



1/31 Sabre Drive  
Port Melbourne VIC 3205  
ABN 67 108 208 760  
t +61 (03) 9209 9688

25 November 2019

ASX Announcement

## OFFER DOCUMENT LODGEMENT AND CLEANSING NOTICE UNDER SECTION 708AA(2)(F) OF THE CORPORATIONS ACT 2001 (CTH)

Azure Healthcare Limited (ACN 108 208 760) (ASX:AZV) (**Azure** or the **Company**) is today pleased lodge a rights issue offer document (**Offer Booklet**) in respect of the rights issue announced by the Company on 14 November 2019 for the following:

- (a) a non-underwritten, non-renounceable, pro-rata rights offer to Eligible Shareholders on the basis of one (1) New Share for every 11.88 Shares held on the Record Date at an issue price of AUD \$0.068 per New Share (**Priority Offer**); and
- (b) an offer to Eligible Shareholders of any New Shares not applied for under the Priority Offer (**Shortfall Offer**),

(collectively, the **Offers**).

The Offers open on Tuesday 3 December 2019 and close at 5.00pm AEDT on Friday 13 December 2019.

A copy of the Company's Offer Booklet accompanies this announcement.

The Company's Directors have shown their support for the Offers by indicating their intention to subscribe for all of their entitlements under the Offers.

Further, those institutional, professional and sophisticated investors who participated in the placement of 29,411,764 ordinary shares as announced by the Company on 14 November 2019 (**Placement**) have indicated their intention to subscribe for their full entitlement under the Offers.

For the purposes of section 708AA(2)(f) of the Corporations Act 2001 (Cth) (**Corporations Act**), the Company advises that:

- (a) the Shares to be issued pursuant to the Offers will be offered for issue without disclosure under Part 6D.2 of the Corporations Act;
- (b) this notice is being given under section 708AA(2)(f) of the Corporations Act as modified by the *Corporations (Non-Traditional Rights Issues) Instrument 2016/84* of the Australian Securities and Investments Commission (**ASIC Instrument**);

- (c) as at the date of this notice, Azure has complied with:
  - (i) the provisions of Chapter 2M of the Corporations Act as they apply to Azure; and
  - (ii) section 674 of the Corporations Act;
- (d) as at the date of this notice, there is no “excluded information” of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act that is required to be set out in this notice under section 708AA(7)(d) of the Corporations Act as modified by the ASIC Instrument; and
- (e) the potential effect that the Offers will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand. However, given the size of the Offers, the composition of Azure’s share register and the structure of the Offers as a non-underwritten, non-renounceable, pro rata offer, Azure does not expect the Offers to have any material effect or consequence on the control of the Company. Further detail in respect of the potential effect that the Offers may have on the control of the Company is provided in the Offer Booklet.

For further information please contact:

**Clayton Astles**

Chief Executive Officer  
Telephone AUS: +61 411 531 170  
Telephone US: +1 416 565 7457  
Email: [clayton.astles@austco.com](mailto:clayton.astles@austco.com)

**Brendan Maher**

Chief Financial Officer  
Telephone AUS: +61 3 9209 9608  
Mobile: +61 439 369 551  
Email: [brendan.maher@austco.com](mailto:brendan.maher@austco.com)

**About Azure Healthcare Limited (ASX:AZV)**

Azure Healthcare Limited is an international provider of healthcare communication and clinical workflow management solutions. Headquartered in Australia, the Company has subsidiaries in six countries and supports healthcare facilities through its global reseller network which includes growing markets in health, aged care and acute care. Azure Healthcare services markets include Australia, New Zealand, Canada, UK, USA, Asia and the Middle East. For further information please refer to the Company’s website [www.azurehealthcare.com.au](http://www.azurehealthcare.com.au)



**Azure Healthcare Limited**  
(ACN 108 208 760)

## **Rights Issue Offer Document**

For a non-renounceable pro-rata rights issue by Azure Healthcare Limited to Eligible Shareholders of one (1) New Share for every 11.88 Shares held on the Record Date at an issue price of \$0.068 per New Share, to raise up to approximately \$1.5 million before costs.

The Offer closes at **5.00 pm (AEDT) on 13 December 2019**.

**The Rights Issue is not underwritten.**

### **Important Notice**

This document is not for release or distribution in the United States or elsewhere outside Australia or New Zealand, except by the Company or Nominee to Approved US Shareholders.

This is an important document and requires your immediate attention. If you are in any doubt about how to deal with this document (**Offer Document**), you should consult your stockbroker, accountant, lawyer or other professional advisor.

You are encouraged to carefully read this Offer Document in its entirety before making any investment decision in relation to the Rights Issue. If you apply for New Shares under the Rights Issue you will be agreeing to be bound by the terms of the Offer Document, and you will confirm that you have read, understood and agreed to the terms of the Offer Document.

This Offer Document is not a prospectus or other form of disclosure document. It does not contain all of the information that an investor may require to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered under this Offer Document.

This Offer Document does not provide financial advice and has been prepared without taking into account your particular objectives, financial situation or needs.

Participation in the Rights Issue is only open to holders of fully paid ordinary shares in Azure at **7:00pm (AEDT) on 29 November 2019 and whose address in the share register is in Australia or New Zealand, or who is an Approved US Shareholder**.

## Table of Contents

IMPORTANT INFORMATION.....	2
CHAIRMAN'S LETTER.....	6
KEY OFFER DETAILS.....	7
KEY DATES.....	8
ANSWERS TO KEY QUESTIONS.....	9
1 THE OFFER AND ELIGIBILITY.....	11
2 HOW TO APPLY FOR NEW SHARES.....	22
3 ADDITIONAL INFORMATION.....	25
4 DEFINITIONS.....	28
5 CORPORATE DIRECTORY.....	30

## IMPORTANT INFORMATION

This Rights Issue Offer Document (the **Offer Document**) has been prepared by Azure Healthcare Limited (ACN 108 208 760) (**Azure** or the **Company**) and is dated 25 November 2019.

Azure has appointed Harbury Advisors Pty Ltd (**Lead Manager**) to act as lead manager and corporate advisor in respect of the Offer.

This Offer Document is not a prospectus or other disclosure document under the Corporations Act and has not been lodged with ASIC.

The Offer contained in this Offer Document is being made without disclosure in accordance with section 708AA of the Corporations Act, as modified by ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84.

In general terms, section 708AA permits certain companies to undertake rights issues without being required to use or provide to shareholders a prospectus or other disclosure document. Accordingly, the level of disclosure in this Offer Document is significantly less than the level of disclosure required in, and what you would expect in, a prospectus. Eligible Shareholders should rely on their own knowledge of the Company, refer to disclosures made by the Company to ASX, and consult their professional advisors before deciding to accept the Offer.

The Offer Document does not constitute financial product advice and has been prepared without taking into account Eligible Shareholder's investment objectives or financial circumstances. The Offer Document does not purport to contain all the information that Eligible Shareholders may require to make an informed investment decision regarding, or about the rights attaching to, the New Shares offered under this Offer Document.

Securities will only be issued on the basis of this Offer Document in accordance with the terms set out in this Offer Document.

As at the date of this Offer Document, the Company has complied with:

- (a) the provisions of Chapter 2M of the Corporations Act, as they apply to the Company; and
- (b) section 674 of the Corporations Act.

The Offer is made only to those Shareholders on the Record Date and who have registered addresses in Australia or New Zealand, and as specifically made to Approved US Shareholders (**Eligible Shareholders**).

