



RAMSAY
HEALTH CARE

13 April 2010

Mr Grahame J Boys
Development Management Consultant
for AA-Crown Holdings
12/6 Cliff Street
MILSONS POINT NSW 2061

Ramsay Health Care Australia Pty Ltd
ABN 36 003 184 889
Level 9, 154 Pacific Highway
St Leonards NSW 2065 Australia
Telephone: +61 2 9433 3444
Facsimile: +61 2 9433 3460
Email: enquiry@ramsayhealth.com.au

Dear Mr Boys,

**Proposal by AA-Crown Holdings for new Private Hospital
360-364 Crown Street, Wollongong**

Thank you for the opportunity of our continued discussions regarding the proposal by AA-Crown Holdings Pty Limited to develop an integrated private hospital and medical centre on the site at 360-364 Crown Street (Princes Highway), Wollongong.

This letter confirms the ongoing interest of Ramsay Health Care (Ramsay) in the private hospital component of that development.

Ramsay has held detailed discussions with the owners of this site for the past three (3) years regarding the proposal for RHC to operate the private hospital within the complex. As you know, Ramsay operates Figtree Private Hospital at Figtree in Wollongong. From our perspective this new site, which is located opposite the existing Wollongong Public Hospital, presents a substantial opportunity for consolidating and improving access to health services for the communities served by both the public and private health providers.

A key component of the success of the new site over other current private hospital proposals in the Wollongong area will be its superior proximity to the existing substantial public hospital infrastructure and services. This provides the potential for improved access to services and for better resource utilisation through the reduction in duplication of some high-cost services, equipment and skilled staff. Importantly, the proximal location of public and private sector services would be attractive to health care providers and staff who will be required to meet the growing health care needs in Wollongong in the coming years.

As indicated at our recent meeting, we are analysing our current and future operations and patient activity projections for Figtree Private Hospital to determine a likely service configuration, to assist in our ongoing negotiations with your group. We hope to be in a position to recommend to the Ramsay Health Care Development Committee and Board that we proceed further with a detailed proposal, in the coming months.

In the meantime, we are pleased to move forward with current negotiations on a mutually exclusive basis.

Please do not hesitate to contact me directly if you require any further information in this regard.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Danny Sims', written in a cursive style.

Danny Sims
Chief Operating Officer – Australia/Indonesia
Ramsay Health Care

Cc. Dr Arthur Stanton & Dr Andrew Malouf, AA-Crown Holdings
Mr Malcolm Passmore, NSW Regional Manager, Ramsay Health Care
Mr Angus Bradley, NSW Development Manager, Ramsay Health Care