

**ASX RELEASE**

## 4-year senior unsecured notes

**MELBOURNE, Australia – 21 April, 2016** Capitol Health Limited (ASX:CAJ) (“Capitol Health” or the “Company”) today announced that it will undertake a 4-year senior unsecured notes offering (“Notes”) to raise up to A\$50 million. The Notes will be issued by Capitol Treasury Pty Ltd, a wholly owned subsidiary of Capitol Health.

The issue of the Notes is part of the Company's capital management program designed to assist Capitol Health and its subsidiaries (“Group”) in accessing a diverse range of funding options. This transaction will not increase the Group's net debt (beyond transaction costs) and will result in a comparable reduction in the drawn bank net debt. The sole lead arranger for the Notes transaction is National Australia Bank.

In accordance with the requirements of the *Corporations Act* 2001 (Cth), the offering will only be open to eligible professional and sophisticated investors. No prospectus or other disclosure documents in relation to the Notes will be lodged with the Australian Securities & Investment Commission or any other regulatory authority.

Capitol Health Managing Director John Conidi said, “Accessing the A\$ wholesale debt markets will provide Capitol Health with greater operating flexibility, diversify Capitol Health's current debt funding sources and provide additional tenor to the Company's existing debt maturity profile.”

### Overview of the Notes offering

Full terms and conditions of the Notes offering will be available in the Information Memorandum that will be lodged with the ASX once the terms have been finalised. The Information Memorandum is not a prospectus or other disclosure document for the purposes of the *Corporations Act* 2001 (Cth).

A summary of key terms is set out below:

<b>Issuer:</b>	Capitol Treasury Pty Ltd (ACN 611 139 194)
<b>Parent guarantor:</b>	Capitol Health Limited (ABN 84 117 391 812)
<b>Type:</b>	Fixed rate medium term notes
<b>Coupon:</b>	8.25% cash coupon per annum, payable semi-annually in arrears
<b>Ranking and status:</b>	Direct, unsecured and unsubordinated obligations
<b>Maturity:</b>	4 years from date of issue
<b>Call option:</b>	The Issuer has the option of redeeming the Notes after 2 years (and each half year thereafter)
<b>Other redemption events:</b>	Notes are also redeemable prior to their Maturity: <ul style="list-style-type: none"> <li>At the option of the Issuer following certain tax events; and/or</li> <li>At the option of a Noteholder following the occurrence of a Change of Control event</li> </ul>
<b>Unlisted:</b>	The Notes will be unlisted securities
<b>Rating:</b>	The Notes will not be rated by any rating agency
<b>Negative pledge and other covenants:</b>	The Notes will have the benefit of a negative pledge and other covenants that will be described in the final Information Memorandum

## About Capitol Health

Capitol Health is a leading provider of diagnostic imaging and related services to the Australian healthcare market. Headquartered in Melbourne, Victoria the Company owns and operates approximately 70 clinics throughout Victoria and New South Wales.

The Company conducts more than 1 million procedures every year and employs over 700 employees and contractors, including roughly 50 radiologists (FTE basis). The Company's operational focus is on delivering a community-based infrastructure for radiologists and related medical practitioners to deliver optimal, efficient, accurate healthcare service outcomes for patients.

Trading primarily under its flagship brand Capital Radiology, the Company provides a range of diagnostic imaging services. Roughly 90% of revenue is generated through X-Ray, Ultrasound, CT and MRIs; additional offerings include nuclear medicine, mammography/breastscreen, bone densitometry, and other related services.

### For more information please contact:

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