

AtCor Completes Heavily Oversubscribed Share Placement and Rights Issue To Fast Track New Strategic Plan in Wearables, eMedicine, and Digital Health.

AtCor Medical (ASX:ACG) today announces it has received commitments of \$5 million in new equity funding ("Equity Funding").

Strategic Highlights

The Equity Funding allows the Company to move forward in an ambitious and significant new business direction which includes:

- Leveraging its FDA approved technology into new wearable technologies through a strategic partnership with Blumio, Inc – a Silicon Valley wearable medical device company;
- A shift in the Company's strategic, sales, and revenue plan to focus on the "direct to practitioner" sales channel;
- The development of a consumer and digital media strategy to take advantage of the growth in the digital health and electronic medicine markets;
- A restructuring of the Company into new divisions to additionally focus on new, high growth health technology opportunities outside of cardiovascular health; and
- Pursuing a number of other new business development opportunities consistent with the above strategies.

Overview of Equity Funding

The Equity Funding consists of:

- A placement to sophisticated and institutional investors at \$0.02 per share to raise approximately \$2,375,906. \$830,000 of these funds will be allotted on 2 May 2018, with the remaining \$1,545,906 to be allotted in early June if approved by shareholders at a General Meeting to be held at the end of May;
- An investment to be made by a related party of certain directors of the Company to raise \$1,500,000, subject to shareholder approval;
- A fully underwritten 1 for 5 non-renounceable Entitlement Offer at \$0.02 per share to raise \$1,124,094 from eligible shareholders in Australia and New Zealand.

All of the shares to be issued in the Equity Funding will come with 1 free attaching new option for every 2 new shares subscribed for and issued. The new options are exercisable at \$0.05 and expire on 30 November 2021. Taylor Collison Limited acted as Lead Manager to the Equity Funding and has fully underwritten the Entitlement Offer.

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Directors committed \$1.6 million to the Equity Funding providing strong validation for the new business direction and commercial opportunities ahead of the Company.

AtCor Chairman, Donal O'Dwyer said:

"We are excited for about the new strategic direction of the Company along with the expansion of the market opportunities within our traditional cardiovascular medical device business. The Equity Funding will provide the basis for underwriting these opportunities as we move forward and execute against this vision."

All eligible shareholders are encouraged to take part in the Entitlement Offer. The offer is fully underwritten by Taylor Collison. A Transaction-Specific Prospectus for the Entitlement Offer of Shares and Options will be mailed to shareholders on 3 May 2018.

Equity Funding Summary

Share Placement	<ul style="list-style-type: none">• To raise up to \$2,375,906 (\$830,000 to be issued in accordance with ASX Listing Rule 7.1 and the remaining \$1,545,906 to be subject to shareholder approval)• Issue up to 118,795,301 new fully paid ordinary shares• Issue Price of \$0.02
1 for 5 non-renounceable Entitlement Offer	<ul style="list-style-type: none">• To raise up to \$1,124,094• Issue up to 56,204,699 new fully paid shares• Issue Price of \$0.02 (same as placement price)
1 for 2 option subscribed for and issued under the Equity Funding	<ul style="list-style-type: none">• Exercise price of \$0.05• Expiry on 30 November 2021• All options (other than those issued under the Entitlement Offer) are subject to shareholder approval
Related Party Investment	<ul style="list-style-type: none">• To raise up to \$1,500,000• Issue up to 75,000,000 new fully paid ordinary shares• Issue price of \$0.02• Consideration to be paid in accordance with a Deed of Undertaking on or before 30 November 2018• The proposed issue and its terms are subject to shareholder approval
Discount offered	<ul style="list-style-type: none">• 23.6% to 30 day volume weighted average price (VWAP) of \$0.0262• 11.7% to 10 day VWAP of \$0.0226• 10.7% to 5 day VWAP of \$0.0224• 9.1% to last trade of \$0.022

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Capital Structure Effects

The following tables show the effects of the Entitlement Offer and the Total Offer (inclusive of the Entitlement Offer) on the issued Shares and Options of the Company, assuming all Entitlements are accepted and no existing options are exercised prior to the Record Date.

Issued Shares

	Effect of Entitlement Offer on Issued Shares	% Dilution	Effect of Total Offer on Issued Shares	% Dilution
Existing Shares	281,023,494	83%	281,023,494	53%
New Shares issued	56,204,699	17%	250,000,000	47%
Total Shares on issue after completion	337,228,193	100%	531,023,494	100%

Issued Options

	Effect of Entitlement Offer on Issued Options	% Dilution	Effect of Total Offer on Issued Options	% Dilution
Existing Options on issue	15,053,333	35%	15,053,333	10%
New Options issued	28,102,349	65%	135,000,000	90%
Total Options on issue after completion	43,155,682	100%	150,053,333	100%

Total Capital Structure

	Fully Dilutive Effect of Entitlement Offer	% Dilution	Fully Dilutive Effect of Total Offer	% Dilution
Existing Shares & Options on issue	296,076,827	78%	296,076,827	43%
New Shares & Options Issued	84,307,048	22%	385,000,000	57%
Total Shares & Options on issue after completion	380,383,875	100%	681,076,827	100%

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Entitlement Offer Details

Who may participate	All Australian and New Zealand shareholders
Offer	1 share for every 5 shares held at the record date
Offer price	\$0.02
Option	1 new option for every 2 new shares subscribed for and issued under the rights issue
Option price	Options are exercisable at \$0.05
Option expiry	30 November 2021
Ex-date	Friday, 27 April 2018
Record date	Monday, 30 April 2018
Entitlement Offer prospectus to be dispatched	Thursday, 3 May 2018
Offer opens	Thursday, 3 May 2018
Offer closes	Wednesday, 6 June 2018
Allotment of new shares	Thursday, 14 June 2018
New shares commence trading on ASX	Friday, 15 June 2018

* This timetable is indicative only and may be subject to change, subject to the ASX Listing Rules.

About AtCor Medical

AtCor Medical develops and markets products for large-scale population health disorders with a focus on cardiovascular disease.

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