

Estia Health Limited

Notice of Annual General Meeting

Wednesday, 06 November 2019, at 1.00pm (AEDT)

Doltone House Hyde Park

Level 3, 181 Elizabeth Street

Sydney NSW 2000

Items of Business

Notice is hereby given that the Annual General Meeting (**AGM**) of Shareholders of Estia Health Limited ACN 164 350 387 (**Estia** or **Company**) will be held at Doltone House Hyde Park, Level 3, 181 Elizabeth Street, Sydney, NSW 2000 on Wednesday, 06 November 2019, at 1.00pm (AEDT) (**Meeting**). Registration will commence at 12.30pm (AEDT).

The Explanatory Notes to this Notice provide additional information on the matters to be considered at the Meeting. The Explanatory Notes and the Proxy Form form part of this notice.

BUSINESS OF THE MEETING

Item 1: Financial Statements and Reports

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2019.

Item 2: Remuneration Report

To consider and, if thought fit, pass the following as an ordinary resolution:

"To adopt the Remuneration Report for the year ended 30 June 2019."

Notes:

- (i) In accordance with section 250R of the Corporations Act 2001, the vote on this resolution will be advisory only and will not bind the Directors or the Company.
- (ii) A voting exclusion statement applies to this resolution (see Explanatory Notes for details).

Item 3: Re-election of Dr Gary Weiss AM

To consider and, if thought fit, pass the following as an ordinary resolution:

"That Dr Gary Weiss AM, being a Director who is retiring in accordance with clause 10.3 of the Company's Constitution and ASX Listing Rule 14.4, and being eligible, offers himself for re-election, be re-elected as a Director of the Company."

Item 4: Re-election of Mr Paul Foster

To consider and, if thought fit, pass the following as an ordinary resolution:

"That Mr Paul Foster, being a Director who is retiring in accordance with clause 10.3 of the Company's Constitution and ASX Listing Rule 14.4, and being eligible, offers himself for re-election, be re-elected as a Director of the Company."

Item 5: Grant of Performance Rights to Mr Ian Thorley

To consider and, if thought fit, pass the following as an ordinary resolution:

“That, for the purpose of ASX Listing Rule 10.14 and for all other purposes, approval is given for the grant and issue of 265,594 Performance Rights to Mr Ian Thorley, and the issue of Shares on the vesting of those Performance Rights, under the Company’s long term incentive plan, as described in the Explanatory Notes.”

Note: A voting exclusion applies to this resolution (see Explanatory Notes for details).

Item 6: Non-executive Directors’ Remuneration

To consider and, if thought fit, pass the following as an ordinary resolution:

“That, for the purposes of Listing Rule 10.17 and for all other purposes, effective from the close of the Meeting the total amount that may be paid in aggregate and in any one year by the Company to the non-executive Directors as remuneration for services be increased by \$200,000, from \$900,000 to \$1,100,000.”

Note: A voting exclusion applies to this resolution (see Explanatory Notes for details).

Information for Shareholders

ENTITLEMENT TO VOTE

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders of the Company as at 7.00pm (AEDT) on Monday 04 November 2019 (**Entitlement Time**).

This means that if you are not the registered holder of a Share in the Company at the Entitlement Time, you will not be entitled to vote at the Meeting.

ANNUAL REPORT

Copies of the Company's full Annual Report may be accessed at our website www.estiahealth.com.au by clicking on the "Investors" tab and then the "Reports and Presentations" tab.

VOTING OPTIONS AND PROXIES

If you do not plan to attend the Meeting in person, you are encouraged to complete and return the Proxy Form which accompanies this Notice of Annual General Meeting.

Voting by Proxy

A Shareholder who is entitled to attend and vote at this Meeting is entitled to appoint not more than two proxies to attend and vote in place of the Shareholder.

