



ASX Release

## PROPOSED CONVERTIBLE NOTE ISSUE AND DEBT CONVERSION

**Melbourne, Australia; 31 July 2020:** Jayex Healthcare Limited (**ASX: JHL**) (**Jayex** or **Company**) advises it has entered into a Convertible Note Deed with major shareholder, Covenant Holdings (WA) Pty Ltd (**Covenant**). Covenant is a company controlled by Jayex's Executive Chairman, Mr Michael Boyd. Pursuant to the Convertible Note Deed, the Company has agreed, subject to Shareholder approval, to issue Convertible Notes in the capital of the Company on the terms set out below.

Shareholder approval for the issue of the Convertible Notes to Covenant will be sought at a Shareholder Meeting to be held in the coming months. Details of this Shareholder Meeting will be announced in due course.

As previously announced, Covenant has advanced loans to the Company for general working capital purposes (together, the **Loan**). Currently, a total amount of \$3,000,000 is owing to Covenant under the Loan. Pursuant to the Convertible Note Deed, the Company and Covenant have agreed to convert the debt owing under the Loan to Covenant into Convertible Notes having a face value of \$1.00 per Convertible Note (**Conversion**). To affect the Conversion, the Debt will be applied to the Subscription Sum for the Convertible Notes.

Accordingly, the Company proposes issuing 3,000,000 Convertible Notes with a face value of \$1.00 per Convertible Note to Covenant subject to obtaining Shareholder approval. The Convertible Notes are convertible by Covenant into fully paid ordinary shares in the Company. The maximum number of shares that may be issued on conversion of the Convertible Notes is 60,000,000 (assuming the shares are issued at the minimum conversion price of \$0.05 per share).

The key terms of the proposed Convertible Notes are:

<b>Subscription Sum</b>	\$3,000,000
<b>Number of Convertible Notes to be issued</b>	3,000,000
<b>Face Value</b>	\$1.00 per Convertible Note
<b>Conversion Price</b>	The greater of: (a) \$0.05 ; and (b) a 20% discount to the volume weighted average price of Shares on the ASX calculated over the 30 days on which trades in Shares were recorded immediately prior to the Conversion Date.
<b>Interest Rate</b>	6.50% per annum, fixed for the term of the Convertible Notes.
<b>Period during which Convertible Notes can be converted</b>	The Convertible Notes can be converted at any time on or before the date that is 24 months from issue of Convertible Notes ( <b>Redemption Date</b> )
<b>Security</b>	The Convertible Notes are unsecured
<b>Actions at end of conversion period</b>	If the Convertible Notes are not converted to shares on or before the Redemption Date, the Company may either: (a) pay the outstanding Convertible Notes balance to Covenant; or (b) subject to shareholder approval, convert the outstanding Convertible Notes balance into new convertible notes on the same terms as the Convertible Notes.

**Jayex Healthcare Limited**  
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**About Jayex Healthcare Limited - [www.jayexhealthcare.com.au](http://www.jayexhealthcare.com.au)**

Jayex Healthcare is a leading provider in the United Kingdom, Australia and New Zealand of integrated healthcare services delivery platforms, incorporating the Company's interconnected technologies, being:

- *Jayex Connect* – a cloud-based Patient Engagement Platform;
- *Enlighten* – a patient workflow platform;
- *Appointuit* - a patient engagement solution;
- *Pharmacy Delivery 2 U* – a prescription delivery service; and
- *BluePoint*<sup>®</sup> - a remote pharmacy prescription processing and dispensing terminal.

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*This announcement is authorised for release to the market by the Board of Directors of Jayex Healthcare Limited.*