

MEDIA RELEASE

ASX: GLH

Settlement reached with SA Health regarding continuing use of CHIRON software

4 August 2016: Further to the trading halt announced on 3 August 2016, Global Health Limited ACN 091 377 892 (ASX: GLH) (**Company**), its subsidiary Working Systems Software Pty Ltd ACN 008 993 511 (**Working Systems**) and the Crown in right of the State of South Australia (**SA Health**) have settled Federal Court of Australia Proceeding No. SAD 171 of 2015 (**Proceeding**).

The Proceeding concerned allegations by Working Systems that SA Health had breached its contract with Working Systems and infringed copyright arising from SA Health's continuing use of the CHIRON Patient Administration System (PAS). SA Health denied all allegations, and sought to rely on the "Crown use" provisions of the *Copyright Act 1968* (Cth).

The parties participated in a mediation conducted by a Registrar of the Federal Court of Australia on 2 August 2016 and reached agreement on terms of settlement.

The settlement terms include the following:

1. The Company's subsidiary, Working Systems, has granted SA Health a royalty-bearing, perpetual (subject to payment of the applicable royalty), irrevocable and non-exclusive licence (the **Licence**) to use the CHIRON software, the related HARMONY software (up to 1 April 2016) and the related eSwitch software (collectively, the **Software**), commencing with retrospective effect from 1 April 2015.
2. The Software will be Licensed to SA Health on an "as is, where is" basis, limiting reproduction and use of the Software to regional hospitals where it is currently deployed, or as otherwise reasonably required in connection with those regional hospitals.
3. SA Health will pay an annual fee (**Fee**) for the Licence as follows:
 - a. an initial fee of \$5,000,000 plus GST, for the period 1 April 2015 to 31 March 2020, payable by 30 August 2016; and
 - b. an annual renewal fee of \$600,000 plus GST (increasing by CPI each year), for each year from 1 April 2020, where each renewal after the initial 5-year term shall be at SA Health's sole and exclusive option.

MEDIA RELEASE

4. Within 7 days of SA Health's payment of the initial fee of \$5,000,000 plus GST, Working Systems must discontinue the Proceeding by consent, with no order as to costs. Accordingly, the trial listed for December 2016, together with all other orders for hearings and steps in the Proceeding, will then be vacated.

The Company is pleased to have brought an end to the dispute with SA Health and looks forward to focusing all of its energy on continuing to develop new products and expand its business.

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About Global Health Limited: Global Health is a leading provider of Digital Health solutions that address the needs of administrators, funders, clinicians and consumers across the healthcare industry. Global Health's portfolio of products supports healthcare delivery services.