If the Shareholder appoints two proxies, the Shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the Shareholder's votes. If the specified proportion or number of votes exceeds that which the Shareholder is entitled to, each proxy may exercise half of the Shareholder's votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

A proxy need not be a Shareholder of the Company. A body corporate appointed as a Shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the Meeting. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

Subject to the specific proxy provisions applying to Items 2, 5 and 6 (see the Explanatory Notes below):

- if a Shareholder has not directed their proxy how to vote, the proxy may vote as the proxy determines; and
- if a Shareholder appoints the Chair of the Meeting as proxy and does not direct the Chair how to vote on an item of business, the Chair will vote in accordance with the Chair's voting intention as stated in this Notice of Meeting.

Proxy Voting by the Chair

For Item 2 (Remuneration Report), Item 5 (Grant of Performance Rights to Mr Ian Thorley) and Item 6 (Non-executive Directors' Remuneration), where the Chair is appointed as a Shareholder's proxy and that Shareholder has not specified the way in which the Chair is to vote on Items 2, 5 and 6 the Shareholder is directing the Chair to vote in accordance with the Chair's voting intentions for these items of business, even though Items 2, 5 and 6 are connected directly or indirectly with the remuneration of Key Management Personnel.

The Chair intends to vote all undirected proxies in favour of all Items (including Items 2, 5 and 6) in the Notice of Meeting.

Proxy Forms

To be effective, the Proxy Form must be completed, signed and lodged (together with the relevant original power of attorney or a certified copy if the proxy is signed by an attorney) with the Company's share registry, as an original or by facsimile, **no later than 1.00pm (AEDT) on Monday 04 November 2019 (Proxy Deadline)**.

Proxy forms may be submitted in one of the following ways:

- (i) **By mail** to Link Market Services Limited using the reply paid envelope or Locked Bag A14, Sydney South NSW 1235. Please allow sufficient time so that it reaches Link Market Services Limited by the Proxy Deadline;
- (ii) **By fax** to Link Market Services Limited on +61 2 9287 0309;
- (iii) **Online** via the Company's Share Registry website at www.linkmarketservices.com.au. Please refer to the Proxy Form for more information; or
- (iv) **By hand delivery** to Link Market Services Limited at Level 12, 680 George Street, Sydney NSW 2000 or 1A Homebush Bay Drive, Rhodes NSW 2138.

Proxy Forms and Powers of Attorney must be received by the Proxy Deadline.

Voting at the Meeting

Voting on each of the proposed resolution at this meeting will be conducted by poll.

CORPORATE REPRESENTATIVES

Where a shareholding is registered in the name of a corporation, the corporate Shareholder may appoint a person to act as its representative to attend the Meeting by providing that person with:

- (i) a letter or certificate authorising him or her as the corporation's representative, executed in accordance with the corporation's constitution; or
- (ii) a copy of the resolution appointing the representative, certified by a secretary or director of the corporation.

BY ORDER OF THE BOARD



Leanne Ralph
Company Secretary
04 October 2019

Explanatory Notes

ITEM 1: Financial Statements and Reports

As required by section 317 of the Corporations Act the Financial Report, Directors' Report and Auditor's Report of the Company for the most recent financial year will be presented at the Meeting. The Financial Report contains the financial statements of Estia Health Limited and its subsidiaries.

There is no requirement for a formal resolution on this Item.

The Chair of the Meeting will allow a reasonable opportunity at the Meeting for Shareholders to ask questions about or make comments on the management of the Company. Shareholders will also be given a reasonable opportunity at the Meeting to ask the Company's auditor, Ernst & Young (**EY**), questions about the Auditor's Report, the conduct of its audit of the Company's Financial Report for the financial year ended 30 June 2019, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of EY in relation to the conduct of the audit.

Shareholders may submit written questions to the Company in relation to the above matters. Written questions must be received no later than 5.00pm (AEDT) on Monday 28 October 2019. A form to facilitate the submission of questions is attached to this Notice and it includes details on the return of this form to the Share Registry.

ITEM 2: Remuneration Report

In accordance with section 300A of the Corporations Act the Company has prepared a Remuneration Report for the consideration of Shareholders. The Remuneration Report is included in the Company's Annual Report for the year ended 30 June 2019.

