
5 June 2017

NORTHWEST STAKE IN GENERATION EXCEEDS 75%

NorthWest Healthcare Properties Real Estate Investment Trust (TSX:NWH) (**NorthWest**) today announces that NorthWest Australia's¹ relevant interest in Generation Healthcare REIT (ASX:GHC) (**Generation**) has exceeded 75%.

NorthWest Australia is now in a position to seek to implement a number of its intentions, including to replace the Generation Responsible Entity (**RE**) with a responsible entity nominated by NorthWest and to seek Generation's delisting from the Australian Securities Exchange (**ASX**), subject to meeting Corporations Act requirements and ASX guidance².

NorthWest Australia's stake in Generation reached 76.99% as at close of trade on 2 June 2017, and **all remaining Generation unitholders are strongly encouraged to accept without delay** its all-cash unconditional \$2.30³ per Generation unit offer (**Offer**) before the **Offer closes in 3 days at 7:00pm (Sydney time) on Thursday 8 June 2017**⁴.

Paul Dalla Lana, Chairman and CEO of NorthWest, said the rate of acceptances was extremely pleasing but urges remaining Generation unitholders to accept the Offer to avoid possible minority unitholder risks and reduced trading liquidity.

"Generation unitholders should accept the Offer from NorthWest Australia without delay. Unitholders who do not accept will be exposed to the risks of remaining a minority unitholder including a potential reduction in the Generation unit price after the Offer closes and the risks of reduced liquidity in trading of Generation units," Mr Dalla Lana said.

NorthWest Australia reiterates the following points:

1. the Offer has been **unanimously recommended** by the Board of the Generation RE, in the absence of a superior proposal;
2. the Board of the Generation RE **does not expect any competing offer for Generation to emerge**;
3. the Independent Expert appointed by the Board of Generation's RE has determined **the Offer is fair and reasonable**, in the absence of a superior offer, and as noted above, the Board of the Generation RE does not expect any such offer to emerge; and
4. NorthWest Australia intends to seek to implement (subject to the Corporations Act requirements and ASX guidance) a number of its intentions as outlined in its Bidder's Statement, including:
 - o replacing the Generation RE with a responsible entity nominated by NorthWest;
 - o seeking to delist Generation from the official list of the ASX;
 - o conducting a review of Generation's capital structure and distribution policies; and
 - o implementing a general operational and strategic review of Generation.

¹ NorthWest Australia AssetCo Pty Ltd as trustee for NWH Australia Asset Trust (**NorthWest Australia**), a controlled entity of NorthWest.

² Generation unitholders should refer to section 6.3(a) of NorthWest Australia's Bidder's Statement and ASX Guidance Note 33 for details of the ASX guidance with respect to delisting Generation when NorthWest Australia has acquired a relevant interest in more than 75% of the Generation Units (but less than 90%), including in what circumstances the approval of Generation Unitholders may be required.

³ The cash consideration will be reduced by the amount or value of any rights attaching to Generation units which arise or are paid after 24 April 2017 which NorthWest Australia does not receive.

⁴ Unless extended.

The Offer closes at 7:00pm (Sydney time) on Thursday, 8 June 2017⁵.

A Form 604 (Notice of change of interests of substantial holder) follows.

Further Information

For further information please contact the NorthWest Offer Information Line from within Australia on 1800 129 431 or from outside Australia on +61 1800 129 431.

⁵ Unless extended.