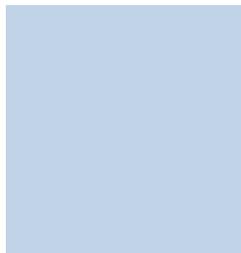
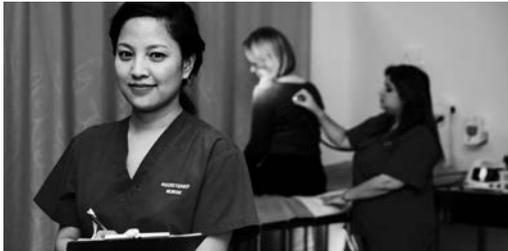
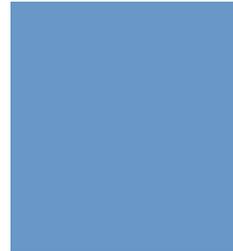


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Notice of Annual General Meeting 2017

NOTICE is hereby given of the Annual General Meeting (**this AGM** or **this Meeting**) of members of Primary Health Care Limited (**the Company**) to be held:

Date: Thursday 23 November 2017

Time: 11.00 am (Sydney time) (Registration will commence at 10.00 am)

Venue: Fort Macquarie Room, Intercontinental Hotel Sydney,
117 Macquarie Street, Sydney NSW 2000

PRIMARY HEALTH CARE LIMITED
(ACN 064 530 516)

Items of business

1. Receipt of Annual Financial Report

To receive and consider the Company's Financial Report, the Directors' Report, and the Auditor's Report, for the year ended 30 June 2017.

2. Adoption of the 2017 Remuneration Report

To consider and if thought fit, to pass the following resolution as a non-binding ordinary resolution:

"That the Remuneration Report for the year ended 30 June 2017 be adopted."

Voting exclusion statement in respect of Item 2

Item 2 is a resolution connected directly or indirectly with the remuneration of Key Management Personnel (**KMP**).

The following persons may not vote (in person or by proxy), and the Company will disregard any votes cast by or on behalf of the following persons, on the resolution in Item 2:

- (a) the KMP of the Primary Group (as set out on page 39 of the Company's 2017 Annual Report), whose remuneration details are included in the Remuneration Report; and
- (b) each "closely related party" (as defined in section 9 of the *Corporations Act 2001* (Cth) (**Corporations Act**)) of a KMP.

However, a person described in the preceding paragraph may cast a vote on the resolution in Item 2 if:

- (a) the person is appointed as a proxy, and the proxy appointment specifies how the proxy is to vote on the resolution in Item 2; or
- (b) the appointed proxy is the Chair of the Meeting and:
 - (i) the appointment does not specify how the Chair is to vote on the resolution in Item 2; and
 - (ii) the appointment expressly authorises the Chair to exercise the proxy even if the resolution in Item 2 is connected directly or indirectly with the remuneration of a KMP.

3. To re-elect Mr Robert Hubbard as a Director

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

"That Mr Robert Hubbard, being a Director who retires by rotation in accordance with the Constitution of the Company and, being eligible, offers himself for re-election, is re-elected as a Director of the Company."

4. Approval of Primary Health Care Rights Plan and Short Term Incentive Plan

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

"That for the purposes of Listing Rule 7.2, exception 9(b) and for all other purposes, the issue of securities under the Short Term Incentive Plan and the Primary Health Care Rights Plan, the terms of which are described in the Explanatory Statement to this Notice of Meeting, be approved."

Voting exclusion statement in respect of Item 4

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast on the resolution in Item 4 by any Director of the Company (except a Director who is ineligible to participate in any employee incentive scheme in relation to the Company) and their associates.

In addition, Item 4 is a resolution connected directly or indirectly with the remuneration of KMP. Under the Corporations Act, the following persons may not vote (in person or by proxy), and the Company will disregard any votes cast by or on behalf of the following persons, on the resolution in Item 4:

- (a) the KMP of the Primary Group (as set out on page 39 of the Company's 2017 Annual Report); and
- (b) each "closely related party" (as defined in section 9 of the Corporations Act) of a KMP.