As provided by section 250R(3) of the Corporations Act, the resolution on this item of business is advisory only and does not bind the Board or the Company.

Estia's remuneration strategy and framework is designed to support and drive the achievement of the group's business strategy. It aims to ensure that remuneration outcomes are linked to the group's performance and aligned with shareholder outcomes.

Estia is committed to creating and ensuring a diverse work environment in which everyone is treated fairly and with respect and where everyone feels responsible for the reputation and performance of the group. The Board believes that the group's commitment to this policy contributes to achieving the group's corporate objectives and embeds the importance and value of diversity within the culture of the group.

The Board regularly reviews the remuneration framework against the evolving business strategy and in the context of the commercial environment to ensure that it remains effective in achieving alignment with shareholder experience, employee motivation and the balance between short and long term performance focus.

In FY19, the executive remuneration framework comprised a mix of fixed annual remuneration, and short and long-term performance-linked incentive plans. The group aims to reward executives with a level and mix of remuneration appropriate to their position and responsibilities, while being market competitive and delivering outcomes that are aligned to the experience of the group's shareholders. The detail of this is outlined in the Remuneration Report.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of this resolution.

Voting Exclusion Statement

As required by the Corporations Act, the Company will disregard any votes cast on Item 2 by any member of the Company's Key Management Personnel (**Key Management Personnel** or **KMP**) whose remuneration details are disclosed in the Company's 2019 Remuneration Report or a Closely Related Party of any such member unless the person:

- a) votes as a proxy appointed by writing (on behalf of a person who is entitled to vote on this Item 2) that specifies how the person is to vote on Item 2; or

- b) is the Chair of the Meeting and votes as a proxy appointed by writing (on behalf of a person who is entitled to vote on this Item 2) that authorises the Chair to vote on the resolution even though that resolution is connected with the remuneration of a member of the Company's KMP.

What this means for Shareholders: If you intend to appoint a member of the KMP (such as one of the Directors) as your proxy, please ensure that you direct them how to vote on the proposed resolution in Item 2. If you intend to appoint the Chair of the Meeting as your proxy, you can direct her how to vote by marking the boxes for Item 2 (for example, if you wish to vote for, against or abstain from voting), or you can choose not to mark any of the boxes for Item 2 and give the Chair your express authority to vote your undirected proxy (in which case the Chair will vote in favour of this item of business).

ITEMS 3 and 4: Re-election of Directors

In accordance with the Company's Constitution and the ASX Listing Rules, an election of Directors must be held at each annual general meeting.

Clause 10.3(a) of the Constitution and ASX Listing Rule 14.4 states that a Director must not hold office without re-election past the third annual general meeting following the Director's appointment or last election date, or for more than three years whichever is the longer. Clause 10.3(c) states that the rotation of Directors does not apply to one Managing Director, who is exempt from retirement and re-election.

Dr Weiss and Mr Foster are obliged to retire at the Meeting by virtue of ASX Listing Rule 14.4 and clause 10.3 of the Constitution. Both Dr Weiss and Mr Foster are offering themselves for re-election.

The election of each of the candidates must be considered and voted on as a separate resolution. Details of the candidates are outlined below.

ITEM 3 – Re-election of Dr Gary Weiss AM

Dr Gary Weiss AM was appointed as a Director on 24 February 2016 and is Chairman of the Board. Dr Weiss is also a member of the Audit Committee, the Nomination and Remuneration Committee and the Property and Investment Committee, and Chairman of the Class Action and Regulatory Committee.

Dr Weiss was last elected to the Board by Shareholders on 23 November 2016 and now retires from the Board by rotation and offers himself for re-election.

Dr Weiss' relevant skills and experience are summarised below.

Dr Weiss holds the degrees of LL.B (Hons) and LL.M (with dist.) from Victoria University of Wellington, as well as a Doctor of Juridical Science (JSD) from Cornell University, New York.

Dr Weiss has extensive international business experience and has been involved in numerous cross-border mergers and acquisitions.

