

December 27, 2016



## Rennova Health, Inc. to Acquire Assets of Scott Community Hospital

WEST PALM BEACH, FL -- (Marketwired) -- 12/27/16 -- **Rennova Health, Inc.** (NASDAQ: RNVA) (NASDAQ: RNVAZ), a vertically integrated provider of industry-leading diagnostics and supportive software solutions to healthcare providers, announced today that it has entered into an Asset Purchase Agreement and paid a deposit to acquire certain assets related to Scott County Hospital, based in Oneida, Tennessee.

Prior to closing in July 2016, Scott County Hospital was classified as a Critical Access Hospital (rural), had 25 beds, operating rooms and a Laboratory that provided a complement of ancillary diagnostic services, as well as an emergency department capable of operating 24/7. The purchase includes a 52,000 sq. ft. hospital building and 6,300 sq. ft. professional building on approximately 4.3 acres. The hospital was one of a group of seven hospitals that entered Chapter 11 bankruptcy in early 2016.

Rennova entered into an agreement to acquire the assets out of bankruptcy for approximately \$1,000,000, which includes \$400,000 owed to a local bank that has a lien on the property. The bankruptcy court issued an order on December 23<sup>rd</sup> thereby making the purchase agreement effective. Closing of the purchase is expected to take place in early January 2017. The hospital has a number of licenses that need to be reinstated and is party to a number of in-network contracts with payers. Subject to obtaining requisite government and other approvals and licenses, Rennova believes the hospital will reopen in part in the 2<sup>nd</sup> quarter of 2017 and is working towards having the hospital in full operation by the 3<sup>rd</sup> quarter of 2017.

The hospital had unaudited annual revenues of approximately \$12 million for 2015. These revenues were attributable to the typical services of a rural acute care hospital, including emergency room visits, outpatient procedures, diagnostic ancillary tests, physical therapy and inpatient hospital stays. Based on the hospital's historical information, Rennova believes it offers a predictable patient base with predictable revenues as it serves the general healthcare needs of its community and supports local physicians.

"This acquisition is further demonstration of Rennova's efforts to grow our business in a direction that will secure more predictable, recurring revenue for the provision of health care services and our state of the art solutions," said Seamus Lagan, CEO of Rennova. "A Rural Critical Access Hospital creates certain opportunities for Rennova to leverage its existing knowledge and services for the benefit of the hospital and surrounding physicians. We have hired specific expertise to oversee this project and believe we can reinstate the majority of the team from the local community that previously operated the hospital successfully. We look forward to proving and expanding this rural hospital model in the coming years."

## ***About Rennova Health, Inc.***

[Rennova Health](#) provides industry-leading diagnostics and supportive software solutions to healthcare providers, delivering an efficient, effective patient experience and superior clinical outcomes. Through an ever-expanding group of strategic brands that work in unison to empower customers, we are creating the next generation of healthcare. For more information, please visit [www.renovahealth.com](http://www.renovahealth.com).

## ***Forward-Looking Statements***

This press release includes "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Actual results may differ from expectations and, consequently, you should not rely on these forward-looking statements as predictions of future events. Words such as "expect," "estimate," "project," "budget," "forecast," "anticipate," "intend," "plan," "may," "will," "could," "should," "believes," "predicts," "potential," "continue," and similar expressions are intended to identify such forward-looking statements. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Additional information concerning these and other risk factors are contained in the Company's most recent filings with the Securities and Exchange Commission. The Company cautions readers not to place undue reliance upon any forward-looking statements, which speak only as of the date made. The Company does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in their expectations or any change in events, conditions or circumstances on which any such statement is based, except as required by law.

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