Before deciding whether to apply for New Shares, each Eligible Shareholder should consider whether Azure is a suitable investment for them in light of their own investment objectives and financial circumstances and should seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

### **This is an important document**

It is important that you carefully read this Offer Document in its entirety before deciding to invest in Azure and, in particular, that you consider the risk factors that could affect the financial performance of Azure. In addition to the general risks applicable to all investments in listed companies, there are specific risks associated with an investment in Azure. You should carefully consider these factors in light of your personal circumstances (including financial and taxation issues) and seek professional advice from your accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

### **Disclaimer**

No person is authorised to give any information or to make any representation in connection with the Offer contained in this Offer Document. Any information or representation not contained in this Offer

Document may not be relied on as having been authorised by Azure in connection with the Offer. Neither Azure nor any other person warrants the future performance of Azure or any return on any investment made under this Offer Document, except as required by law and then only to the extent so required.

### **Future performance and forward looking statements**

Applicants should note that the past share price performance of Azure provides no guidance as to its future share price performance. Any financial information provided in this Offer Document is for illustrative purposes only and is not represented as being indicative of Azure's future financial performance.

Any forward looking statements in this Offer Document are based on Azure's current expectations about future events. They are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of Azure and its Directors, which could cause actual results, performance and achievements to differ materially from future results, performance or achievements expressed or implied by any forward looking statements in this Offer Document.

### **Excluded Information**

As at the date of this Offer Document, the Company is not aware of any excluded information of the kind that would require disclosure in this Offer Document pursuant to sections 708AA(8) and (9) of the Corporations Act.

### **Ineligible shareholders and appointment of nominee**

The Offer contained in this Offer Document is only an offer to persons (including individuals and corporate entities) with registered addresses in Australia or New Zealand. The Offer is not extended to, and no New Shares are offered or will be issued to, persons with registered addresses outside Australia or New Zealand (**Ineligible Shareholders**), other than in respect of Approved US Shareholders.

Azure has determined, pursuant to ASX Listing Rule 7.7.1 that it would be unreasonable on this occasion to extend the Offer to Ineligible Shareholders having regard to the number of securities held by Ineligible Shareholders and the costs of complying with the legal and regulatory requirements which would apply to an offer of securities to Ineligible Shareholders in those jurisdictions.

Azure has appointed Vested Equities Pty Ltd (AFSL 478987) (**Nominee**) as nominee for the purposes of:

- (a) ASX Listing Rule 7.7.1(c) to arrange for the sale of the Entitlements that would have been given to those Ineligible Shareholders; and
- (b) section 615 of the Corporations Act to sell the Entitlements which would otherwise have been available to Ineligible Shareholders had they been eligible to participate in the Offer.

Azure will arrange for the proceeds of sale of any Entitlements (if any), net of expenses, to be distributed to Ineligible Shareholders in proportion to their entitlements at the Record Date.

Neither Azure nor the Nominee will be liable for the failure to sell the securities at any particular price, with the price and manner of sale to be determined at the discretion of the Nominee. There is also no guarantee that any proceeds will be realised from the sale of the securities that would otherwise have been offered to Ineligible Shareholders.

### **Foreign jurisdictions and restrictions on the distribution of this Offer Document**

This Offer Document and accompanying Entitlement and Acceptance Form do not, and are not intended to, constitute an offer of New Shares in any place outside Australia or New Zealand, other than in respect of Approved US Shareholders. The distribution of this Offer Document and the accompanying Entitlement and Acceptance Form outside of Australia or New Zealand may be

restricted by law and persons who come into possession of this Offer Document and the accompanying Entitlement and Acceptance Form should seek advice on and observe those restrictions. Any failure to comply with those restrictions may constitute a violation of applicable securities laws. Neither this Offer Document nor the accompanying Entitlement and Acceptance Form may be sent or passed to persons outside Australia or New Zealand or otherwise distributed outside Australia or New Zealand, with the exception of Approved US Shareholders as detailed below.

In particular, the Offer has not been, and will not be, registered under the *Securities Act of 1933* (US) or the securities laws of any state of the United States and is not being made in the United States or generally to persons resident in the United States, with the exception of Approved US Shareholders. Other than to Approved US Shareholders by the Company or Nominee only, neither this Offer Document nor the accompanying Entitlement and Acceptance Form may be sent to investors in the United States or otherwise distributed in the United States.

The New Shares being offered to residents of New Zealand under this Offer Document are offered in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand). This Offer Document and the Entitlement and Acceptance Form have not been registered, filed or approved by any New Zealand regulatory authority under the *Securities Act 1978* (New Zealand). This Offer Document is not an investment statement or prospectus under New Zealand law and may not contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

In any event, the Offer is only made to and may only be accepted by Eligible Shareholders. No offer is made pursuant to this Offer Document in any place in which, or to any person to whom, it would be unlawful to make such an offer.

#### **Notice to nominees and custodians**

Shareholders resident in Australia or New Zealand, and Approved US Shareholders, holding shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

#### **Privacy Act**

If you complete an Entitlement and Acceptance Form, you will be providing personal information to the Company (directly, or by the Company's share registry). The Company collects, holds, and uses that information to assess your application, service your needs as a shareholder, facilitate distribution payments and corporate communications to you as a shareholder, and carry out administration.

The information may be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct, and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so, at the relevant contact numbers set out in this Offer Document.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act, and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your application.

#### **Defined terms and abbreviations**

Terms and abbreviations used in this Offer Document are defined in section 4 of this Offer Document.

**Governing law**

This Offer Document, the Offer and the contracts formed on acceptance of the Applications are governed by the laws of Victoria, Australia. Each Applicant submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

**Queries**

If you have not received a personalised Entitlement and Acceptance Form or have any queries on how to complete the Entitlement and Acceptance Form, please contact Azure's share registry, Computershare Investor Services Pty Ltd, on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).



## CHAIRMAN'S LETTER

25 November 2019

Dear Investor,

On behalf of the Directors of Azure Healthcare Limited (ACN 108 208 760) (ASX: AZV) (**Azure** or the **Company**) I am pleased to offer you the opportunity to acquire Shares in the Company.

This Offer Document contains an offer to existing Eligible Shareholders of the Company to subscribe for one (1) New Share for every 11.88 Shares you hold as at the Record Date at an Offer Price of \$0.068 per New Share. This is the **Offer**.

Any New Shares not applied for under the Offer will form the **Shortfall Offer**.

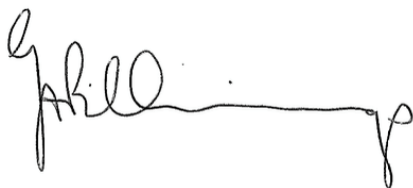
The Company is also pleased to announce that it has completed a private placement to institutional, professional and sophisticated investors (**Placement**) of 29,411,764 Shares at \$0.068 per Share, that will raise a total of \$2 million. Settlement of the Shares under the Placement has occurred, and accordingly those investors are entitled to participate in the Offer and Shortfall Offer as Eligible Shareholders on the basis of their total shareholdings as at the Record Date, which includes those shares issued pursuant to the Placement.

The funds raised under the Placement and this Offer Document (net of expenses) will be used by the Company for the following:

- (a) an increase in strategic marketing and sales presence in international markets, with a specific focus on the United States and Europe;
- (b) development of brand awareness through trialling innovative product deployment in the United States, Europe and Asian markets; and
- (c) targeted purchases of certain materials that will enable the Company to materially reduce the lead time for high demand items as well as allowing for increased order quantities.

This Offer Document contains detailed information about the Offer and the Company's business, as well as the risks of investing in the Company. I encourage you to read it carefully.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Graeme Billings', with a long horizontal flourish extending to the right.

