ASX Release

NOVITA SUCCESSFULLY COMPLETES A$1M RIGHTS ISSUE

KEY POINTS

- Applications received from 336 shareholders for 20.7 million shares raising $621,233

- Shortfall of 13.2 million shares successfully placed with institutional and sophisticated investors, raising a further $396,265

- All members of Novita's Board took up their entitlements under the rights issue and applied for an additional 4.3 million shares totalling $130,000

- Strong level of support follows successful oversubscribed $2.5m placement to institutional and sophisticated investors announced on 12 July 2017

- Total proceeds from the successful placement and rights issue of $3.5 million will be used to fund the growth of Newly as well as Novita's existing business, TALI

Novita Healthcare Limited (ASX: NHL) ("**Novita**" or the "**Company**") is pleased to announce the successful completion of its $1.0 million 1 for 6 non-renounceable rights issue ("**Rights Issue**") to existing shareholders announced on 12 July 2017.

Novita received strong support from existing shareholders with applications received for 20.7 million shares raising gross proceeds of $621,233, which includes additional shares applied for under the top-up facility ("**Top-Up Facility**").

Event	Shares
Shares currently on issue	252,194,192
Maximum shares offered under Rights Issue	33,916,613
Rights Issue shares applied for by eligible shareholders	12,926,249
Shortfall Shares applied for under the Top-Up Facility	7,781,509
Shortfall Shares	13,208,855

Novita has successfully placed the $396,265 balance of Shortfall Shares to institutional and sophisticated investors, and the Company expects that this will be completed within the week.

Successful completion of the Rights Issue represents the second stage of Novita's $3.5 million equity raising, announced on 12 July 2017.

The proceeds of the completed Rights Issue will be used to:
- Accelerate the investment required to further develop Newly's software and roll out the business nationally

- Provide additional expansion capital to support and accelerate the commercialisation of Novita's assets

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Commenting on the completion of the Rights Issue, Iain Kirkwood, Executive Chairman said:

"*We are delighted with the strong support the Company has received from its shareholders and several new institutional and sophisticated investors. The successful completion of our $3.5 million equity raising demonstrates confidence in Novita's renewed strategic focus, business model and team. Novita looks forward to accelerating the development and commercialisation of its key assets, Newly and TALI.*"

ADDITIONAL SHARE ISSUES

The Company also advises that the following additional share issues are to be made, as announced on 12 July 2017, and as approved at the Extraordinary General Meeting ("EGM") which took place on 18 August 2017:

- The second tranche of 66.7 million new placement shares at $0.03 per share to institutional and sophisticated investors;

- New shares to the value of $77,000 to Torus Games as partial consideration for the development of graphic technologies required for commercialisation of Novita's TALI technology; and

- New shares to the value of $170,000 to Grey Innovation as part consideration for the development of TALI Train portal that is fundamental to final stage commercialisation of the TALI technology.

ABOUT NOVITA

Novita Healthcare is a Melbourne-based health technology company focusing on innovation, development and commercialisation of healthcare technologies. Novita Healthcare's flagship products are the revolutionary TALI system, which uses cutting edge technology to treat and monitor cognitive problems such as attention difficulties in early childhood and Newly, an online marketplace connecting care and support professionals with people and organisations in need.

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