

JAPARA

HEALTHCARE

Mr James Gerraty
Manager, Issuers (Melbourne)
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17 April 2014

By Email

Dear James

Japara Healthcare Limited - ASX listing conditions

We refer to the listing conditions provided to us in draft on 10 April 2014 and in final form on 15 April 2014 (**Listing Conditions**) in connection with the initial public offering (**Offer**) of fully paid ordinary shares (**Shares**) in Japara Healthcare Limited (ACN 168 631 052) (**Japara**) on the Australian Securities Exchange (**ASX**) under the replacement prospectus lodged with Australian Securities and Investments Commission (**ASIC**) on 11 April 2014 (**Prospectus**).

We confirm that:

- (a) the basis of allocation to applicants under the Broker Firm Offer has been determined by syndicate brokers who allocated Shares among their respective clients;
- (b) the basis of allocation to applicants under the Priority Offer has been determined by Japara in consultation with the lead manager, and applicants will be able to confirm their holding by calling the shareholder information line from Tuesday, 22 April 2014;
- (c) allocations under the institutional offer were determined by the lead manager in consultation with Japara during the bookbuild, which occurred prior to lodgement of the Prospectus, and institutional investors have been notified of their allocations;
- (d) the condition for the conditional market is completion of the Restructure, the final component of which is the acquisition by Japara of Japara Holdings Pty Ltd (ACN 110 466 889), expected to occur on 22 April 2014 and which must occur by 1 May, being 14 days after the commencement of conditional trading;
- (e) Japara intends to allot Shares to successful applicants on Tuesday, 22 April 2014.
- (f) the number of Shares to be allotted under the broker firm offer is 17,500,000;
- (g) the number of Shares to be allotted under the priority offer is 2,749,750;
- (h) the number of Shares to be allotted under the institutional offer is 155,210,000;
- (i) holding statements for both the CHESS sub-register and the issuer sponsored sub-register will be despatched on 23 April 2014; and
- (j) minor overpayments of application monies will be refunded by the share registry as soon as practicable.

Enclosed are the following documents:

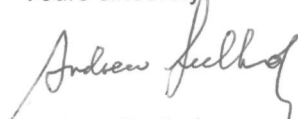
- (a) Japara's Appendix 1A and Information Form and Checklist;
- (b) Japara's constitution;
- (c) Japara's securities trading policy;
- (d) Japara's audited accounts for the full years ended 30 June 2011, 30 June 2012 and 30 June 2013 and for the half year ended 31 December 2013;
- (e) an indicative statement setting out the names of the 20 largest holders of Shares and the number and percentage of Shares held; and
- (f) an indicative distribution schedule of the number of holders of Shares setting out the number of holders in each category specified by ASX in the final listing conditions (which is also evidence of Japara having met the spread requirements of listing rule 1.1 condition 7(c)).

Japara confirms that voluntary escrow arrangements are in place in respect of the Shares held by Andrew Sudholz (indirectly, through Ashens Properties Pty Ltd, as trustee for the Sudholz Discretionary Family Trust), being 15,700,000 Shares. Those Shares are to be escrowed until the date the audited financial accounts of Japara for the financial year ending 30 June 2015 have been released to ASX.

Japara has made the following arrangements to facilitate an orderly market in Shares, in particular to ensure that applicants are able to determine their entitlements for the purposes of conditional and deferred settlement trading:

- (a) advertising space has been booked in the Australian Financial Review, the Australian the Sydney Morning Herald and the Melbourne Age for advertisements in the form enclosed and of approximately A5 size to appear on Thursday, 17 April 2014, being the day conditional and deferred settlement trading is expected to commence; and
- (g) the toll free Shareholder information line administered by Japara's Share registry, which has been available to Shareholders from the date the Offer opened and, will remain open until after despatch of holding statements in order to deal with Shareholder enquiries. We confirm that the number of available lines is expected to be sufficient to meet the anticipated volume of Shareholder calls.

Yours sincerely,



Andrew Sudholz
Chief Executive Officer

Japara Healthcare Limited