He is Chairman of Ridley Corporation Limited and Ardent Leisure Group Limited, Executive Director of Ariadne Australia Limited, and a director of several other public companies including Thorney Opportunities Limited, Hearts and Minds Investments Limited and The Straits Trading Company Limited. Dr Weiss is also a Commissioner of the Australian Rugby League Commission and a Director of the Victor Chang Cardiac Research Institute.

Dr Weiss has also authored numerous articles on a variety of legal and commercial topics.

Prior to submitting himself for re-election, Dr Weiss confirmed that he would continue to have sufficient time to properly fulfil his Director and Chairman duties for the Company.

Having had regard to the ASX Corporate Governance Principles and Recommendations (3rd edition) (**ASX Principles**), the Board considers Dr Weiss to be an independent director.

Directors' Recommendation

The Board unanimously (other than Dr Weiss) supports the election of Dr Weiss and recommends that Shareholders vote in favour of this resolution.

ITEM 4 – Re-election of Mr Paul Foster

Mr Foster was appointed a Director of the Company on 24 February 2016 and last elected by Shareholders on 23 November 2016.

Mr Foster is Chairman of the Nomination and Remuneration Committee, and a member of the Property and Investment Committee and Risk Management Committee.

Mr Foster holds a Bachelor of Commerce from the University of Wollongong and a Master of Arts from UNSW Australia.

Mr Foster is an experienced financial services professional and company director, with more than 20 years of investment experience in the infrastructure, private equity and real estate asset classes, including substantial investments in the healthcare sector.

He is a Managing Director at Pacific Equity Partners, one of Australia's largest alternative investment management firms and is also an alternate director of Intellihub Holdings Pty Ltd.

Until May 2015, he was head of AMP Capital's Infrastructure investment business in Australia and New Zealand, where he was responsible for the management of \$4.5 billion of infrastructure investments on behalf of Australian and global superannuation funds and investors. In this role, and amongst investments spanning the aged care, transport, timberland and social infrastructure sectors, Paul was responsible for the investment that created the second largest for profit aged care business in Australia.

Mr Foster was a Director of the Opal Aged Care Group (formerly Domain Principal Group) between 2010 and 2015 and was Chairman of the Group in 2011. Prior to AMP Capital, Paul was an investment professional at Macquarie Group and Perpetual Investments.

Prior to submitting himself for re-election, Mr Foster confirmed that he would continue to have sufficient time to properly fulfil his Director and Chairman duties for the Company.

Having had regard to the ASX Principles, the Board considers Mr Foster to be an independent director.

Directors' Recommendation

The Board unanimously (other than Mr Foster) supports the election of Mr Foster and recommends that Shareholders vote in favour of this resolution.

ITEM 5: Grant of Performance Rights to Mr Ian Thorley

Item 5 seeks Shareholder approval for the grant and issue of Performance Rights to Mr Thorley under the Company's Long Term Incentive Plan (LTIP).

The proposed grants are in relation to the year ended 30 June 2020 and are outlined below.

The number of Performance Rights to be granted to Mr Thorley in respect of the FY20 LTIP is 265,594.

The FY20 LTIP award is based on Mr Thorley's total fixed remuneration for FY20. The face value of the maximum number of rights to be granted under the FY20 LTIP is equivalent to 100% of total fixed remuneration.

The maximum number of Performance Rights was calculated by dividing the remuneration value by 2.71090, being the volume weighted average price of Estia's shares (up to 5 decimal places) for the ten trading days following 20 August 2019 (being the date of release of the Company's FY19 results).

No price is payable by Mr Thorley for the grant or exercise of the Performance Rights.

Timing of grants

If Item 5 is approved by Shareholders, the Company will offer Mr Thorley the Performance Rights under a letter of offer shortly following the Meeting. The date of that offer will be the date of the grant, and the Performance Rights will be issued shortly thereafter and, in any case, no later than 12 months after the Meeting.