Graeme Billings  
Chairman, Azure Healthcare Limited

## KEY OFFER DETAILS

Key data relating to the Offer	
The Offer to Eligible Shareholders	1 New Share for every 11.88 Shares held on the Record Date
Issue Price per New Share	\$0.068
Discount of the Issue Price to the 5-day VWAP of Shares on ASX for the period ended 13 November 2019 (being the last trading day before announcement of the Offer)	15.8 %
Discount of the Issue Price to the 15-day VWAP of Shares on ASX for the period ended 13 November 2019 (being the last trading day before announcement of the Offer)	10.1 %
Maximum number of New Shares to be offered under the Offer	22,064,360
Proceeds from the Offer (excluding costs associated with the Offer)	\$1,500,376 <sup>1</sup>
Total number of Shares on issue following the Placement and Offer (assuming full subscription)	284,188,951

<sup>1</sup> These figures are approximate only and are subject to rounding.

## KEY DATES

<b>Key Dates</b>	
Announcement of the Offer and Placement Lodgement of Appendix 3B (Placement)	Thursday, 14 November 2019
Allotment of New Shares pursuant to the Placement	Friday, 22 November 2019
Lodgement of Rights Offer Disclosure Document and Appendix 3B (Rights Offer) with the ASX	Monday, 25 November 2019
Company sends letter to Eligible and Ineligible Shareholders containing information of the Offer and the Offer Timetable	Tuesday, 26 November 2019
<b>Offer Ex Date</b> Company shares trade on an ex-basis for the Offer	Thursday, 28 November 2019
<b>Offer Record Date</b>	7:00 pm (AEDT) on Friday, 29 November 2019
<b>Offer Opening Date</b> Offer opens Dispatch of Offer Document and Entitlement and Acceptance Forms to Eligible Shareholders	Tuesday, 3 December 2019
Last day to extend Offer closing date	Tuesday, 10 December 2019
<b>Offer Closing Date</b>	5:00pm (AEDT) on Friday, 13 December 2019
Quotation on a deferred settlement basis	Monday, 16 December 2019
<b>Offer Shortfall Notification Date</b> Company announces results of the Offer and notifies ASX of under-subscriptions (if any)	Wednesday, 18 December 2019
<b>Offer Allotment Date</b> Issue date under Offer – Deferred settlement trading ends	Friday, 20 December 2019
<b>Offer Trading Date</b> Normal trading of New Shares expected to commence on ASX	Monday, 23 December 2019
<b>Offer Statement Dispatch Date</b> Dispatch of Holding Statements for New Shares	Tuesday, 31 December 2019

The timetable above is indicative only and may be subject to change. Azure reserves the right to amend any or all of these dates and times, subject to the Corporations Act, the ASX Listing Rules, and any other applicable laws. In particular, Azure reserves the right, to extend or otherwise vary the

Closing Date or to withdraw the Offer without prior notice. Any extension or variation of the Closing Date will have a consequential effect on the date for the allotment of New Shares.

The commencement of quotation of New Shares is subject to confirmation from ASX.

## ANSWERS TO KEY QUESTIONS

Question	Answer
What is the Offer?	1 New Share for every 11.88 Shares held on the Record Date at an Issue Price of \$0.068 per New Share.
Who can participate in the Offer?	Only Eligible Shareholders can participate in the Offer. Eligible Shareholders are persons with registered addresses in Australia or New Zealand, or who are Approved US Shareholders, and who are registered holders of Shares at 7:00 pm (AEDT) on the Record Date.
How much do I have to pay to participate in the Offer?	The Issue Price for each New Share is \$0.068. You may subscribe for all, or part, of your Entitlement.
What are the terms of the New Shares?	The New Shares issued under the Offer will rank equally with all existing Shares.
What is the purpose of the Offer?	<p>Proceeds from the Offer (net of expenses) will be used by the Company for the following:</p> <ul style="list-style-type: none"> <li>(a) an increase in strategic marketing and sales presence in international markets, with a specific focus on the United States and Europe;</li> <li>(b) development of brand awareness through trialling innovative product deployment in the United States, Europe and Asian markets; and</li> <li>(c) targeted purchases of certain materials that will enable the Company to materially reduce the lead time for high demand items as well as allowing for increased order quantities.</li> </ul>
Is the Offer underwritten?	The Offer is not underwritten.
Can I apply for shares in excess of my Entitlement?	<p>Yes. Eligible Shareholders who take up their full Entitlement under the Offer may apply for more New Shares than the number shown on their Entitlement and Acceptance Form.</p> <p>Applications for Additional Shares may be considered if a Shortfall under the Offer exists. Additional Shares will be issued to Eligible Shareholders at the discretion of the Directors. There is no guarantee that you will receive Additional Shares.</p>
What are the risks associated with applying for New Shares under the Offer?	<p>Any investment in Azure involves general risks associated with any investment in shares, including that the price of the New Shares may rise or fall.</p> <p>There are also a number of risk factors, both specific to Azure and of a general nature, which may affect the future operating and financial performance of Azure and</p>

Question	Answer
	<p>the value of an investment in Azure. These specific risks include, but are not limited to, business risks, increased or new competition, funding, loss of key management, loss or changes of distribution rights to key suppliers, intellectual property protection rights, technology risk generally, foreign exchange movements, acquisitions and other strategic investments as well as the risk of future financings.</p> <p>See section 1.13 for further information regarding the risks associated with investing in the Company.</p>
<p>What are my options?</p>	<p>You may:</p> <ul style="list-style-type: none"> <li>(a) take up all, or part, of your Entitlement;</li> <li>(b) take up all of your Entitlement and apply for Additional Shares; or</li> <li>(c) do nothing and allow all of your Entitlement to lapse, in which case the New Shares comprising your Entitlement may be placed by the Directors at their discretion under the Shortfall Offer.</li> </ul>
<p>How do I accept my Entitlement?</p>	<p>If you are an Eligible Shareholder, and you wish to subscribe for all or some of the New Shares making up your Entitlement, you must complete the Entitlement and Acceptance Form and lodge it together with a cheque or payment through BPAY® for the Application Money.</p> <p>Please refer to section 2 for further details on how to accept your Entitlement.</p> <p>If you have not received an Entitlement and Acceptance Form, please call Computershare Investor Services Pty Ltd on (03) 9415 4000 (within Australia) or +61 3 9415 4000 (outside Australia).</p>
<p>Can I sell or transfer my Entitlement?</p>	<p>No. The Offer is non-renounceable and, accordingly, you cannot sell or transfer any of your Entitlement.</p>
<p>How can I obtain further information?</p>	<p>Azure encourages you to seek advice from your financial or other professional adviser in respect of the Offer.</p>

# 1 THE OFFER AND ELIGIBILITY

## 1.1 The Offer

Azure is offering Eligible Shareholders the opportunity to subscribe for one (1) New Share in Azure for every 11.88 Shares held on 7.00PM (AEDT) on the Record Date at an Issue Price of \$0.068 per New Share, to raise approximately \$1,500,376 (before costs).

Based on the number of Shares on issue as at the date of this Offer and those Shares to be issued pursuant to the Placement and settled prior to the Record Date, a maximum of approximately 22,064,360 New Shares will be issued pursuant to this Offer.

## 1.2 Your Entitlement

The number of New Shares to which you are entitled to subscribe is shown on the enclosed Entitlement and Acceptance Form. Fractional Entitlements have been rounded up to the nearest whole Share, except where the rounding up of a fractional Entitlement would result in the Eligible Shareholder increasing their voting power in the Company from 20% or below to more than 20% in which case the fractional Entitlement has been rounded down. Holdings on different registers or sub-registers will not be aggregated to calculate entitlements.

You may also wish to apply for additional New Shares under the Shortfall Facility set out in section 1.9.

