders that are not applied for under the Offer by those Shareholders;

**Underwriter** means Viburnum Funds Pty Limited ABN 26 126 348 990;

**Underwriting Agreement** means the Underwriting Agreement entered into between the Company and the Underwriter on 27 April 2012 as amended by a deeds of variation dated 7 May 2012 and 9 May 2012;

**Unlisted Option** means an Option that is not quoted on the Official List of ASX.



### For all enquiries:

**Phone:**



(within Australia) 1300 607 624  
(outside Australia) 61 3 9415 4802

**Web:**



[www.investorcentre.com/contact](http://www.investorcentre.com/contact)

000001 000 PHG  
MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

### Make your payment:



See over for details of the Offer and how to make your payment

## Non-Renounceable Rights Issue — Entitlement and Acceptance Form

 **Your payment must be received by 5:00pm (AEST) Monday 28 May 2012**

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

### Step 1: Registration Name

Please check the details provided and update your address via [www.investorcentre.com](http://www.investorcentre.com) if any of the details are incorrect.

If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

### Step 2: Make Your Payment

You can apply to accept either all or part of your Entitlement. Enter the number of new shares you wish to apply for and the amount of payment for those shares.

By making your payment you confirm that you agree to all of the terms and conditions as detailed in the Offer Document dated 9 May 2012.

Choose one of the payment methods shown below.

**Bpay®:** See overleaf. Do not return the slip with Bpay payment.

**By Mail:** Complete the reverse side of this payment slip and detach and return with your payment. Make your cheque or bank draft payable in Australian dollars to 'Pulse Health Limited - Offer Account'. The cheque must be drawn from an Australian bank. Cash is not accepted.

Payment will be processed on the day of receipt. Receipts will not be forwarded. Funds cannot be debited directly from your account.

Entering your contact details is not compulsory, but will assist us if we need to contact you.

**Turn over for details of the Offer →**

# Entitlement and Acceptance Form with Additional Shares


X 9999999991

I ND

## STEP 1

### Registration Name & Offer Details

**Registration Name:** MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

 For your security keep your SRN/  
HIN confidential.

Entitlement No: 00005856

**Offer Details:** Existing shares entitled to participate as at  
7:00pm (AEST) 8 May 2012:

4,000

Entitlement to new shares  
on a 3 for 4 basis:

1

Amount payable on acceptance  
at \$0.04 per share:

\$0.01

## STEP 2

### Make Your Payment



Billers Code: 200675  
Ref No: 1234 5678 9123 4567 89

#### Pay by Mail:



Make your cheque, money order or bank draft payable to 'Pulse Health  
Limited - Offer Account'.

Return your cheque with the below slip to:

**Computershare Investor Services Pty Limited**

**GPO BOX 253 Sydney New South Wales 2001 Australia**

Contact your financial institution to make your  
payment from your cheque or savings account.

While this Offer is being made to all Shareholders of the Company, no action has been taken to register or qualify the Offer, or the new ordinary shares to be issued thereunder, or otherwise permit the offering of the new ordinary shares in any jurisdiction outside Australia and New Zealand. In particular, the New Shares and the rights of Shareholders under the Rights Issue have not been, and will not be, registered under the Securities Act 1933. Each investor should seek professional advice before completing and returning this Entitlement and Acceptance Form and by applying for New Shares an investor is taken to have warranted as to its ability to participate in the Rights Issue without breach of any law.

Relief from the application of section 606 of the Corporations Act has not been granted to the offer of the Shortfall Shares to Shareholders. Shareholders who may be at risk of exceeding the restrictions on acquiring a relevant interest in voting shares in the Company in section 606 of the Corporations Act as a result of applying for any of the Shortfall Shares should seek professional advice before completing and returning this Entitlement and Acceptance Form.

#### Privacy Statement

Personal information is collected on this form by Computershare Investor Services Pty Limited (CIS) as registrar for the securities issuer (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS using the details provided above or email [privacy@computershare.com.au](mailto:privacy@computershare.com.au)

Detach here

### Acceptance Payment Details

Entitlement taken up:

--	--	--	--	--	--	--	--

Number of additional shares  
(Shortfall Shares) applied for:

--	--	--	--	--	--	--	--

Amount enclosed at \$0.04 per  
new share:

A\$ 

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**Payment must be received by 5:00pm (AEST) Monday 28 May 2012**

#### Contact Details

**Contact  
Name**

**Daytime**

**Telephone**

#### Cheque Details

**Drawer**

**Cheque Number**

**BSB Number**

**Account Number**

**Amount of Cheque**

--	--	--	--	--

A\$



Entitlement No: 00005856

MR SAM SAMPLE  
123 SAMPLE STREET  
SAMPLETOWN VIC 3000

123456789123456789+0000000001-2054+15