Basis on which Performance Rights vest

The Performance Rights for Mr Thorley will vest to the extent that the Performance Measures set out below are satisfied at the end of the 3 year Performance Period (being from 1 July 2019 to 30 June 2022).

Upon vesting, Estia will cause the relevant number of Shares (if any) to be issued or transferred to Mr Thorley. One vested Performance Right entitles Mr Thorley to one Share. No amount is payable by Mr Thorley for the issue or transfer of Shares on vesting of the Performance Rights.

Performance Measures

The Performance Rights offered are subject to the three Performance Measures as follows.

- 70% of the award will be subject to a Relative Total Shareholder Return (**TSR**) measure, split as follows:
 - 50% of the TSR measure will be Estia versus the ASX 200 excluding mining & energy, over the performance period; and
 - 50% of the TSR measure will be Estia versus the weighted average performance of ASX-listed (including dual-listed NZX/ASX entities) companies involved in the provision of aged care services, comprising Regis Healthcare (25% weighting), Japara Healthcare (25% weighting), Aveo Group (25% weighting), Oceania Healthcare (12.5% weighting) & Summerset Group (12.5% weighting), over the performance period.
- 30% of the award will be subject to an Earnings per Share (**EPS**) compound annual growth over a three-year period. Where the threshold EPS CAGR set by the Board is achieved, 25% of the EPS tranche will vest. Where the target EPS CAGR set by the Board is achieved 50% of the EPS tranche will vest. Where the stretch EPS CAGR set by the Board is achieved, 100% of the EPS tranche will vest. Straight line vesting will occur between threshold and target and between target and stretch EPS CAGR levels.

TSR Condition for 50% of the TSR measure of Estia versus the ASX200, excluding mining & energy:

Estia's TSR percentile ranking in the relevant Comparator Group*	% of Performance Rights in the relevant Tranche that will vest**	Estia's TSR percentile ranking in relevant Comparator Group*	% of Performance Rights in the relevant Tranche that will vest**
		62nd	74%
75 th and above	100%	61st	72%
74 th	98%	60th	70%
73rd	96%	59th	68%
72nd	94%	58th	66%
71st	92%	57th	64%
70th	90%	56th	62%
69th	88%	55th	60%
68th	86%	54th	58%
67th	84%	53rd	56%
66th	82%	52nd	54%
65th	80%	51st	52%
64th	78%	50th	50%
63rd	76%	Below 50 th	Nil

* Estia's TSR percentile ranking will be rounded up to the nearest whole number, with fractions ending in 0.5 being rounded up.

** The number of Performance Rights will be rounded up to the nearest whole number, with fractions ending in 0.5 being rounded up.

TSR Condition for 50% of the TSR measure of Estia versus the weighted average performance of ASX-listed (including dual-listed NZX/ASX entities) companies involved in the provision of aged care services:

Estia's TSR relative to the weighted average performance of aged care services peer group	Vesting percentage
Below weighted average performance	0%
At weighted average performance	50%
Straight line vesting	50% - 100%
15% percentage points above weighted average performance	100%

** The number of Performance Rights will be rounded up to the nearest whole number, with fractions ending in 0.5 being rounded up.

EPS Performance Condition

Estia's compound annual growth rate (CAGR) from FY19 adjusted *** base year of 13.1 cents per share (cps)	EPS CAGR	EPS in FY22	Vesting percentage
Below threshold	<1%	<13.5 cps	0%
At threshold	1%	13.5 cps	25%
Between threshold and target	1% - 3%	13.5 – 14.3 cps	25% - 50%
Between target and stretch	3% - 5%	14.3 – 15.1 cps	50% - 100%

** The number of Performance Rights will be rounded up to the nearest whole number, with fractions ending in 0.5 being rounded up.

*** FY19 EPS adjusted to remove the impact of the once-off, temporary funding increase received by Australian residential aged care providers between March and June 2019.

Other Conditions of the Grants

Performance Rights are issued subject to the following:

Trading Restrictions: Shares allocated on vesting of the Performance Rights will not be subject to any additional trading restrictions on dealing (other than ordinary restrictions which apply under the Company's Trading Policy).

