



ADVANCED HEALTH LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 2013/059246/06)

("the Company" or "Advanced Health")

ISIN Code: ZAE000189049

JSE Code: AVL

UNDERWRITTEN RIGHTS OFFER DECLARATION AND FINALISATION DATA ANNOUNCEMENT

1. INTRODUCTION AND TERMS OF THE RIGHTS OFFER

In terms of the Rights Offer, 66 373 632 new Advanced Health Shares of no par value in the authorised but unissued share capital of the Company, will be offered for subscription to Advanced Health Shareholders recorded in the register at the close of trade on Friday, 21 July 2017, who will receive Rights to subscribe for Rights Offer Shares on the basis of 29.95 Rights Offer shares for every 100 Advanced Health Shares held, for subscription at 130 cents per Rights Offer Share. Only whole numbers of Shares will be issued and Advanced Health Shareholders will be entitled to a rounded number Shares. Excess applications will be allowed.

2. RATIONALE FOR THE RIGHTS OFFER

Advanced Health listed in on the AltX of the JSE during 2014, raising equity capital with the aim of capitalising on a window of opportunity to firmly establish itself as a leading day hospital group in South Africa. At the time of listing Advanced Health's operations comprised three facilities in Australia (PMA) and two facilities in South Africa (AHSA). Since coming to market, the Group embarked on a rapid development strategy and over the last two years the Group successfully executed the development and commissioning of greenfields day hospital facilities bringing the total number of day hospitals in South Africa to ten facilities.

Advanced Health is now at a point in its journey of bedding down and ensuring the optimisation of these newly established facilities whilst maintaining its expansion strategy by selectively pursuing both organic and acquisitive growth opportunities in both South Africa and Australia.

To this effect, shareholders have been advised that Advanced Health intends to fund its growth and expansion strategy through a planned equity capital raise. The equity capital raised will also be earmarked to settle certain existing debt obligations enabling the Group to enhance its capital structure in such a way as to provide a financial platform to drive future growth.

The Rights Offer will be fully underwritten by Eenhede Konsultante (Pty) Limited ("Eenhede Konsultante"), a major existing shareholder of Advanced Health.

3. IRREVOCABLE LETTERS OF UNDERTAKINGS AND UNDERWRITING AGREEMENT

The following shareholders, Eenhede Konsultante, Pres Medical Witbank (Pty) Limited, the VC Family Trust, the Carl Grillenberger Family Trust, Bremer Investments (Pty) Limited and Maluti Aktien Gesellschaft have provided irrevocable letters of undertaking, to follow their respective rights 36 824 095 rights offer shares. In terms of the irrevocable letters of undertaking, commitment fees equal to 1% of the Rand Value of the rights offer shares subscribed for will be payable by Advanced Health to these shareholders.

Pursuant to the underwriting agreement entered into between Advanced Health and Eenhede Konsultante (the "Underwriting Agreement"), Eenhede Konsultante will subscribe for a maximum of 66 373 632 rights offers shares, excluding the total of 36 824 095 rights offer shares for which irrevocable letters of undertakings have been provided as set above.

The net effect of the letters of irrevocable undertakings and the Underwriting Agreement is that Advanced Health have commitments for the take up of the full rights offer amount of R86 285 721.

4. EXCESS APPLICATIONS

Advanced Health shareholders will be permitted to apply for new Advanced Health shares in excess of their entitlement. Should there be excess rights offer shares available for allocation, these will be allocated to applicants in a manner viewed as equitable in terms of the Listings Requirements of the JSE.

5. FRACTIONS

The whole number of rights to subscribe for rights offer shares to which qualifying shareholders will become entitled will be determined by the ratio of entitlement. Only whole numbers of new Advanced Health shares will be issued and Advanced Health shareholders will be entitled to rounded numbers of shares once the ratio has been applied, using the rounding principle where allocations will be rounded up or down, as appropriate with fractions of 0.5 and above being rounded up and fractions below 0.5 being rounded down to the nearest whole number resulting in allocations of whole numbers of rights offer shares, in accordance with the Listings Requirements.

