

8 November 2006

Healthcare Enterprise Group PLC

(the "Company")

Issue of shares

Firm Placing

Further to the announcement made on 2 November 2006, the Firm Placing (as further described in such announcement) is now complete.

Accordingly 6,666,667 ordinary shares of 2.5 pence each in the Company ("Ordinary Shares") were admitted to trading on AIM this morning.

Of these shares, Directors of the Company or their connected persons subscribed for 3,333,333 Ordinary Shares at 3 pence per share as follows:

Mr Lyndon Gaborit	-	833,333
Mr Mark Tompkins	-	833,333
Mr Nigel Wray	-	1,666,667.

Non-Executive Directors Share Issues

In addition, in relation to the provision of services as non-executive directors, the Company has allotted Ordinary Shares on 8 November 2006 (at the mid-market closing price on 7 November 2006 of 3.38p per share) in satisfaction of professional fees as follows:

Mr Nicholas Brigstocke - 133,136 Ordinary Shares in the Company (at 3.38p per share);

Mr Mark Tompkins - 133,136 Ordinary Shares in the Company (at 3.38p per share);
and

Mr Nigel Wray - 133,136 Ordinary Shares in the Company (at 3.38p per share).

The shares are expected to be admitted to trading on AIM on 15 November 2006.

Exercise of Options

In addition, the Company announces that a total of 1,520,681 new Ordinary Shares have been issued and allotted, pursuant to the Company's share option scheme, on 8 November 2006.

The optionholders exercising options were as follows:

Mr Nicholas Brigstocke (a non-executive director of the Company) - 113,246 Ordinary Shares in the Company (at 2.5p per share);

Mr Ken Denos (formerly an executive director of the Company) - 199,476 Ordinary Shares in the Company (at 2.5p per share); and

Mr Michael Low (formerly an executive director of the Company) - 1,207,959 Ordinary Shares in the Company (at 2.5p per share).

The shares are expected to be admitted to trading on AIM on 15 November 2006.

Directors' Shareholdings

The resulting holdings of the Directors are as follows:

Director	Overall number of new Ordinary Shares acquired	Number of Ordinary Shares held following the Placing and shares issues notified in this announcement	Percentage of issued share capital as enlarged by the Placing (assuming the shareholder resolutions at the EGM on 27 November are passed and the Conditional Placing Shares, as further described in the 2 November announcement, are all allotted)
Nicholas Brigstocke	246,382	2,072,186	0.76
Lyndon Gaborit	833,333	1,053,351	0.38
Mark Tompkins	966,469	1,274,409	0.47
Nigel Wray	1,799,803	17,222,057	6.32
Total	3,845,987	21,622,003	7.93

Fertiloscopy

Further to previous announcements about the restructuring and scaling back on capital expenditure, the Group's decision not to proceed with the Fertiloscopy project has resulted in the issue, on 8 November 2006, of 1,008,428 ordinary shares of 2.5p each in the Company in respect of the closure of matters relating to Fertiloscopy, at a (five preceding days mid-market closing) price of 3.322 pence per share.

The shares are expected to be admitted to trading on AIM on 15 November 2006.

Total Issued Share Capital

The Company's issued share capital at this time is 212,483,387 ordinary shares of 2.5 pence each.

Conditional Placing and amendment to warrant terms

As set out in the announcement on 2 November 2006, a further 60,000,000 ordinary shares have been placed on a conditional basis. Subsequent to that, the issued share capital of the Company (subject to any further allotments) would be 272,483,387 Ordinary Shares.

The conditions include, among other things, the passing by shareholders at an EGM to be held on 27 November 2006 of a resolution to give the Directors authority to allot shares up to an agreed limit and to dis-apply statutory pre-emption rights on allotments of shares.

As further described in the 2 November announcement, subject to the passing of resolutions at the EGM and warrant holders meeting on 27 November, the Company will allot warrants (on a 1 for 4 basis) to placees under the Placing, and amend the terms of the existing warrants in issue.

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