However, a person described in the preceding paragraph may cast a vote on the resolution in Item 4 if:

- (a) the person is appointed as a proxy, and the proxy appointment specifies how the proxy is to vote on the resolution in Item 4; or
- (b) the appointed proxy is the Chair of the Meeting and:
 - (i) the appointment does not specify how the Chair is to vote on the resolution in Item 4; and
 - (ii) the appointment expressly authorises the Chair to exercise the proxy even if the resolution in Item 4 is connected directly or indirectly with the remuneration of a KMP.

Items of business

5. Approval of acquisition of securities by the Managing Director & Chief Executive Officer, Dr Malcolm Parmenter, under the Primary Health Care Rights Plan and Short Term Incentive Plan

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

"That for the purposes of Listing Rule 10.14 and for all other purposes, the grant or issue of securities, under the Short Term Incentive Plan and the Primary Health Care Rights Plan, the terms of which are described in the Explanatory Statement to this Notice of Meeting, to Dr Malcolm Parmenter as Managing Director & Chief Executive Officer of the Company be approved."

Voting exclusion statement in respect of Item 5

In accordance with ASX Listing Rule 14.11, the Company will disregard any votes cast on the resolution in Item 5 by a Director of the Company who is eligible to participate in the STIP or LTIP, being Dr Malcolm Parmenter, and his associates.

In addition, Item 5 is a resolution connected directly or indirectly with the remuneration of a member of KMP. Under the Corporations Act, the following persons may not vote (in person or by proxy), and the Company will disregard any votes cast by or on behalf of the following persons, on the resolution in Item 5:

- (a) any KMP of the Primary Group (as set out on page 39 of the Company's 2017 Annual Report); and
- (b) each "closely related party" (as defined in section 9 of the Corporations Act) of a KMP.

However, a person described in the preceding paragraph may cast a vote on the resolution in Item 5 if:

- (a) the person is appointed as a proxy, and the proxy appointment specifies how the proxy is to vote on the resolution in Item 5; or
- (b) the appointed proxy is the Chair of the Meeting and:
 - (i) the appointment does not specify how the Chair is to vote on the resolution in Item 5; and
 - (ii) the appointment expressly authorises the Chair to exercise the proxy even if the resolution in Item 5 is connected directly or indirectly with the remuneration of a KMP.

6. Appointment of Auditor

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

"That, for the purposes of section 327B of the *Corporations Act 2001* (Cth) and all other purposes, Ernst & Young be appointed as the auditor of the Company and its controlled entities effective from the conclusion of this AGM and that the Directors are authorised to agree their remuneration from time to time."

For further information, please refer to the Explanatory Statement which forms part of this Notice of Meeting.

By order of the Board



Charles Tilley
Company Secretary

Dated: 20 October 2017

How to vote

A shareholder entitled to attend and vote at the AGM may vote by:

- (a) attending this AGM in person; or
- (b) appointing a proxy, attorney or in the case of a corporate shareholder, a corporate representative, to vote at this AGM on their behalf.

Voting by Proxy

- (a) (right to appoint): Each shareholder has the right to appoint a proxy to attend and vote for the shareholder at this AGM.
- (b) (two proxies): To enable a shareholder to divide their voting rights, a shareholder who is entitled to cast 2 or more votes may appoint 2 proxies. Where 2 proxies are appointed:
 - (i) a separate Proxy Form should be used to appoint each proxy;
 - (ii) each Proxy Form must specify the proportion, or the number, of votes that the proxy may exercise. If no such percentage or number of votes is stated, each proxy may exercise half of the votes of the shareholder.
- (c) (who may be a proxy): A shareholder may appoint any other person to be their proxy. A proxy may be an individual or a body corporate, and need not be a shareholder of the Company. The proxy appointed may be described in the Proxy Form by an office held, for example, "the Chair of the Meeting".
- (d) (Chair as fall-back proxy): If a Proxy Form does not specify the proxy (but is otherwise effective), the shareholder will be treated as validly appointing the Chair of the Meeting as the proxy in respect of all the shares of that member.

