

22 December 2014

Dear Acurity Shareholder

Compulsory Acquisition of Acurity Health Group Shares

We are writing to you because the share register of Acurity Health Group Limited (**Acurity**) records that you hold the number of ordinary shares in Acurity stated on the enclosed Transfer Form.

Connor Healthcare Limited (**Connor**) made a full takeover offer dated 26 August 2014 for all of the shares in Acurity that it did not own at the date of the offer.

Connor has received sufficient acceptances for its takeover offer for Acurity such that it now holds or controls 90% or more of the voting rights in Acurity. Connor is now entitled under the Takeovers Code to compulsorily acquire all of the remaining shares in Acurity.

A formal Compulsory Acquisition Notice is enclosed, together with a Transfer Form in respect of your shares. Please read these documents carefully.

If you complete the relevant Transfer Form and return it to Connor Healthcare Limited, c/- Link Market Services Limited by:

- (a) email to operations@linkmarketservices.com (if you do this, please type "Connor Compulsory Transfer Form" in the subject line);
- (b) post in the enclosed reply paid envelope;
- (c) fax to +64 9 375 5990; or
- (d) delivery to Link Market Services at Level 7, Zurich House, 21 Queen Street, Auckland,

such that it is received by 5:00 p.m. New Zealand time on 12 January 2015 you will be paid within 7 days of Connor receiving your Transfer Form (or if that seventh day is not a working day, on the next working day).

You should complete the Transfer Form even if you completed an acceptance form for the offer (because, if you have received this letter, your acceptance will have been received by Connor after the close of the offer).

If you do nothing, your shares will be acquired by Connor regardless within 28 days' time and the consideration will be paid to Acurity to be held in trust until claimed by you. Accordingly, there is no benefit to you in not completing and returning the enclosed Transfer Form now.

Yours faithfully

Connor Healthcare Limited



Andrew Savage / Ben Thynne
Directors

Compulsory Acquisition Notice

This notice is given by Connor Healthcare Limited (**Connor**) pursuant to Rule 54 of the Takeovers Code. Any expression that is defined in the Takeovers Code and used (but not defined) in this notice has the same meaning as in the Takeovers Code.

1. **Dominant Owner:** Connor has become the holder or controller of 90% or more of the voting rights in Acurity Health Group Limited (**Acurity**). Pursuant to Part 7 of the Takeovers Code, Connor has the right to acquire all of the shares in Acurity that it does not own (**Outstanding Acurity Shares**).
2. **Requirement to transfer:** Pursuant to the Takeovers Code, Connor notifies you that you must sell your Outstanding Acurity Shares to Connor.
3. **Consideration:**

- (a) Acurity is undertaking a 2:11 taxable bonus issue with a record date of 5:00 p.m. 22 December 2014 (after the close of the offer). The price payable under Connor's takeover offer for each Acurity share before the taxable bonus issue was \$7.25 and, pursuant to clause 8.2(a) of the offer, accepting shareholders are required to transfer their bonus shares to Connor for no additional consideration.
- (b) The consideration which Connor will pay for Outstanding Acurity Shares is calculated as follows:

$$A = B \times C$$

A = the total consideration

B = \$7.25

C = the number of Acurity shares held by you immediately prior to the bonus issue

If you have transferred any of your shares after the bonus issue, the total consideration will be divided on a pro-rata basis between the transferor and the transferee.

- (c) The calculation in clause (b) equates to, on average, an effective diluted share price of \$6.13 (rounded to two decimal places), however the average per share price you receive under this compulsory acquisition may vary depending on the rounding applied by Acurity in its taxable bonus issue to ensure that Acurity shareholders who accepted the takeover offer are neither advantaged nor disadvantaged in value terms relative to those whose shares are compulsorily acquired.

4. **Transfer:** A separate Transfer Form in respect of the Acurity Shares held by you is attached. You are requested to:

- (a) complete and sign the Transfer Form in accordance with the instructions on it; and
- (b) return the Transfer Form by:

email to operations@linkmarketservices.com (if you do this, please type "Connor Compulsory Transfer Form" in the subject line)

post in the enclosed reply paid envelope to:

Connor Healthcare Limited
c/- Link Market Services Limited
PO Box 91976
Auckland 1142
New Zealand

facsimile to:

Connor Healthcare Limited, c/- Link Market Services Limited, on +64 9 375 5990

delivery to:

Connor Healthcare Limited
c/- Link Market Services Limited
Level 7, Zurich House, 21 Queen Street
Auckland, New Zealand

If the completed and signed Transfer Form is returned to Connor by 5:00 p.m. on 12 January 2015 Connor must, within 7 days after receiving such Transfer Form, send to you, or pay into your nominated bank account (if applicable), the consideration specified in paragraph 3 for your Outstanding Acurity Shares. If that seventh day is not a working day, payment may be made on the next working day. If the Transfer Form is not returned within that time, Connor will deal with the consideration as specified in paragraph 6 below.

5. **Date:** This notice is sent on 22 December 2014.
6. **Payment of consideration to Acurity:** If you do not return the Transfer Form to Connor on or before 5:00 p.m. on 12 January 2015, Connor will, within 7 days after that date:
 - (a) pay to Acurity the consideration for your Outstanding Acurity Shares; and
 - (b) send to Acurity a Transfer Form for your Outstanding Acurity Shares executed on your behalf by Connor or its agent.

Acurity will hold the consideration in trust, in an interest bearing account with a registered bank, for you until it is claimed.