

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Virtus Health Limited

ABN

80 129 643 492

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Unlisted options to acquire ordinary fully paid shares in Virtus Health Limited

IPO performance options 2012 replacements (VRTOPT2) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 624,082 (VRTOPT2) |

+ See chapter 19 for defined terms.

<p>3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)</p>	<p>Refer to the Virtus Health Executive Option Plan Rules lodged with ASX on 11 June 2013 which sets out the general terms and conditions of the options. In addition, the specific terms of these options are as follows.</p> <p>Number of Options: 624,082 Exercise Price: \$5.68 Vesting: Immediate Expiry Date: 27 January 2017</p>
<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>No. However, ordinary fully paid shares issued to optionholders on exercise of the unlisted options will rank equally with the existing fully paid shares from the date of allotment.</p>
<p>5 Issue price or consideration</p>	<p>Nil</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>VRTOPT2 unlisted options have been granted as a result of the Virtus Health Liquidity event election which recognized that:</p> <ul style="list-style-type: none"> - the future value of the 2012 Performance Options would be reduced by the IPO of the Company in 2013; - additional vested options under the Company's new Plans would be issued; and - additional vested options will have an exercise price equal to the offer price per share in the IPO.

6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?	No
	If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i> , and comply with section 6i	
6b	The date the security holder resolution under rule 7.1A was passed	N/A
6c	Number of +securities issued without security holder approval under rule 7.1	N/A
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of +securities issued under an exception in rule 7.2	N/A
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A

+ See chapter 19 for defined terms.

7	+Issue dates	7 February 2014							
	<p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>								
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="707 427 995 454">Number</th> <th data-bbox="995 427 1294 454">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="707 454 995 674">79,536,601</td> <td data-bbox="995 454 1294 674">Fully paid ordinary shares</td> </tr> </tbody> </table>	Number	+Class	79,536,601	Fully paid ordinary shares			
Number	+Class								
79,536,601	Fully paid ordinary shares								
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="707 678 995 705">Number</th> <th data-bbox="995 678 1294 705">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="707 705 995 880">412,500</td> <td data-bbox="995 705 1294 880"> VRTOPT1 class unlisted options expiring on 11 June 2018 (ASX Code: VRTAI) </td> </tr> <tr> <td data-bbox="707 880 995 1055">624,082</td> <td data-bbox="995 880 1294 1055"> VRTOPT2 class unlisted options expiring on 27 January 2017 (ASX Code: TBC) </td> </tr> </tbody> </table>	Number	+Class	412,500	VRTOPT1 class unlisted options expiring on 11 June 2018 (ASX Code: VRTAI)	624,082	VRTOPT2 class unlisted options expiring on 27 January 2017 (ASX Code: TBC)	
Number	+Class								
412,500	VRTOPT1 class unlisted options expiring on 11 June 2018 (ASX Code: VRTAI)								
624,082	VRTOPT2 class unlisted options expiring on 27 January 2017 (ASX Code: TBC)								
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A							

Part 2 - Pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A

+ See chapter 19 for defined terms.

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

+ See chapter 19 for defined terms.

32 How do security holders dispose of their entitlements (except by sale through a broker)?

33 +Issue date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

+ See chapter 19 for defined terms.

Sign here:
(Director/Company secretary)



Date: 6/2/2014

Print name:
GEOFF POWERS

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+ See chapter 19 for defined terms.