All of the New Shares offered under this Offer Document will rank equally with the Shares on issue at the date of this Offer Document.

## 1.3 Issue Price

The Issue Price payable for each New Share is \$0.068, being a 15.8% discount to the 5-day volume weighted average market price (**VWAP**) and a 10.1% discount to the 15-day VWAP of Shares on the ASX for the period ended 13 November 2019 (being the last trading day before announcement of the Offer).

Eligible Shareholders will not be obliged to pay brokerage or other fees in respect of New Shares acquired under the Offer, although the Company will pay certain professional and other fees to third parties (please refer to section 0 below).

Eligible Shareholders should note that the market price of Shares may rise and fall between the date of this Offer and the date when New Shares are allotted under the Offer. Accordingly, the price you pay per New Share pursuant to this Offer may be either higher or lower than the market price of Shares at the time of this Offer or at the time the New Shares are allotted under this Offer.

Azure recommends that you monitor the price of Shares, which can be found in the financial pages of major Australian metropolitan newspapers, or on the Australia Securities Exchange website at [www.asx.com.au](http://www.asx.com.au) (ASX Code: AZV).

## 1.4 Eligibility to participate in the Offer

A person will be eligible to participate in the Offer (**Eligible Shareholders**) if:

- (a) the person was a registered holder of Shares at 7:00pm (AEDT) on the Record Date; and
- (b) the person's registered address is in Australia or New Zealand; or
- (c) the person is an Approved US Shareholder and has complied with all obligations required by the US Securities Act of 1933.

## 1.5 Shareholders outside Australia and New Zealand

All shareholders who are not Eligible Shareholders or Approved US Shareholders are ineligible shareholders (**Ineligible Shareholders**). Azure has determined, pursuant to ASX Listing Rule 7.7.1 that it would be unreasonable on this occasion to extend the Offer to Ineligible Shareholders having regard to the number of securities held by Ineligible Shareholders and the costs of complying with the legal and regulatory requirements which would apply to an offer of securities to Ineligible Shareholders in those jurisdictions.

Shareholders resident in Australia or New Zealand, and Approved US Shareholders, holding shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction.

Shareholders representing that they are Approved US Shareholders are responsible for ensuring that they have complied with all obligations required by the US Securities Act of 1933 and by submitting their Entitlement and Acceptance Form they are representing to the Company and the Nominee that taking up their entitlement does not breach regulations in any overseas jurisdiction.

## 1.6 Ineligible Shareholders and appointment of Nominee

Ineligible Shareholders will not be entitled to participate in the Offer.

Azure has appointed Vested Equities Pty Ltd (AFSL 478987) (**Nominee**) as the Nominee for the purpose of section 615 of the *Corporations Act 2001 (Cth)* (the **Act**) and ASX Listing Rule 7.7.1(c) to sell any Entitlement which would otherwise have been made available to Ineligible Shareholders had they been eligible to participate in the Offer. The Nominee will be paid a fee by the Company in respect of its role as Nominee.

The Nominee will arrange the sale of the Entitlement which would have been offered to the Ineligible Shareholders. The Company will arrange for the proceeds of sale of any Entitlements (if any), net of expenses, to be distributed to Ineligible Shareholders in proportion to their entitlements as at the Record Date.

There is no guarantee that any proceeds will be realised from the sale of Entitlements that would otherwise have been offered to Ineligible Shareholders.

## 1.7 Closing Date

The Offer is scheduled to close on **5.00pm (AEDT) on Friday, 13 December 2019**. Please refer to section 2 below for details on how to accept your Entitlement.

Please note that Azure reserves the right, subject to the Corporations Act and the ASX Listing Rules, to amend the Closing Date of the Offer. Any extension or other variation of the Closing Date will have a consequential effect on the date for the allotment of New Shares.

## 1.8 Trading of Entitlements

The rights to New Shares under the Offer are non-renounceable. Accordingly, there will be no trading of rights on the ASX, and you may not dispose of your rights to subscribe for New Shares under the Offer to any other party. If you do not take up your Entitlement to New Shares under the Offer by the Closing Date, the Offer to you will lapse.

## 1.9 Shortfall Facility

Subject to the Corporations Act and the requirements of the ASX Listing Rules, Eligible Shareholders who subscribe for their full Entitlement may apply for more New Shares than the number shown on their Entitlement and Acceptance Form. That is, those Shareholders may apply for Additional Shares.

The issue price of each Additional Shares will be \$0.068, being the same price for New Shares under the Offer.

- (a) Applications for Additional Shares may be considered if a Shortfall exists.

Additional Shares will be issued to Eligible Shareholders who have indicated they wish to take up Additional Shares at the sole discretion of the Directors, in accordance with the following policy:

- (a) No Eligible Shareholder will be allotted Additional Shares under the Offer to the extent that:
- (i) such allotment would result in that person acquiring a relevant interest exceeding 20% of the issued share capital of the Company on a post issue basis; or
  - (ii) where that person already holds a relevant interest exceeding 20% of the issued share capital of the Company, such allotment would result in that person increasing their relevant interest, other than as a result of accepting their Entitlement.
- (b) The Company will not allocate or issue Additional Shares under the Shortfall Facility, where it is aware that to do so would result in a breach of the Corporations Act, the ASX Listing Rules, or any other relevant legislation.
- (c) The Directors of the Company, in allocating Additional Shares under the Shortfall Offer, will do all things reasonably necessary to allocate Additional Shares on a basis that mitigates any control implications on the Company.
- (d) There is no guarantee that Eligible Shareholders will be successful in being allocated any of the Additional Shares for which they apply. The Company may reject any application for Additional Shares or allocate fewer Additional Shares than applied for by any Applicant at the sole discretion of the Directors.

There is no guarantee that you will receive Additional Shares. In particular, the Directors may allocate to an Eligible Shareholder a lesser number of Additional Shares than the Eligible Shareholder applied for, or reject any Application for Additional Shares. If the number of Additional Shares allotted to an Eligible Shareholder is less than the number applied for by that Eligible Shareholder, surplus Application Monies will be refunded in full. Interest will not be paid on monies refunded.

If the Directors decide to issue Additional Shares, the Additional Shares will be allotted at the same time as the New Shares under the Offer are allotted and in any event within 3 months of the Closing Date.

#### **1.10 Allotment of New Shares and Additional Shares**

The Company will proceed to allocate New Shares as soon as possible after the Closing Date, subject to receiving ASX permission for official quotation of the New Shares. Allotment of the New Shares is expected to take place on Friday, 20 December 2019.

No issue of New Shares or any Additional Shares will be made unless permission is granted for quotation of the New Shares and any Additional Shares on ASX.

Allocation of Additional Shares applied for under the Shortfall Facility will be allocated and allotted in accordance with the allocation policy set out in section 2.3.

Applications Monies will be held in trust for applicants until New Shares and any Additional Shares are allotted. Interest earned on Applications Monies will be for the benefit of Azure and will be retained by Azure irrespective of whether New Shares or any Additional Shares



are issued.

Trading of New Shares will, subject to ASX approval, occur on or about the date specified in the timetable.

Successful Applicants will be notified in writing of the number of New Shares allotted to them as soon as possible following the allotment being made.

### **1.11 ASX listing**

Azure has applied for the listing and official quotation of the New Shares on ASX. If granted, official quotation of the New Shares will commence as soon as practicable after allotment of the New Shares to Applicants. It is the responsibility of Applicants to determine their allocation of New Shares prior to trading. The sale by an Applicant of New Shares prior to receiving their Holding Statement is at the Applicant's own risk.

If the New Shares are not granted official quotation on the ASX within 3 months after the date of this Offer Document, none of the New Shares under this Offer Document will be issued and all Application monies will be refunded without interest to Applicants within the time prescribed by the Corporations Act.