6. IMPORTANT DATES AND TIMES

2017

Rights offer declaration data and finalisation announcement released on SENS	Tuesday, 11 July
Last day to trade in Advanced Health ordinary shares in order to participate in the rights offer (<i>cum entitlement</i>)	Tuesday, 18 July
Listing of and trading in the letters of allocation on the JSE under JSE code AVLN and ISIN ZAE000246559 commences at 09:00	Wednesday, 19 July
Advanced Health ordinary shares commence trading <i>ex rights</i> on the JSE at 09:00	Wednesday, 19 July
Circular (<i>and Form of Instruction</i>) posted to (<i>certificated</i>) shareholders	Wednesday, 19 July
Record date for the rights offer for purposes of determining the Advanced Health shareholders entitled to participate in the rights offer at the close of business on	Friday, 21 July
Rights offer opens at 09:00	Monday, 24 July
Certificated shareholders will have their letters of allocation credited to an electronic account held at the transfer secretaries at 09:00	Monday, 24 July
Dematerialised shareholders will have their Letters of Allocation credited to their accounts held at their CSDP or broker at 09:00	Monday, 24 July
Last day for trading letters of allocation on the JSE	Tuesday, 1 August
Circular, where applicable, posted to Qualifying Dematerialised Shareholders	Tuesday, 1 August
In respect of Qualifying Certificated shareholders wishing to sell all or some of their Letters of Allocation, Forms of instruction to be lodged with the Transfer Secretaries by 12:00 on	Tuesday, 1 August
Listing of rights offer shares and trading therein on the JSE commences at 09:00	Wednesday, 2 August
Rights Offer closes at 12:00. In respect of Qualifying Certificated shareholders (or their renounces) wishing to exercise all or some of their rights, payment to be made and Form of Instruction to be lodged with the Transfer Secretaries by 12:00 on	Friday, 4 August
Record date for the letters of allocation	Friday, 4 August
Rights offer shares issued and posted to shareholders in certificated form on or about	Monday, 7 August
CSDP or broker accounts in respect of dematerialised shareholders (or	Monday, 7 August

Their renounces) will be updated with rights offer shares and debited with any payments due

Results of rights offer announced on SENS

Monday, 7 August

In respect of successful excess applications (if applicable), rights offer shares issued to qualifying dematerialised shareholders and or share certificates posted to qualifying certificated shareholders on or about

Thursday, 10 August

In respect of unsuccessful excess applications (if applicable), refund payments made to certificated shareholders on or about

Thursday, 10 August

Notes:

- 6.1. All references to dates and times are to local dates and times in South Africa.
- 6.2. Holders of dematerialised Advanced Health shares are required to notify their CSDP or Broker of the action they wish to take in respect of the rights offer in the manner and by the time stipulated in the agreement governing the relationship between the dematerialised shareholder and his CSDP or Broker.
- 6.3. Advanced Health share certificates may not be dematerialised or rematerialised between Wednesday, 19 July 2017 and Friday, 21 July 2017, both days inclusive.
- 6.4. CSDPs effect payment in respect of holders of dematerialised rights offer shares on a delivery versus payment basis.
- 6.5. Dematerialised shareholders will have their accounts at their CSDP or Broker automatically credited with their rights and certificated shareholders will have their rights credited to an account at the transfer secretaries.
- 6.6. Rights offer share certificates to be issued in terms of the rights offer will be posted to persons entitled thereto, by registered post, at the risk of the certificated shareholders concerned.
- 6.7. Any material changes to the dates and times above will be announced on SENS.

7. DOCUMENTATION

A circular to Advanced Health shareholders, setting out full details of the rights offer, will be distributed to shareholders on or about Wednesday, 19 July 2017. A form of instruction in respect of the letters of allotment will be enclosed with the circular for use by Advanced Health shareholders who have not dematerialised their Advanced Health shares. The circular will also be available on the Company's website (www.advancedhealth.co.za) from Tuesday, 18 July 2017.

8. DISCLAIMER

The distribution of this Circular, the Rights Offer, the Form of Instruction and the transfer of the Rights Offer Shares and/or the Rights to subscribe for the Rights Offer shares in jurisdictions other than South Africa may be restricted by law and failure to comply with any of those restrictions may constitute a violation of the laws of any such jurisdiction. Neither this Circular, nor any Form of Instruction, may be regarded as an offer in any jurisdiction in which it is illegal to make such an offer. In those circumstances, this Circular and any Form of Instruction are sent for information purposes only.

It is the responsibility of any person outside South Africa (including, without limitation, nominees, agents and trustees for such persons) receiving this Circular and wishing to take up Rights under the Rights Offer, to satisfy himself as to the full observance of the applicable laws of any relevant territory, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories.

Johannesburg
11 July 2017

Designated Advisor
Grindrod Bank Limited