Under the Corporations Act, there are additional circumstances where the Chair of the Meeting will be taken to have been appointed as a shareholder's proxy for the purposes of voting on a particular resolution, even if the shareholder has not expressly appointed the Chair of the Meeting as their proxy. This will be the case where:

- (i) a poll is duly called on the resolution;
 - (ii) a shareholder has appointed a proxy (other than the Chair) and the appointment of the proxy specifies the way the proxy is to vote on the resolution; and
 - (iii) the proxy is either not recorded as attending the AGM, or the proxy attends this AGM but does not vote on the resolution.
- (e) (signature(s) of individuals): In the case of shareholders who are individuals, the Proxy Form must be signed:
 - (i) if the shares are held by one individual, by that shareholder; or
 - (ii) if the shares are held in joint names, by any one of them.

Alternative to so signing, the Proxy Form may be authenticated in a manner prescribed by the Corporations Regulations 2001 (Cth) (**Corporations Regulations**).

- (f) (signatures on behalf of Australian companies): In the case of shareholders which are companies registered under the Corporations Act, the Proxy Form must be signed:
 - (i) if the shareholder has a sole Director who is also sole Company Secretary, by that Director (and stating that fact next to, or under, the signature on the Proxy Form);
 - (ii) in the case of any other shareholder which is a company, by either 2 Directors or a Director and a Company Secretary.The use of the common seal of the company, in addition to those required signatures, is optional.

Alternative to so signing, the Proxy Form may be authenticated in a manner prescribed by the Corporations Regulations.

- (g) (execution on behalf of foreign companies): In the case of shareholders which are either foreign companies or other bodies corporate not incorporated under the Corporations Act, the Proxy Form must be executed in accordance with the laws governing execution of documents by such foreign companies or other bodies corporate.
- (h) (execution by other authorised persons): If the person signing, or otherwise authenticating in a manner prescribed by the Corporations Regulations, the Proxy Form is doing so under power of attorney, or is an officer of a company outside of (f) and (g) above but authorised to sign the Proxy Form, the power of attorney or other authorisation (or a certified copy of it), as well as the Proxy Form, must be received by the Company by the time and at the place in (i) below.

- (i) (lodgment place and deadline): A Proxy Form accompanies this Notice of Meeting. To be effective, Proxy Forms (duly completed and signed) must be received:
 - (i) IN PERSON – as an original at Computershare Investor Services Pty Limited, 452 Johnston Street, Abbotsford, VIC 3067, Australia; or
 - (ii) BY MAIL – as an original at Computershare Investor Services Pty Limited, GPO Box 242, Melbourne VIC 3001, Australia; or
 - (iii) BY FAX – (within Australia) 1800 783 447 or (outside Australia) +61 3 9473 2555; or
 - (iv) ONLINE – at www.investorvote.com.au (by following the steps set out on that site);

by not later than 48 hours before this AGM (that is, by no later than 11.00 am (Sydney time) on Tuesday 21 November 2017) (**Proxy Deadline**), failing which the Proxy Form will be disregarded for the purposes of this AGM.

Corporate representatives attorneys

A shareholder may appoint an attorney to vote on his or her behalf. For an appointment to be effective, attorneys must lodge the original (or a copy) of the power of attorney under which they have been authorised to attend and vote at the AGM with Computershare Investor Services Pty Ltd via the methods described in paragraph (i) above, by no later than the Proxy Deadline.

Corporate shareholders wishing to appoint a representative to attend and vote at this AGM on their behalf must provide that representative with an appropriately executed corporate representative certificate authorising him or her as the corporate representative, which specifies the shareholders' name and the name or title of the corporate representative, and which identifies the Company's name and the meeting(s) at which the representative may act. The corporate representative certificate (or a copy of it) must be lodged with Computershare Investor Services Pty Ltd by 4.00 pm on Wednesday 22 November 2017, via any of the methods in paragraph (i) above.

Shareholders entitled to vote

The Directors have determined that a person's entitlement to vote at this AGM will be the entitlement of that person as set out in the register of members of the Company as at 7.00 pm (Sydney time) on Tuesday 21 November 2017.

Questions to the Auditor

Any shareholder may submit to the Company a written question directed to the Company's current auditor, Deloitte Touche Tohmatsu (**the Auditor**), if the question is relevant to:

- (a) the content of the Auditor's Report to be considered at this AGM; or
- (b) the conduct of the audit of the Financial Report to be considered at this AGM.

