

INTEGRAL NOTES CAPITOL ANNOUNCEMENT THAT ITS TAKEOVER BID WILL LAPSE

13 March 2018, Melbourne: The Board of Integral Diagnostics (ASX:IDX) today noted the announcement by Capitol Health (ASX:CAJ) that its unsolicited hostile takeover bid for Integral Diagnostics will lapse.

The Integral Board had unanimously recommended to shareholders on 6 February 2018 and again on 2 March 2018 that they reject Capitol Health's deficient Offer.

The Board of Integral Diagnostics has been, and continues to be, unwavering in its focus on delivering value for its shareholders in its assessment of any transaction. Specifically pertaining to Capitol Health:

- Capitol Health and its advisors are aware that prior discussions in 2017 were very preliminary and never proceeded beyond a high-level conceptual discussion, with no due diligence conducted by either party. At that time the Integral Board assessed that a combination was not value accretive for, and as such not in the best interests of, Integral shareholders. Hence prior discussions concluded.
- Capitol Health announced an unsolicited, hostile takeover bid for Integral Diagnostics on 29 November 2017. The Integral Board assessed that this Offer was value destructive for Integral Shareholders.
- Integral Diagnostics' four largest shareholders representing nearly 30% of Integral shares informed the Board that they intended to reject the Offer as announced in the Board Statement dated 6 February 2018 with a unanimous Board recommendation rejecting the Offer.
- The Independent Expert also assessed that the Capitol Health Offer was neither fair nor reasonable.

The Integral Diagnostics' Board notes the significant costs and distraction incurred as a result of this Bid from Capitol Health and how it has been conducted.

"We can now get on with the business of delivering on our attractive prospects supported by a medically led and diversified business model, multi-layered sustainable growth potential, and a market leading management and radiologist team" Ms Kurincic said.

About IDX:

Integral Diagnostics (IDX) is a leading provider of medical imaging services in Victoria, Queensland and Western Australia. The company provides state of the art diagnostic services to patients and their referrers at 47 radiology clinics, including 13 hospital sites. IDX employs some of the country's leading radiologists and nuclear medicine specialists in a unique medical leadership model that ensures quality patient care, service and access. Good medicine is good business.