### **1.12 Rights attaching to New Shares**

New Shares and any Additional Shares will rank equally with existing Shares and will carry the same voting rights, dividend rights and other entitlements at the date they are issued.

### **1.13 Risks**

Any investment in Azure involves general risks associated with any investment in shares, including that the price of the New Shares may rise or fall.

There are also a number of risk factors, both specific to Azure and of a general nature, which may affect the future operating and financial performance of Azure and the value of an investment in Azure. Before deciding to invest in Azure, you should carefully consider any risk factors applicable to your investment.

These specific risks include, but are not limited, to:

(1) *Currency risk*

As many of the Company's revenue streams are denominated in foreign currency, fluctuations in the exchange rate between the Australian dollar and the relevant international currency may impact on the profitability of the Company.

Other macro-economic factors such as changes in taxation, monetary policy, interest rates and statutory requirements may also have an impact on the profitability of the Company.

(2) *Operating risks*

The operations of Azure may be affected by various factors, including (without limitation) contractual disputes, disruptions, supply shortages and labour conditions where the Company provides services.

(3) *Regulatory changes*

Azure and many of its products that are sold are regulated by various national and local regulations. Changes in those regulations could result in additional costs, seizures, confiscations, recall or fines, any of which could prevent Azure from development and distribution of its products.

(4) *Reliance on key personnel*

Azure currently employs a number of key management personnel, and Azure's future depends on retaining and attracting suitably qualified personnel. The loss of key personnel could adversely affect Azure and its activities. Azure's success depends, in part, on its ability to identify, attract, motivate and retain suitably qualified management personnel. Competition for qualified staff is strong, and the inability to access and retain the services of a sufficient number of qualified staff could be disruptive to the Azure's development efforts or business development and could materially adversely affect its operating results.

Azure has, as far as legally possible, established contractual mechanisms through employment and consultancy contracts to limit the ability of key personnel to join a competitor or compete directly with Azure. Despite these measures, however, there is no guarantee that Azure will be able to attract and retain suitably qualified personnel.

(5) *Reliance on third parties*

Azure may pursue a strategy that forms strategic business relationships with other organisations in relation to potential products and services. There can be no assurance that Azure will be able to attract such prospective organisations and to negotiate appropriate terms and conditions with these organisations or that any potential agreements with such organisations will be complied with.

(6) *Reliance on Key Clients*

The Company relies on several key clients for a material proportion of its revenue. In the event that these clients reduce their operations, terminate the relationship, default on a contract or fail to enter into new contracts going forward, this may have an adverse impact on the financial performance or financial position of the Company.

(7) *Technology*

The Company operates computer systems and other information technology systems designed to maximise the efficiency of operations. If the systems are not adequately maintained, secured or updated, there may be a negative impact on the Company's performance.

(8) *External suppliers*

Azure relies on a number of external suppliers for the provision of its products. Azure notes that many external suppliers can appoint other distributors or cancel existing agreements with notice. There can be no assurance given that the failure of an external supplier(s) will not adversely affect the business of Azure.

(9) *Competition*

The market in which Azure operates within is competitive, and include companies with greater financial, technical, human, research and development and marketing resources than Azure. As a result, Azure's current and future technologies and products may become obsolete or uncompetitive, resulting in adverse effects on revenue, margins and profitability.

(10) *Failure to Win New Projects*

The Company's performance is influenced by its ability to win new projects and complete these projects in a timely manner. The failure to win new projects may adversely impact the Company's financial performance.

(11) *Forecasts*

The Directors consider that it is not possible to accurately predict the future revenues or profitability of Azure's business or whether any revenues or profitability will eventuate. The business of Azure is dependent upon a number of factors and many of these factors are outside the control of Azure. Consequently Azure and the Directors do not make any forecast or representation in relation to the Azure's future financial position or performance.

(12) *Unforeseen expenditure*

Azure may need to incur unforeseen expenditure. Although Azure is not currently aware of any additional expenditure required, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of Azure.

(13) *Litigation risk*

Legal proceedings may arise from time to time in the course of Azure's business and Azure cannot preclude the possibility that litigation may be brought against it, or that Azure may be impelled to initiate litigation against other parties in order to protect its legal rights. Litigation involves considerable cost, uncertain outcomes and possibly adverse publicity which negatively impact on the trading price and liquidity of Shares.

(14) *Force majeure*

Force majeure describes events including acts of God, fire, flood, earthquakes, war and strikes beyond the control of a party claiming the occurrence of any such event. To the extent that a Force Majeure event occurs, it may have a detrimental effect on the ability of Azure to operate, its financial performance and the value and price of Shares.

(15) *Future financing*

To the extent that Azure may be required in the future to raise additional equity or debt capital there can be no assurance that Azure will be able to raise that finance on acceptable terms or in a timely manner.

Any additional equity financing will dilute shareholders, and debt financing, if available, may involve restrictions on financing and operating activities. If Azure is unable to obtain additional financing as needed, Azure may be required to reduce the scope of its activities.

(16) *Loss of key customers*

There is no guarantee that Azure will be able to retain existing customers, or attract new customers in the future. This would materially adversely impact the Azure's operating results and viability.

(17) *Market conditions*

A number of factors affect the performance of share market investments that could also affect the price at which the Shares trade on the ASX. The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general such as acts of terrorism, currency fluctuations and interest rate movements. These factors may materially affect the market price of the Shares regardless of the Company's operational performance.

(18) *Economic risk*

General economic conditions, introduction of tax reform, new legislation, movements

in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's business activities and potential development programmes, as well as their ability to fund those activities.

(19) *Government factors*

The introduction of new legislation or amendments to existing legislation by governments, and the decisions of courts and tribunals, can impact adversely on the assets, operations and, ultimately, the financial performance of Azure.

Any adverse developments in political and regulatory conditions in Australia could materially affect the Azure's prospects. Political and environmental policy changes, such as changes in both monetary and fiscal policies, expropriation, methods and rates of taxation and currency exchange controls may impact the performance of Azure as a whole.

**1.14 Underwriting**

The Offer is not underwritten.

**1.15 Proposed use of funds**

Completion of the Offer will result in an increase in cash at hand of up to approximately \$1.5 million (before the payment of costs associated with the Offer).

The Company intends to apply the net funds raised from the Offer for the following:

- (a) an increase in strategic marketing and sales presence in international markets, with a specific focus on the United States and Europe;
- (b) development of brand awareness through trialling innovative product deployment in the United States, Europe and Asian markets;
- (c) targeted purchases of certain materials that will enable the Company to materially reduce the lead time for high demand items as well as allowing for increased order quantities; and
- (d) to repay debt and to fund the ongoing working capital requirements of the Company.

The above is a statement of the Board's current intentions as at the date of this Offer Document. However, Shareholders should note that, as with any budget, the allocation of funds set out above may change depending on a number of factors, including the outcomes of operational and development activities, regulatory developments, market and general economic conditions. The Board therefore reserves the right to alter the way the funds are applied.