Relevant written questions must be received by the Company no later than 5.00 pm (Sydney time) on Thursday 16 November 2017. A list of written questions will be made available to shareholders attending the meeting. If written answers are tabled at the meeting, they will be made available to shareholders as soon as practicable after the meeting.

Explanatory Statement

Item 1: Receipt of Annual Financial Report

- 1.1 As required by the Corporations Act, the Financial Report, the Directors' Report, and the Auditor's Report for the financial year ended 30 June 2017 will be laid before this AGM.
- 1.2 There is no requirement for a formal resolution on this item. However, the Chair of the Meeting will allow a reasonable opportunity for the shareholders as a whole at this AGM to ask questions about, or make comments on, these reports.

Item 2: Adoption of the 2017 Remuneration Report

- 2.1 The Company's Annual Report for the year ended 30 June 2017 contains a Remuneration Report on pages 37 to 67 (**the Remuneration Report**). The Remuneration Report sets out the policy for the remuneration of the Directors and certain senior managers of the Company and the entities it controlled during the year ended 30 June 2017 (**the Primary Group**). The Company's 2017 Annual Report (which includes the 2017 Remuneration Report) is available on the Company's website at www.primaryhealthcare.com.au.
- 2.2 The 2017 Remuneration Report:
 - (a) provides discussion of the Board's policy on remuneration of Directors and senior executives, and the relationship between such policy and the Company's performance;
 - (b) sets out prescribed information in relation to the Directors and senior executives, including their fixed remuneration and any performance-related remuneration; and
 - (c) sets out additional disclosures in relation to the remuneration of Directors and senior executives in response to questions and comments on the 2016 Remuneration Report at the Company's 2016 Annual General Meeting and elsewhere.
- 2.3 The remuneration policy for the senior executives of the Primary Group aims to align long-term incentives for senior executives with the delivery of sustainable value to shareholders, while enabling the Group to attract and retain senior executives with the appropriate skills, qualifications and experience.
- 2.4 Non-executive Directors receive a fixed fee, which includes statutory superannuation contributions. Fees are not linked to the performance of the Company so that independence and impartiality are maintained.
- 2.5 The Board's Nomination and Remuneration Committee reviews the remuneration packages of Directors and senior executives on an annual basis and makes recommendations to the Board. Remuneration packages are reviewed with due regard to performance and other relevant factors.
- 2.6 The Nomination and Remuneration Committee has the authority to retain legal, accounting or other advisers, consultants or experts as the Committee considers appropriate, to assist it in meeting its responsibilities to develop remuneration recommendations for the Board, by providing independent advice regarding remuneration strategies, incentive plans and objective market practice of other listed companies.
- 2.7 The Chair of the Meeting will allow a reasonable opportunity for the shareholders as a whole to ask questions about, or make comments on, the Remuneration Report.
- 2.8 Shareholders will be asked to vote on a resolution to adopt the Remuneration Report at the meeting. The vote on the resolution will be advisory only and will not bind the Directors, however the Board will take the outcome of the vote and any discussion into consideration when reviewing the remuneration policy for Directors and senior managers in the future.

Recommendation on Item 2

- 2.9 The Remuneration Report forms part of the Directors' Report for the year ended 30 June 2017 and is made in accordance with a unanimous resolution of the Directors. The Company's 2017 Annual Report (incorporating the Remuneration Report) sets out significant changes that have been made by your Directors to the Company's remuneration and governance structures over the last few years. Additional disclosure has been made in this year's Remuneration Report in response to feedback from stakeholders. The continuing actions on remuneration and governance are summarised in the Company's 2017 Annual Report in the Letter from the Chair of the Nomination and Remuneration Committee (page 38).
- 2.10 While noting that each Director has a personal interest in their remuneration, as described in the Remuneration Report, your Directors unanimously recommend that shareholders vote in favour of adopting the Remuneration Report.
- 2.11 If you appoint the Chair of the Meeting as your proxy, and you do not direct your proxy on how to vote on the resolution in Item 2 on the Proxy Form, you will be expressly authorising the Chair of the Meeting to exercise your proxy even if Item 2 is connected directly or indirectly with the remuneration of the a member of the KMP, which includes the Chair of the Meeting.
- 2.12 The Chair of the Meeting intends to vote all available proxies in favour of Item 2.

