


NORTHWEST HEALTHCARE PROPERTIES REIT ANNOUNCES UNCONDITIONAL CASH OFFER OF A\$2.24 PER UNIT¹ FOR GENERATION HEALTHCARE REIT

TORONTO, APRIL 24, 2017 – NWH Australia AssetCo Pty Ltd as trustee for NWH Australia Asset Trust (**NorthWest Australia**), a controlled entity of NorthWest Healthcare Properties Real Estate Investment Trust (TSX: NWH.UN) (the **REIT** or **NorthWest**), today announced an all-cash, unconditional, off-market takeover offer (**Offer**) for all outstanding units it does not already own (**Generation Units**) in Australia's Generation Healthcare REIT (ASX: GHC.AX) (**Generation**).

Key attractions of the Offer for Generation Unitholders:

- The all-cash Offer represents a 45.5% premium to 31 December 2016 net tangible assets (NTA) of A\$1.54 per Generation Unit, reported on 20 February 2017.
- The Offer provides Generation Unitholders with the opportunity to access meaningful liquidity at certain value.
- NorthWest Australia considers that the likelihood of a competing proposal is low given NorthWest Australia's current 22.73% relevant interest in Generation.
- The Offer is unconditional which enables investors to receive payment for their Generation Units in a timely manner (5 business days after receipt of valid acceptance).

Generation Unitholders will receive an attractive premium

The cash consideration payable under the Offer of A\$2.24 per Generation Unit represents a premium of:

- 45.5% to Generation's 31 December 2016 net tangible assets (NTA) of A\$1.54 per Generation Unit, reported on 20 February 2017;
- 10.5% to Generation's one day VWAP on 21 April 2017, being the last trading day before the announcement of the Offer;
- 10.4% to Generation's one month VWAP (calculated from 22 March 2017); and
- 12.8% to Generation's three month VWAP (calculated from 22 January 2017).

NorthWest Chairman and CEO Paul Dalla Lana said:

"NorthWest's proposed acquisition of Generation represents compelling value for Generation Unitholders and the Offer's unconditionality means they can realise this value within a very short timeframe."

¹ The cash consideration payable under the Offer is A\$2.24 per Generation Unit. This will be reduced by the amount or value of any rights attaching to the Generation Units (including any distributions) which arise or are paid on or after the date of the Bidder's Statement which NorthWest does not receive.

“After market close on Friday 21 April 2017, NorthWest tabled a confidential, non-binding proposal on the same terms as the Offer to the Generation responsible entity. NorthWest intends to work constructively with the Generation responsible entity board to assist it in assessing what NorthWest believes is an attractive Offer for Generation Unitholders.”

NorthWest Australia is the largest Generation Unitholder and currently holds 22.73% of Generation Units on issue.

On 27 June 2016, NorthWest acquired 100% of Generation Healthcare Management Pty Limited (**Generation Healthcare Management**) – Generation’s manager – while NWI Healthcare Properties LP (a controlled entity of NorthWest) acquired 27.1 million Generation Units held by APN Property Group Limited, Miles Wentworth (CEO of Generation) and Chris Adams (Director of Generation Healthcare Management), and persons associated with them. These June 2016 transactions were supported by the independent directors of Generation's responsible entity and resulted in NorthWest and its controlled entities holding a 19.9% relevant interest in Generation. NorthWest subsequently acquired additional Generation Units, bringing its current relevant interest to 22.73%.

As the Offer is unconditional, NorthWest Australia intends to conduct on-market purchases of Generation Units at the Offer Price in accordance with item 2 of section 611 of the Corporations Act. Accordingly, NorthWest Australia has appointed Deutsche Bank’s market participant, Deutsche Securities Australia Limited, on and from today to make on-market purchases of Generation Units on NorthWest Australia’s behalf at the Offer Price.

Regulatory approval

NorthWest Australia has received Foreign Investment Review Board approval for the Offer.

Funding

The Offer will be funded through a combination of internal and external funding arrangements put in place by NorthWest. Further details of funding arrangements are contained in the Bidder’s Statement.

Corporate governance

Governance protocols have been adopted by Generation Healthcare Management to address any actual or perceived conflict of interest that may potentially arise in relation to the Offer as a result of its relationship with NorthWest. NorthWest has also adopted separate protocols to ensure that any confidential information obtained by Generation Healthcare Management under its investment management agreement with Generation's responsible entity is not used for the purposes of the Offer.

Bidder's Statement

NorthWest Australia will lodge its Bidder's Statement with ASIC, Generation's responsible entity and ASX today. The Bidder's Statement will contain detailed information about the Offer. The Bidder's Statement is expected to be sent to Generation Unitholders 14 days after the date of this announcement.

Further Information

For further information please contact the NorthWest Offer information line on:

From within Australia: 1800 129 431

From outside Australia: +61 1800 129 431

Further details on the Transaction are available on the REIT's website at www.nwhreit.com.

About NorthWest Healthcare Properties Real Estate Investment Trust

NorthWest Healthcare Properties Real Estate Investment Trust (TSX: NWH.UN) (**NorthWest**) is an unincorporated, open-ended real estate investment trust established under the laws of the Province of Ontario. NorthWest provides investors with access to a portfolio of high quality healthcare real estate assets comprised of interests in a diversified portfolio of 141 income-producing properties and 9.5 million square feet of gross leasable area. Its properties are located throughout major markets in Canada, Brazil, Germany, Australia and New Zealand. NorthWest's portfolio of medical office buildings, clinics, and hospitals is characterized by long term indexed leases and stable occupancies. With a fully integrated and aligned senior management team, NorthWest leverages over 180 professionals across 9 offices in 5 countries to serve as a long term real estate partner to leading healthcare operators.

www.nwhreit.com

About Generation Healthcare REIT

Generation Healthcare REIT (ASX: GHC) is the only ASX listed healthcare real estate investment entity. Generation owns 16 properties including hospitals, medical centres, laboratories, residential aged care facilities and other purpose-built healthcare facilities. Generation also has an identified development pipeline comprising two projects under construction and one pending. Generation partners with high quality healthcare tenants with strongly diversified income streams. Generation has total assets of approximately A\$621 million with investments located in Victoria, New South Wales and Queensland.

www.generationreit.com.au

This press release contains forward-looking statements which reflect NorthWest's current expectations regarding future events. The forward-looking statements involve risks and uncertainties. Actual results could differ materially from those projected herein. NorthWest disclaims any obligation to update these forward-looking statements.

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