**1.16 Effect of the Offer on the control of Azure**

***Present position***

At the date of this Offer Document, the top 20 Shareholders of the Company are as follows:

<b>Shareholder</b>	<b>Number of Shares</b>	<b>% of Total Share Capital</b>
National Nominees Limited	48,677,060	18.57%
Mr Robert Grey & Ms Aurawan Grey <Cetau Super Fund A/C>	41,724,292	15.92%

Shareholder	Number of Shares	% of Total Share Capital
Asia Pac Holdings Pty Ltd	17,317,631	6.61%
Asia Pac Technology Pty Ltd	15,878,208	6.06%
Bill Brooks Pty Ltd <Bill Brooks Super Fund A/C>	13,501,138	5.15%
Mr Robert Edward Grey <Austco A/C>	10,159,928	3.88%
Dixson Trust Pty Ltd	6,995,250	2.67%
Asia Pac Holdings Pty Ltd <Asia Pac Holdings A/C>	6,409,263	2.45%
Debuscey Pty Ltd	4,281,058	1.63%
Asia Pac Technology Pty Ltd <John Bennetts S/F A/C>	3,766,222	1.44%
Mr David Leroy Boyles	3,500,000	1.34%
Asia Pac Holdings Pty Ltd	3,230,783	1.23%
Sean Elias Family Investments Pty Ltd <Sean Elias Investments A/C>	2,995,852	1.14%
Lz New Century Pty Ltd	2,850,000	1.09%
Mr Jason D'arcy + Mrs Patricia D'arcy <D'arcy Super Fund A/C>	2,500,000	0.95%
Nabru Nominees Pty Limited <Nabru Nominees P/L S/F A/C>	1,772,591	0.68%
Mr Erich Gustav Brosell	1,751,271	0.67%
Mrs Emma Jane Gracey	1,548,043	0.59%
David Mcdonald Builders Pty Ltd	1,330,000	0.51%
Mr Andrew Duncan Nash & Mr Geoffrey Duncan Nash <Nash Super Fund A/C>	1,246,485	0.48%

### **Capital structure**

Subject to rounding up of fractional Entitlements, the capital structure of Azure following the issue of New Shares under the Offer (assuming full subscription under the Offer) is expected to be as follows:

Key Data	No.
Shares on issue as at 14 November 2019 (announcement of the Offer)	232,712,827

Maximum number of Shares to be issued to sophisticated and professional investors under the Placement	29,411,764
Maximum number of New Shares to be issued under the Offer	22,064,360
Total number of Shares on issue following the close of the Placement and the Offer (assuming full subscription)	284,188,951

***Potential effects of the Offer on control of Azure***

Under section 606 of the Corporations Act, a person cannot acquire a relevant interest in the issued voting shares of a company if, because of the transaction, a person's voting power in the company increases from 20% or below to more than 20% (or from a starting point that is above 20% and below 90%).

Section 611 of the Corporations Act provides certain exceptions to the prohibition under section 606 of the Corporations Act. Item 10 of section 611 of the Corporations Act (**Rights Issue Exception**) provides an exception for an acquisition pursuant to a rights issue if the following conditions are satisfied:

- (a) the company offers to issue securities to every person who holds securities on a pro-rata basis;
- (b) all of those persons have a reasonable opportunity to accept the offers made to them;
- (c) agreements to issue are not entered into until the closing date of the offer; and
- (d) the terms of all offers are the same.

The Rights Issue Exception extends to any underwriters of a rights issue. If the Rights Issue Exception is to be relied upon then section 615 of the Corporations Act (regarding the appointment of a nominee for the sale of foreign shareholders' rights) must be complied with, which includes a requirement for ASIC to approve the nominee.

The potential effect that the issue of New Shares under the Offer will have on control of the Company is as follows:

- (a) if all Eligible Shareholders take up their Entitlements under the Offer, the issue of New Shares under the Offer will have no effect on the control of the Company and all shareholders will hold the same percentage interest in the Company, subject only to changes resulting from Ineligible Shareholders being unable to participate in the Offer;
- (b) if there is a Shortfall, Eligible Shareholders who do not subscribe for their full Entitlement of New Shares under the Offer, and Ineligible Shareholders unable to participate in the Offer, will be diluted relative to those shareholders who subscribe for some or all of their Entitlement; and
- (c) in respect of any Shortfall, Eligible Shareholders will be entitled to top-up their shareholding, by subscribing for Additional Shares to be issued from the Shortfall (**Shortfall Offer**).

The final percentage interests held by shareholders of the Company is entirely dependent on the extent to which other Eligible Shareholders take up their Entitlements and any

Additional Shares under the Shortfall Offer. With the exception of Mr Robert Grey and Ms Aurawan Grey <Cetau Super Fund A/C> and Mr Robert Grey <Austco A/C> (collectively, **Grey**), who hold a relevant interest in 47,309,850 shares prior to the Placement as reported in substantial shareholder notices, the Company is not presently aware of any other person who will, as a result of taking up their Entitlements, acquire a relevant interest in voting shares that will result in that person's voting power increasing from:

- (a) below 20% to more than 20%; or
- (b) from a starting point that is above 20% and below 90%.

***Intentions of substantial shareholders regarding their entitlements***

The Company has been advised of the following intentions of its substantial shareholders in respect of the Rights Issue:

- (a) Grey intends to take up their full Entitlement;
- (b) National Nominees Limited ACF Australian Ethical Investment Ltd (**Aus Ethical**), which holds a relevant interest in 41,447,475 shares prior to the Placement as reported in substantial shareholder notices, intends to take up its full Entitlement; and
- (c) Asia Pac Holdings Pty Ltd and its related bodies corporate (collectively, **Asia Pac**), which hold a relevant interest in 39,619,012 shares prior to the Placement as reported in substantial shareholder notices, intend to take up their full Entitlement.

***Potential Control Scenarios following the Rights Issue***

In any event, the Company has outlined in the table below ('Table 1') the potential effect that completion of the Offer may have on the total percentage shareholding of the Company's following major substantial shareholders:

- (a) Grey;
- (b) Aus Ethical; and
- (c) Asia Pac,

(collectively, the **Substantial Shareholders**) under the following scenarios:

- (a) the Substantial Shareholders all take up their full Entitlement under the Rights Issue and no other Eligible Shareholder takes up any New Shares being offered under the Rights Issue (scenario 'A' below);
- (b) the Substantial Shareholders all take up their full Entitlement under the Rights Issue and 25% of the New Shares being offered under the Rights Issue are taken up by other Eligible Shareholders (scenario 'B' below);
- (c) the Substantial Shareholders all take up their full Entitlement under the Rights Issue and 50% of the New Shares being offered under the Rights Issue are taken up by other Eligible Shareholders (scenario 'C' below); and
- (d) the Substantial Shareholders all take up their full Entitlement under the Rights Issue and 75% of the New Shares being offered under the Rights Issue are taken up by other Eligible Shareholders (scenario 'D' below).

Under these scenarios, there are unallocated shares following the Offer, and the directors have reserved their right to allot this remaining shortfall within 3 months of the Closing Date. To provide the most current information, Table 1 combines the pre-Placement reported

shareholding of the Substantial Shareholders with the shares allotted pursuant to the Placement.

Table 1	Shareholding post-Placement		Post-Placement and Offer Potential Control Scenario (% held)			
	Shareholding	% Holding	'A'	'B'	'C'	'D'
Grey	51,721,615	19.73 %	20.43 %	20.27 %	20.11 %	19.96 %
Aus Ethical	47,329,828	18.06 %	18.70 %	18.55 %	18.41 %	18.26 %
Asia Pac	46,971,954	17.92 %	18.56 %	18.41 %	18.27 %	18.12 %

The Company notes that the figures above in Table 1 do not adjust for the fact that those shareholders who participated in the Placement and are not Substantial Shareholders have given firm commitments to the Company that they will take up their full entitlement under the Offer.

#### 1.17 Shareholders' intentions for the Company

Other than as disclosed elsewhere in this Offer Document and as arising pursuant to the Offer, the Company understands that the Substantial Shareholders:

- a) have no intention of making any significant changes to the business of the Company;
- b) have no intention to inject further capital into the Company;
- c) have no intention of making changes regarding the future employment of the present employees of the Company;
- d) do not intend to redeploy any fixed assets of the Company;
- e) do not intend to transfer any property between the Company and themselves or any entity associated with any one of them;
- f) do not intend to significantly change the financial policy of the Company; and
- g) have no intention to change the composition of the Board.

