

6 June 2016

The Manager
Companies Announcement Office
Australian Securities Exchange
Electronic Lodgment

Dear Sir/Madam,

UPDATE ON THE PROPOSED ACQUISITION OF 60% STAKE IN RICH TREE LAND - TERMINATION OF THE CONDITIONAL SALES AND PURCHASE AGREEMENT DATED 12 AUGUST 2015

The Board of Directors of **Asian American Medical Group Limited** (ASX:AJJ) ("**AAMG**" or "**the Company**") refers to its announcement dated 12 August 2015, and subsequent updates on 31 December 2015, 28 January 2016 and 27 March 2016. The Company wishes to announce that after careful deliberation it has decided that it will not proceed with the proposed acquisition of a 60% interest in Rich Tree Land Pte Ltd ("**RTL**"), the developer of the proposed Zhuhai-Singapore Life Sciences Park ("**the Project**"). The Company will not continue as Project Lead Manager of the Project, which is scheduled for completion in 2018.

The proposed acquisition of the Project was conditional upon, amongst others:

1. AAMG being reasonably satisfied of its due diligence investigations; and
2. there being no material adverse circumstances in the due diligence conducted by AAMG.

Following a management review of the financial due diligence report by the Company's auditors, the Board has determined that proceeding with the project could place undue risks for the Company and its shareholders. In accordance with the terms of the Sale and Purchase Agreement ("**SPA**"), AAMG has obtained the necessary advice and given notice to terminate the SPA.

The S\$6.0 million placed as deposit for the proposed acquisition will be refunded to the Company and has been ear-marked for future diversification and expansion into new healthcare related business services and for general working capital purposes. The termination of the acquisition and Project Lead Management agreement is not expected to have any material impact on the Group's consolidated financial statements for the current financial year ending 31 August 2016.

While deciding that the Company should not proceed with the investment, the Directors nonetheless remain optimistic about the prospects of the healthcare sector in China, especially Zhuhai. As such, AAMG concurrently announces that it has signed a non-binding Letter of Intent ("**LOI**") with Rich Tree Holdings Pte Ltd to potentially lease space in the Zhuhai-Singapore Life Sciences Park for health screening or other medical services when the building is completed. Terms for this arrangement will be determined at a later stage.

Dario Nazzari
Company Secretary
Tel: +61 8 8110 0999
Email: dario@uhyhn.com.au

About Asian American Medical Group

Asian American Medical Group ("AAMG") is based in Singapore and has been listed on the Australian Securities Exchange since September 2009. The Group's operations include the Asian American Liver Centre Pte Ltd ("AALC"), established in 1994 in Singapore, and Asian American Radiation Oncology Pte Ltd ("AARO").

The Group entered into a strategic collaboration in October 2012 with the US-based US\$12-billion integrated global health enterprise UPMC. UPMC, ranked No. 12 on the U.S. News & World Report Honor Roll of American's Best Hospitals, is affiliated with the University of Pittsburgh Schools of the Health Sciences and are pioneers in the field of transplantation. This collaboration has enhanced AAMG's clinical capabilities through shared protocols, rigorous quality standards and technology and also created a platform for AAMG to expand into other countries in Asia such as Malaysia and Myanmar.

AALC, one of Asia's foremost liver centres, is led by renowned hepatobiliary and liver transplant surgeon, Dr. Tan Kai Chah (Dr. KC Tan), who helped start the Liver Transplant Programme at the King's College Hospital London, UK, and pioneered the highly successful Living Donor Liver Transplantation (LDLT) Programme in Singapore.

AARO, established in March 2015, offers radiation oncology consultancy and management and is spearheaded by Dr Daniel Tan Yat Harn. Based in Singapore, AARO will drive expansion into the growing radiotherapy and oncology segment in the overseas market, at a time where there is a shortage of modern radiotherapy treatment centres.

For further information, please visit www.aamg.co.

Media enquiries:

WeR1 Consultants

Ms Rachael De Foe; rachaeldefoe@wer1.net

Tel: +65 6737 4844