

19 March 2012

Dear Optionholder

### Notice to Optionholders of Entitlements Offer

We write to you as the registered holder of Options in Allied Healthcare Group Limited (**AHZ or Company**) as at today's date.

As announced on 16 March 2012, the Company is undertaking a capital raising comprising of:

1. a placement of approximately 66,666,667 shares each at an issue price of \$0.03 to sophisticated and professional investors to raise up to \$2,000,000 (**Placement**); and
2. a non-renounceable pro-rata entitlements offer on the basis of 1 share for every 5 shares held at 5pm (Sydney time) on 27 March 2012 (**Record Date**) each at an issue price of \$0.03 (**Entitlements Offer**).

The Entitlements Offer is available to all AHZ shareholders (**Shareholders**) registered on the Record Date whose registered address is in Australia, New Zealand, Hong Kong or Singapore (**Eligible Shareholders**). The Entitlements Offer is not being extended to any Shareholders whose address is outside Australia, New Zealand, Hong Kong or Singapore.

If you wish to participate in the Entitlements Offer you need to exercise your Options so that you are registered as a Shareholder at 5pm (Sydney time) on the Record Date. Notice of exercise of Options and payment of the exercise price of the Options should be received by Computershare Investor Services Pty Ltd on or before 21 March 2012 as notices of exercise of options received after this date cannot be assured of the allotment of shares by the Record Date.

If you require an Option exercise form, please contact the Company on +61 (0) 8 9266 0100 or Computershare Investor Services Pty Ltd on 1300 606 724 if within Australia or +61 (0)3 9415 4624 if outside Australia.

The Offer Document in relation to the Entitlements Offer will be lodged with ASX and will be available on both ASX website ([www.asx.com.au](http://www.asx.com.au)) and on the Company's website ([www.alliedhealthcaregroup.com.au](http://www.alliedhealthcaregroup.com.au)). A copy of the Offer Document will be sent to Eligible Shareholders on 29 March 2012.



The following indicative timetable is included in the Offer Document:

Event	Date
Announcement of the Entitlements Offer 708AA Cleansing Notice and Appendix 3B lodged with ASX	16 March 2012
Ex Date (date from which securities commence trading without the entitlement to participate in the Entitlements Offer)	21 March 2012
Record Date (date for determining entitlements of Eligible Shareholders to participate in the Entitlements Offer)	27 March 2012
Offer Document Despatched to Eligible Shareholders (expected date of despatch of Offer Document and Entitlement and Acceptance Forms)	29 March 2012
Opening Date	29 March 2012
Closing Date (5pm Sydney time)*	19 April 2012
New shares quoted on a deferred settlement basis	20 April 2012
Company to notify ASX of under subscriptions (if any) **	23 April 2012
Allotment of new shares pursuant to the Entitlements Offer**	27 April 2012
Despatch holding statements **	30 April 2012
708A Cleansing Statement	30 April 2012

\*\*All dates are indicative only. The Company reserves the right, subject to the *Corporations Act* 2001 (Cth) and the ASX Listing Rules, to amend the above indicative timetable without prior written notice. Any extension of the Closing Date will have a consequential effect on the date of issue of the shares.

The directors of Company recommend that you to read the Offer Document carefully and seek advice from your financial adviser if you have any queries. This notice is to inform you of the Entitlements Offer. You are not required to do anything in respect to this letter.

Yours sincerely



**Christopher Catlow**  
Chairman