Item 3: Re-election of Mr Robert Hubbard as a Director

- 3.1 Article 13.6 of the Company's Constitution requires that at the conclusion of every AGM, one third of the Board (other than casual appointees, alternate Directors or the Managing Director) (**Eligible Directors**) (rounded down to the nearest whole number) must retire from office, but may be eligible for re-election. Mr Robert Hubbard will retire at the AGM and, being eligible, offers himself for re-election by shareholders. (Mr Brian Ball will also retire from office at the conclusion of the AGM, but is not offering himself for re-election.)
- 3.2 Although the Company's Constitution prohibits a Director from retaining office for more than three years (or until the conclusion of the third AGM following their last election, whichever is longer), the requirement for at least one third of Eligible Directors to retire at every AGM means that a Director may be required to retire after a shorter time interval. Because of the changes in the Board over the past three years, such a situation applies at this AGM and consequently Mr Hubbard has offered to submit himself for re-election despite the fact that he has served only two years since election at the 2015 AGM.

- 3.3 A profile of Mr Hubbard is as follows:
- Relationship with the Company: Mr Hubbard, BA (Hons), FCA, aged 58, is a Non-executive Director of the Company, appointed in December 2014. On 27 February 2015, he became the Chairman of the Audit Committee and a member of the Risk Management Committee.
 - Background and experience: Mr Hubbard holds a Bachelor of Accounting (Honours) degree from the University of Birmingham and is a Fellow of the Institute of Chartered Accountants in Australia. He previously held numerous partnership positions in the accounting, corporate finance, assurance and audit divisions of PricewaterhouseCoopers and acted as external auditor for some of Australia's largest ASX-listed companies.
 - Other current material Directorships: Mr Hubbard is Chairman of Central Petroleum Limited (since 2015; a Director since December 2013), Chairman of Orocobre Limited (since July 2016; a Director since November 2012) and a Non-executive Director of Bendigo and Adelaide Bank Limited (since April 2013, where he is Chairman of the Audit Committee and a member of the Risk Committee).
 - The Board considers that Mr Hubbard is an independent Director.

Recommendation on Item 3

- 3.4 Your Directors (other than Mr Hubbard, who abstains) unanimously recommend that you vote in favour of the re-election of Mr Hubbard.
- 3.5 The Chair of the Meeting intends to vote all available proxies in favour of Item 3.

Item 4: Approval of Primary Health Care Rights Plan and Short Term Incentive Plan

- 4.1 The Short Term Incentive Plan (**STIP**) and the Primary Health Care Rights Plan (**LTIP**) (collectively referred to in the Remuneration Report as the "Primary Executive Incentive Plan") were adopted by the Board in 2016. The STIP and LTIP are designed to create a stronger link between increasing shareholder value and senior employee reward.
- 4.2 ASX Listing Rule 7.1 provides (in summary) that an entity cannot issue more than 15% of its existing issued share capital in any 12 month period without shareholder approval, subject to a number of exceptions set out in ASX Listing Rule 7.2. The number of shares that a company can issue under this rule without shareholder approval is commonly referred to as that company's "placement capacity".
- 4.3 Under ASX Listing Rule 7.2 Exception 9, Listing Rule 7.1 does not apply to issues of securities under an employee incentive scheme if, within 3 years before the date of issue, shareholders approve the issue of securities under the scheme as an exception to that rule. Shareholder approval is being sought so that issues of securities under the STIP and LTIP over the next three years will fall within the ASX Listing Rule exception and will not reduce the Company's available placement capacity.
- 4.4 Your Directors believe that awards made to eligible employees under the STIP and LTIP are providing, and will continue to provide, a powerful tool to drive Company performance and shareholder value, and that the continued implementation of the STIP and LTIP will:
- enable the Company to recruit and retain the talented people needed to achieve the Company's business objectives; and
 - link the reward of key staff with the achievements of strategic goals and the long term performance of the Company in the interests of shareholders.