Claw back provision: The Board has discretion to reduce, cancel or claw back any unvested performance-based remuneration in the event of fraud, dishonesty, gross misconduct or a material misstatement or omission in the Company's financial statements.

Cessation of employment: For "bad leavers" (defined by the Company as resignation or termination for cause), all of the Performance Rights held by that employee upon cessation will automatically lapse. For cessation of employment for any other reason, a portion of the Performance Rights held by that employee upon cessation will lapse according to a formula which takes into account the length of time the participant has held the performance right and the performance period for the performance right, unless otherwise determined by the Board.

Why Shareholder approval is sought

ASX Listing Rule 10.14 provides that the Company must not permit any Directors to acquire securities under an employee incentive scheme without the approval of Shareholders.

Accordingly, Item 5 seeks the approval by Shareholders pursuant to ASX Listing Rule 10.14 to grant and issue 265,594 Performance Rights to Mr Thorley and to the issue of Shares on the vesting of those Performance Rights.

If an approval under ASX Listing Rule 10.14 is obtained, then the securities issued to Mr Thorley will not be counted towards the Company's placement capacity under ASX Listing Rule 7.1.

Additional information required by ASX Listing Rule 10.15

ASX Listing Rule 10.15 requires the following information to be disclosed in relation to the Performance Rights proposed to be granted to Mr Thorley:

(i) Number and price of securities

The number of Performance Rights that may be acquired Mr Thorley is 265,594. The maximum number of Shares that may be acquired by Mr Thorley on the vesting of Performance Rights is 265,594. No payment for the Performance Rights is required by Mr Thorley and, on vesting, Shares will be issued to Mr Thorley for no consideration.

(ii) Securities issued under the LTIP received since the last approval

103,883 Performance Rights were issued to Ms Barlow for a zero acquisition price during the financial year ended 30 June 2019 following approval at the 2018 AGM.

201,322 Performance Rights were issued to Mr Thorley for a zero acquisition price during the financial year ended 30 June 2019 following approval at the 2018 AGM.

(iii) Persons who are entitled to participate in the LTIP

Participation in the LTIP and the number of Performance Rights offered to each individual participant is determined by the Board. Performance Rights may be granted to certain senior executives of the Company on an annual basis as part of their annual remuneration review. Mr Thorley is the only person referred to in ASX Listing Rule 10.14 who is currently entitled to participate in the LTIP.

(iv) Terms of any related loan

There are no loans provided in relation to the acquisition of Performance Rights by Mr Thorley.

Voting exclusion

The Company will disregard any votes cast in favour on Item 5 by or on behalf of Mr Thorley and any associate of Mr Thorley (being the only Director eligible to participate in the LTIP). However, the Company need not disregard a vote if:

- a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy does.

In addition, no KMP of the Company or a Closely Related Party of such a KMP may vote as a proxy on Item 5 unless:

- a) the person votes as a proxy appointed by writing that specifies how the person is to vote on Item 5 (as applicable); or
- b) the person is the Chair and votes as a proxy appointed by writing that authorises the Chair to vote on Item 5 (as applicable) even though the resolution is connected directly or indirectly with the remuneration of KMP of the Company.

Directors' Recommendation

The Board unanimously (other than Mr Thorley) recommends that Shareholders vote in favour of the resolution in Item 5.

Item 6: Aggregate Non-executive Director's Remuneration Cap

It is proposed to increase the maximum aggregate remuneration that may be paid to non-executive Directors by \$200,000, from \$900,000 per annum to \$1,100,000 per annum.

The proposed increase in the maximum aggregate amount payable to non-executive Directors will provide sufficient headroom to attract an additional director should the Board decide to augment the current mix of skills represented on the Company's Board. There is no current intention to recruit an additional director.

In addition, it will provide capacity to pay directors currently serving on committees who are not being paid, in particular the Royal Commission and Regulatory Committee, which was recently established to address the increased regulatory environment of the sector.

