



ALLIED HEALTHCARE GROUP

ABN 35 088 221 078

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23 September 2013

Dear Shareholder

Notice to Ineligible Shareholders of Non-Renounceable Rights Issue

We write to you as the registered holder of shares in Allied Healthcare Group Limited (**Company**) whose registered address is outside of Australia, New Zealand, Hong Kong and Singapore as at today's date.

On 23 September 2013 the Company announced that it is undertaking a fully underwritten, non-renounceable pro rata rights issue (**Rights Issue**). The Rights Issue comprises an offer of new fully paid ordinary shares in the Company (**New Shares**) on the basis of 1 New Share for every 5 ordinary share in the Company held by eligible shareholders on 1 October 2013, at a price of \$0.05 per New Share.

The offer made under the Rights Issue will not be extended to shareholders with a registered address outside of Australia, New Zealand, Hong Kong or Singapore (**Ineligible Shareholders**). The Company has determined that it would be unreasonable on this occasion to extend the offer under the Rights Issue to shareholders with registered addresses in your jurisdiction having regard to:

1. the number and value of the securities the holders in your jurisdiction would be offered; and
2. the cost of complying with the legal requirements and the requirements of the regulatory authorities in your jurisdiction.

Although the Company is unable to extend to you the opportunity to participate in the Rights Issue directly, the Company has applied to the Australian Securities and Investments Commission (**ASIC**) for approval of RBS Morgans Corporate Limited (**RBS**) to act as your nominee and sell the shares you would otherwise be entitled to apply for (**Ineligible Shareholder Shares**), and remit the net proceeds to you in accordance with section 615 of the *Corporations Act 2001* (Cth).

Subject to ASIC approving RBS to act as nominee, if there is a viable market for the Ineligible Shareholder Shares and a premium over the expenses of the sale can be obtained, RBS will sell the Ineligible Shareholder Shares.

Any sale of Ineligible Shareholder Shares will be at prices and otherwise in a manner determined by RBS in its sole discretion. Neither the Company nor RBS will be held liable for failure to sell the Ineligible Shareholder Shares or to sell the Ineligible Shareholder Shares at any particular price. The proceeds of the sale after deducting costs will be distributed to Ineligible Shareholders for whose benefits the rights are sold in proportion to their shareholding as at 1 October 2013.

For your information only, details of the Rights Issue are contained in the Offer Document which has been lodged with ASX. The Offer Document will be available on both the ASX website (www.asx.com.au) and the Company's website (www.alliedhealthcaregroup.com.au).

We look forward to your continued support.

Yours faithfully

Christopher Catlow
Chairman