These intentions are based on the Company's understanding of the Shareholders' intentions as at the date of this Offer Document and on information concerning the Company, its businesses and the business environment which is known to the Shareholders at the date of this document. Accordingly, the statements set out above are statements of current intention only, which may change as new information becomes available or as circumstances change.

#### 1.18 Director intentions for the Offer

The Company's Directors have shown their support for the Offer by indicating that they intend to subscribe for all of their Entitlements under the Offer.



## **2 HOW TO APPLY FOR NEW SHARES**

### **2.1 What Eligible Shareholders may do**

The number of New Shares to which you are entitled is shown on the enclosed Entitlement and Acceptance Form.

You may:

- (a) take up all of your Entitlement (refer to section 2.2 below);
- (b) in addition to applying for all of your Entitlement, apply for Additional Shares under the Shortfall Facility described in section 1.9 (refer to section 2.3 below);
- (c) take up part of your Entitlement and allow the balance of your Entitlement to lapse (refer to section 2.2 below); or
- (d) allow all of your Entitlement to lapse (refer to section 2.6 below).

### **2.2 Applying for New Shares**

An Eligible Shareholder may take up all or part of their Entitlement by completing the Entitlement and Acceptance Form which accompanies this Offer Document and returning it to:

*Azure Healthcare Limited  
Computershare Investor Services Pty Limited  
PO Box 505  
MELBOURNE VIC 3001*

by no later than 5.00 pm (AEDT) on the Closing Date.

The Company may, but is not obliged to, accept an Application received after the Closing Date. If the Company does not accept an Application for any reason, the Company will refund any excess Application Monies to the Eligible Shareholder, without interest, not later than 10 Business Days after the New Shares are allotted.

Please note that if you have more than one holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding. A separate Entitlement and Acceptance Form and payment of Application Monies must be completed for each separate Entitlement you hold.

If you are an Approved US Shareholder, you must also submit to the Company a US Investor Certificate, which is available from Azure's Company Secretary, by the Closing Date.

If you allow part of your Entitlement to lapse, your shareholding in Azure will be diluted.

### **2.3 Applying for Additional Shares**

Eligible Shareholders who subscribe for their full Entitlement may apply for Additional Shares under the Shortfall Facility described in section 1.9. In order to apply for Additional Shares you must be an Eligible Shareholder and must have first taken up your Entitlement in full.

To do this, complete the "Additional Shares" section provided on the Entitlement and Acceptance Form.

Additional Shares will be issued to Eligible Shareholders who have indicated they wish to take up Additional Shares at the sole discretion of the Directors, in accordance with the following policy:

- (a) Any Shortfall Shares will be placed to a spread of investors if possible and no Shortfall Shares will be issued or allotted to any Eligible Shareholder which would result in that Eligible Shareholder having a voting power in the Company in excess of 20% on a post Offer basis.
- (b) The Company will not allocate or issue Additional Shares under the Shortfall Facility, where it is aware that to do so would result in a breach of the Corporations Act, the ASX Listing Rules, or any other relevant legislation. Eligible Shareholders wishing to apply for Additional Shares must consider whether or not the issue of the Additional Shares applied for would breach the Corporations Act, or the ASX Listing Rules having regard to their own circumstances.
- (c) The Directors of the Company, in allocating Additional Shares under the Shortfall Offer, will do all things reasonably necessary to allocate Additional Shares on a basis that mitigates any control implications on the Company.
- (d) There is no guarantee that Eligible Shareholders will be successful in being allocated any of the Additional Shares that they apply for. The Company may reject any application for Additional Shares or allocate fewer Additional Shares than applied for any Applicant at the sole discretion of the Directors.

## 2.4 Form of payment

Payment of Application Monies will only be accepted in Australian currency and as follows:

- (a) by BPAY®.

Eligible Shareholders can make their payment by BPAY® in accordance with the instructions set out in accompanied personalised Entitlement and Acceptance Form.

**It is the responsibility of the Eligible Shareholder to ensure that their BPAY® payment is received by no later than 5.00pm (AEDT) on the Closing Date** using the reference number on the Entitlement and Acceptance Form. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

The reference number is used to identify your holding. If you have multiple holdings you will have multiple reference numbers. You must use the reference number on each Entitlement and Acceptance Form to pay for each holding separately.

Eligible Shareholders making a payment by BPAY® are not required to return their Entitlement and Acceptance Form;

- (b) by bank cheque drawn on and redeemable at any Australian bank; or
- (c) by personal cheque drawn on and redeemable at any Australian bank.

Cheques or bank cheques should be made payable to **“Azure Healthcare Limited”** and crossed **“Not Negotiable”**.

Eligible Shareholders are asked not to forward cash, as cash payments will not be accepted. Receipts for payment will not be provided.

You should ensure that sufficient funds are held in the relevant account(s) to cover the full Application Monies.

If the amount of Application Monies is insufficient to pay in full for the number of New Shares including any Additional Shares you applied for, or is more than the number of New Shares including any Additional Shares you applied for, you will be taken to have applied for such

whole number of New Shares (rounded down to the nearest whole New Share) including any Additional Shares which is covered in full by your Application Monies. Alternatively, the Company may in its discretion reject your Application, in which case any Application Monies will be refunded to you (without interest).

If you do not receive any or all of the Additional Shares you applied for, any excess Application Monies will be returned to you (without interest).

## **2.5 Effect of Application**

By applying for New Shares under an Offer (including by way of a payment through BPAY®), an Eligible Shareholder is taken to:

- (a) represent that they are an Eligible Shareholder, and are not in the United States (other than in the case of Approved US Shareholders) and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Offer;
- (b) agree to be bound by the terms and conditions set out in this Offer Document and the Entitlement and Acceptance Form;
- (c) represent on behalf of each person on whose account you are acting that you acknowledge that the New Shares have not been, and will not be, registered in any jurisdiction outside Australia or New Zealand, and accordingly the New Shares (and the Additional Shares) may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, any other applicable securities laws;
- (d) authorise the Company to place the Eligible Shareholder's name on the Company's shareholder register in respect of those New Shares; and
- (e) agree to be bound by the Company's constitution.

## **2.6 Allowing your Entitlement to lapse**

If you do nothing, all of your Entitlement will lapse, in which case the New Shares comprising your Entitlement will form part of the Shortfall Facility, and will be dealt with in accordance with the terms of this Offer (refer to section 1.9 above).

If you allow part of your Entitlement to lapse, your shareholding in Azure will be diluted.

## **2.7 Enquiries concerning Entitlement and Acceptance Form**

If you have any questions on how to complete the Entitlement and Acceptance Form or take part or all of your Entitlement, please contact Azure's share registry, Computershare Investor Services Pty Ltd, on **1300 850 505** (within Australia) or **+61 3 9415 4000** (outside Australia).

### 3 ADDITIONAL INFORMATION

#### 3.1 Reliance on Offer Document

This Offer Document has been prepared pursuant to section 708AA of the Corporations Act, as modified by ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84, for the offer of New Shares without disclosure to investors under Part 6D.2 of the Corporations Act.

This Offer Document was lodged with ASX on 25 November 2019.

Section 708AA of the Corporations Act requires an entity who seeks to rely on the disclosure exemption in section 708AA to lodge a “cleansing notice” with ASX which:

- (a) sets out any information that had been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules and that investors and their professional advisers would reasonably require, and would reasonably expect to find in a disclosure document, for the purpose of making an informed assessment of:
  - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of Azure; or
  - (ii) the rights and liabilities attaching to the New Shares; and
- (b) states the potential effect of the issue of the New Shares on control of Azure and the consequences of that effect.