It is the Board's policy that the remuneration of non-executive Directors should accord with market rates and the level of responsibilities involved with each Board position. However, there is no intention to increase the current level of fees paid annually to existing individual non-executive directors.

The existing fee pool of \$900,000 was established in 2014 upon the Company's listing on the ASX.

Shareholder approval of this proposal is sought under clause 10.8 of the Company's Constitution and under ASX Listing Rule 10.17.

For the purposes of ASX Listing Rule 10.17, no securities have been issued to non-executive Directors at any time over the last three years under rule 10.11 or 10.14.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of the resolution in Item 6.

Voting exclusion

The Company will disregard any votes cast in favour on Item 6 by or on behalf of a Director of the Company or their associates. However, the Company need not disregard a vote if:

- a) it is cast by a Director or any associate of the Director as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy does.

In addition, no KMP of the Company or a Closely Related Party of such a KMP may vote as a proxy on Item 6 unless:

- a) the person votes as a proxy appointed by writing that specifies how the person is to vote on Item 6 (as applicable); or
- b) the person is the Chair and votes as a proxy appointed by writing that authorises the Chair to vote on Item 6 (as applicable) even though the resolution is connected directly or indirectly with the remuneration of KMP of the Company.

GLOSSARY

2018 AGM means the annual general meeting of the Company held on 29 November 2018.

2019 AGM means the annual general meeting of the Company being held on 06 November 2019.

A\$ or \$ means Australian dollars.

AEDT means Australian Eastern Daylight Savings Time as observed in Sydney, Australia.

Annual General Meeting or Meeting means the meeting convened by the Notice.

ASX means ASX Limited ACN 008 624 691.

ASX Listing Rules means the Listing Rules of the ASX.

ASX Principles means the ASX Corporate Governance Principles and Recommendations (3rd edition).

Board means the current board of directors of the Company.

Closely Related Party has the meaning as defined in section 9 of the Corporations Act.

Company means Estia.

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Entitlement Time means 7.00pm (AEDT) on Monday 04 November 2019.

Estia means Estia Health Limited (ACN 164 350 387).

Explanatory Notes means the Explanatory Notes accompanying and forming part of the Notice.

FY19 means the financial year ended 30 June 2019.

FY20 means the financial year ended 30 June 2020.

Group means the Company and subsidiaries of the Company.

Items means the resolutions set out in the Notice, or any one of them, as the context requires.

Key Management Personnel (or **KMP**) has the meaning as defined in section 9 of the Corporations Act.

Notice or **Notice of Meeting** or **Notice of Annual General Meeting** means this notice of annual general meeting and the Explanatory Notes accompanying the Notice and the Proxy Form.

Performance Right means a performance right to acquire a Share under the LTIP.

Proxy Deadline means 1.00pm (AEDT) on Monday 04 November 2019.

Proxy Form means the proxy form accompanying the Notice.

Related Body Corporate has the meaning set out in section 50 of the Corporations Act.

Remuneration Report means the remuneration report set out in the Directors' Report section of the Company's annual financial report for the year ended 30 June 2019.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

LODGE YOUR VOTE



ONLINE

www.linkmarketservices.com.au



BY MAIL

Estia Health Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000



ALL ENQUIRIES TO

Telephone: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Estia Health Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY



the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy



or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **1:00pm (AEDT) on Wednesday, 6 November 2019 at Doltone House Hyde Park, Level 3, 181 Elizabeth Street, Sydney, NSW 2000 (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Items 2, 5 & 6: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Items 2, 5 & 6, even though the Items are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an ☒.

Items

For Against Abstain*

For Against Abstain*

2 Remuneration Report

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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6 Non-executive Directors' Remuneration

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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3 Re-election of Dr Gary Weiss AM as a Director

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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4 Re-election of Mr Paul Foster as a Director

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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5 Grant of Performance Rights to Mr Ian Thorley

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **1:00pm (AEDT) on Monday, 4 November 2019**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MAIL

Estia Health Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138
or
Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**