

Non-Renounceable Rights Issue – Letters to Shareholders

Attached are copies of the following two letters which have been sent today in relation to the rights issue announced by Novita Healthcare Limited (“**Novita**” or the “**Company**”) today (“**Rights Issue**”):

- (a) A letter to shareholders of Novita who have registered addresses in Australia or New Zealand and that as at the record date of 18 July 2017 would be eligible to participate in the Rights Issue; and
- (b) A letter to shareholders of Novita who have registered addresses outside Australia or New Zealand and that as at the record date of 18 July 2017 would not be entitled to participate in the Rights Issue.

About Novita Healthcare Limited

Novita Healthcare is a Melbourne-based medical technology company. Its flagship program is the revolutionary and innovative TALI system, which uses cutting edge technology to diagnose and treat cognitive problems such as attention difficulties in early childhood.

About the TALI system

TALI Health Pty Ltd (100% owned by Novita Healthcare) has the exclusive global license to the TALI Technology together with the option to acquire the TALI Technology outright. TALI is seeking to position itself as the global leader in the diagnosis and treatment of attention difficulties, particularly in children with developmental disorders, such as autism. The TALI Technology is a result of ground-breaking research pioneered over twenty years by internationally renowned neuroscientist Professor Kim Cornish and her team at Monash University. The front end of the TALI Technology is an attention assessment and training program (accessed via a software application prescribed by healthcare professionals), delivered on a computerized tablet (or similar). The back end of the TALI Technology is a Cloud based, centralised secure data collection, analysis and report system.

NON-RENOUNCEABLE RIGHTS ISSUE – ELIGIBLE SHAREHOLDER

13 July 2017

Dear Shareholder

Novita Healthcare Limited (“**Novita**” or “**Company**”) on 12 July 2017 announced a non-renounceable rights issue (“Rights Issue”) of 1 fully paid ordinary share (“**New Shares**”) for every 6 existing shares held as at 18 July 2017 (AEST) (“**Record Date**”) to shareholders with a registered address in Australia or New Zealand (“**Eligible Shareholders**”).

The Rights Issue is being carried out pursuant to an offer document dated today, 12 July 2017 (Information Booklet) in accordance with section 708AA of the Corporations Act 2001 (Cth) as modified by Australian Securities and Investments Commission Class Order 08/35.

Details of the Rights Issue

Pursuant to the Rights Issue, Novita will issue up to 34,141,000 New Shares at an issue price of \$0.030 per New Share to raise up to \$1,024,230.

The Company will apply to ASX for quotation of the New Shares. The New Shares will rank equally in all respects with the Company’s existing shares. Shareholders who choose not to take up their entitlement will receive no value in respect of their entitlement and their shareholding in the Company will be diluted.

Use of funds

The Company intends to apply the proceeds of the Rights Issue (in conjunction with the placements as announced by Novita on 12 July 2017) to fund the working capital requirements of the Newly acquisition in addition to the investment required to further develop the software and rollout the business nationally, and additional expansion capital to support and accelerate the commercialisation of TALI Train.

Timetable

The Company anticipates the Rights Issue to be conducted in accordance with the following timetable:

Date	Event
12 July 2017	Announcement of Newly Pty Ltd acquisition, Placement, Rights Issue and General Meeting of Shareholders - Shares resume trading on ASX
12 July 2017	Lodgement Date for Rights Issue - Lodgement of Rights Issue Offer Booklet, Cleansing Notice in respect of the Rights Issue and Appendix 3B
13 July 2017	Lodgement of Offer Document

17 July 2017	Ex Date for Rights Issue - Company shares trade on an ex-basis for the Rights Issue
18 July 2017	Record Date for Rights Issue - Rights issue entitlements determined
20 July 2017	Rights Issue Opening Date - Rights Issue Offer opens - Rights Issue Offer Booklet dispatched to Eligible Shareholders
18 August 2017	Rights Issue Closing Date
21 August 2017	New Rights Issue Shares quoted on ASX on a deferred settlement basis
23 August 2017	ASX notified of under subscriptions
25 August 2017	Rights Issue Allotment Date - Issue date under Rights Issue - Deferred settlement trading ends - Dispatch of holding statements
28 August 2017	Trading Date - Normal trading of Rights Issue Shares

*This Timetable is indicative only. Applicants are encouraged to submit their Entitlement and Acceptance Form and Application Monies as soon as possible after the Rights Issue opens. The Directors may vary these dates, subject to the Listing Rules. An extension of the Closing Date will delay the anticipated date for allotment and issue of the New Shares.

Eligible Shareholders will receive a copy of the Information Booklet shortly. A copy of the Information Booklet has been lodged with ASX and can be found on its website www.asx.com.au.

John Osborne
Company Secretary
Novita Healthcare Limited

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13 July 2017

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The Company has determined, pursuant to Listing Rule 7.7.1(a), that it is unreasonable to make offers under the Rights Issue to shareholders with a registered address outside Australia or New Zealand (“**Ineligible Shareholders**”), having regard to the number of such shareholders, their holdings and the compliance costs required to offer the New Shares under the Rights Issue to those shareholders.

Accordingly, in compliance with ASX Listing Rule 7.7.1(a), Novita wishes to advise that it will not be extending the Rights Issue to Ineligible Shareholders.

You are not required to take any further action in relation to the Rights Issue.

John Osborne
Company Secretary
Novita Healthcare Limited