Azure lodged a cleansing notice in respect of the Offer with ASX on 25 November 2019.

In deciding whether or not to apply for New Shares and any Additional Shares under the Offer, you should rely on your own knowledge of Azure, refer to the documents lodged and the disclosures made by the Company on ASX (which are available on the ASX website at [www.asx.com.au](http://www.asx.com.au) (Azure ASX Code: AZV)) and seek advice from your financial or professional adviser.

#### 3.2 Interest of the Directors

The interest of the Directors and their related parties of the Company at the date of this Offer Document are as follows:

Director	Number of Shares held in Azure
Mr Graeme Billings	266,667
Mr Clayton Astles	1,681,870
Mr Brett Burns	300,629
Mr Tony Glenning	900,000

### 3.3 Expenses

The total expenses of the Offer and the Placement are estimated by Azure to be as follows:

	<b>\$ (Excl. GST)</b>
ASX fees	\$16,127
Share registry, printing & postage fees	\$15,800
Lead Manager fees	\$128,000
Foreign Nominee fees	\$7,700
Legal and other administration fees	\$37,373
<b>Total (excluding GST)</b>	<b>\$205,000<sup>2</sup></b>

### 3.4 Taxation

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

Shareholders should be aware that there may be taxation implications of participating in the Offer. Shareholders should consult their own professional taxation advisers to obtain advice in relation to the taxation laws and regulations applicable to their personal circumstances.

### 3.5 Alteration of terms

The Company reserves the right, at its discretion, to vary, suspend or cancel the Offer at any time, subject to the Corporations Act, the ASX Listing Rules and any other law or regulation to which the Company is subject.

Any variation, suspension or cancellation does not give rise to any liability on the part of or any action against, the Company or any Director and will be binding on all Eligible Shareholders.

If the Directors determine to suspend or cancel the Offer during the currency of the Offer, any Application Monies received by the Company will be refunded to Eligible Shareholders, without interest, as soon as reasonably practical after the suspension or cancellation and in any event within 10 Business Days after the Closing Date.

### 3.6 Enquiries


If you have any questions in respect of the Offer, please contact the Azure's share registry, Computershare Investor Services Pty Limited, on **1300 850 505** (within Australia) or **+61 3 9415 4000** (Outside Australia).

<sup>2</sup> This figure includes expenses that relate to both the Rights Issue and the Placement.

**3.7 Directors' statement**

This Offer Document is issued by Azure Healthcare Limited. Each Director has consented to the lodgement of the Offer Document with ASX.

Signed on the date of this Offer Document on behalf of Azure Healthcare Limited by:

A handwritten signature in black ink, appearing to read 'G. Billings', with a long horizontal flourish extending to the right.

Graeme Billings  
Chairman – Azure Healthcare Limited

## 4 DEFINITIONS

Terms and abbreviations used in this Offer Document have the following meaning:

<b>Additional Shares or Shortfall Shares</b>	New Shares applied for by Eligible Shareholders, under the Shortfall Offer, in excess of their Entitlement.
<b>AEDT</b>	Australian Eastern Daylight Time.
<b>Applicant</b>	An Eligible Shareholder who has applied to subscribe for New Shares by submitting an Entitlement and Acceptance Form or arranging for payment through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.
<b>Application</b>	A valid application by way of an Entitlement and Acceptance Form accompanied by the relevant Application Monies, or arranging for payment of the relevant Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.
<b>Application Monies</b>	The aggregate amount payable for the New Shares applied for in a duly completed Entitlement and Acceptance Form or through BPAY®, calculated as the Issue Price multiplied by the number of New Shares applied for.
<b>Approved US Shareholder</b>	A person with a registered address on the Azure Share Register that is in the United States of America, provided such person is an “accredited investor” as defined in Rule 501(a) under the US Securities Act of 1933.
<b>ASIC</b>	Australian Securities and Investments Commission.
<b>ASX</b>	Australian Securities Exchange or ASX Limited (ABN 98 008 624 691) as the context requires.
<b>Azure or the Company</b>	Azure Healthcare Limited (ACN 108 208 760) (ASX:AZV).
<b>Business Day</b>	Has the same meaning as in the ASX Listing Rules.
<b>Closing Date</b>	5:00pm (AEDT) on Friday, 13 December 2019 (unless extended).
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Directors</b>	The board of directors of the Company.
<b>Eligible Shareholder</b>	A person who meets the requirements set out in section 1.4.
<b>Entitlement</b>	The entitlement of an Eligible Shareholder (including an Approved US Shareholder) to apply for 1 New Share for every 11.88 Shares held on the Record Date.
<b>Entitlement and Acceptance Form</b>	The entitlement and acceptance form which accompanies this Offer Document.

<b>Group</b>	The Company and each entity controlled by the Company.
<b>Issue Price</b>	\$0.068 per New Share.
<b>Listing Rules or ASX Listing Rules</b>	The Listing Rules of ASX.
<b>New Share</b>	A Share to be issued pursuant to the Offer.
<b>Offer or Rights Issue</b>	The non-underwritten, non-renounceable pro rata offer to Eligible Shareholders (including Approved US Shareholders) to subscribe for 1 New Share for every 11.88 Shares of which the Shareholder is the registered holder on the Record Date, at an Issue Price of \$0.068 per New Share pursuant to this Offer Document.
<b>Offer Document</b>	This document dated 25 November 2019, including the Entitlement & Acceptance Form.
<b>Placement</b>	The placement of up to approximately 29,411,764 Shares at an issue price of \$0.068 per Share to institutional, professional and sophisticated investors raising approximately \$2,000,000 as announced to the ASX on 14 November 2019.
<b>Record Date</b>	7.00pm (AEDT) on Friday, 29 November 2019.
<b>Share</b>	A fully paid ordinary share in the Company.
<b>Shortfall</b>	Those New Shares not subscribed for by way of an Application pursuant to this Offer Document by the Closing Date.
<b>Shortfall Facility</b>	The facility described in section 1.9 under which Eligible Shareholders (including Approved US Shareholders) may apply for Additional Shares in excess of their Entitlement.
<b>Shortfall Offer</b>	The offer to Eligible Shareholders (including Approved US Shareholders) to subscribe for any Shortfall Shares not taken up under the Offer, pursuant to the terms set out in this Offer Document.
<b>US Investor Certificate</b>	Means a certificate provided by an Approved US Shareholder stating that the relevant person is an "accredited investor" in accordance with the US Securities Act of 1933.
<b>Voting Power</b>	Has the meaning given to that term in the Corporations Act.



## 5 CORPORATE DIRECTORY

---

### **Directors**

Mr Graeme Billings (Chairman) – Non-Executive Director

Mr Clayton Astles (CEO) – Chief Executive Officer and Executive Director

Mr Brett Burns – Non-Executive Director

Mr Tony Glenning – Non-Executive Director

---

**ASX Code:** AZV

---

### **Company Secretary**

Mr Brendan Maher

---

### **Registered Office**

Unit 1, 31 Sabre Drive  
Port Melbourne VIC 3207  
Australia

---

### **Legal Advisers to the Offer**

CBW Partners

1/159 Dorcas Street  
SOUTH MELBOURNE VIC 3205  
Phone: +61 (0)3 8646 3833  
[www.cbwpartners.com](http://www.cbwpartners.com)

---

### **Share Registry**

Computershare Investor Services Pty Limited

Yarra Falls  
452 Johnston Street  
ABBOTSFORD VIC 3067  
Phone: 03 9415 4000  
[www.computershare.com](http://www.computershare.com)

---