Information for shareholders required under the ASX Listing Rules

- 4.5 ASX Listing Rule 7.2, Exception 9 requires the following information to be included in this Notice of Meeting:
- A summary of the key terms of the STIP and LTIP are set out in Attachment A to this Notice of Meeting.
 - The STIP and LTIP in their current form have not yet been approved by the Company's shareholders. The number of securities issued under the current form of the STIP and LTIP to date (since their commencement in 2016) is:

CLASS OF SECURITIES	NUMBER ISSUED	NUMBER LAPSED	NUMBER VESTED	NUMBER ON FOOT
Service Rights	517,198	465	90,516	426,217
Performance Rights	5,973,172	929,598	-	5,043,574
Ordinary Shares	90,516	N/A	N/A	90,516

Recommendation on Item 4

- 4.6 Your Directors (other than Dr Malcolm Parmenter, who is excluded from voting) unanimously recommend that you vote in favour of the future grant of Performance Rights and Service Rights and the issue of Company shares under the Primary Executive Incentive Plan.
- 4.7 If you appoint the Chair of the Meeting as your proxy, and you do not direct your proxy on how to vote on the resolution in Item 4 on the Proxy Form, you will be expressly authorising the Chair of the Meeting to exercise your proxy even if Item 4 is connected directly or indirectly with the remuneration of the a member of the KMP, which includes the Chair of the Meeting.
- 4.8 The Chair of the Meeting intends to vote all available proxies in favour of Item 4.

Explanatory Statement

Item 5: Approval of acquisition of securities by the Managing Director & Chief Executive Officer, Dr Malcolm Parmenter, under the STIP and LTIP

- 5.1 As part of his executive remuneration arrangements, Dr Malcolm Parmenter, the Company's Managing Director & Chief Executive Officer (**MD & CEO**), is eligible to receive Rights under the Company's STIP and LTIP. A Right is a right to acquire an ordinary share in the capital of the Company (**Share**), subject to meeting certain service-related vesting conditions (in the case of **Service Rights**) or performance-related vesting conditions (in the case of **Performance Rights**). The Board may also elect to deliver the value of the Right in the form of cash, or combination of Shares and cash.
- 5.2 Under ASX Listing Rule 10.14, the Company must seek shareholder approval to grant securities in the Company to a Director of the Company, including the MD & CEO, under an employee incentive scheme. Accordingly, shareholder approval is being sought to enable the Company to grant Rights to the MD & CEO, and subsequently issue shares to the MD & CEO on the vesting of those Rights.
- 5.3 Shareholder approval under ASX Listing Rule 10.14 is not required if Shares to be allocated on the vesting of Rights are purchased on market, as opposed to being issued (see ASX Listing Rule 10.15B). However, as part of the ongoing changes to its overall remuneration approach over the past few years (and for good governance reasons), the Company wishes to give shareholders the opportunity to approve the issue of securities to the MD & CEO in relation to future awards that may be made under the STIP and LTIP. By obtaining shareholder approval, the Company can also preserve its flexibility to issue shares on vesting of Rights, at times where it is considered in the Company's best interests to issue Shares rather than source them on-market.

Information for shareholders required under ASX Listing Rules

- 5.4 ASX Listing Rule 10.15A requires the following information to be included in this Notice of Meeting:
- (a) **The maximum number of Rights which may be acquired by the MD & CEO, including the formula (if one is used) for calculating the number of securities to be issued**

Two types of awards are granted under the STIP and LTIP:

- short term incentive awards (**STI Awards**), which may be paid in the form of cash, equity (Service Rights) or a combination of both; and
- long term incentive awards (**LTI Awards**) which are paid in the form of equity (Performance Rights).

Each year, the Nomination and Remuneration Committee sets annual STI Award performance objectives for various Key Performance Indicators (**KPIs**). KPIs can be in the nature of binary goals (where the potential result is either achieved or not achieved), a range where the award is made on a percentage basis from 0-100 depending on the level to which the particular KPI has been achieved, or scalable goals where potential results may be presented as a range – for example, **Threshold** (the minimum level of achievement necessary to qualify for the award), **Target** (when the performance target is met) and **Stretch** (when performance targets have been significantly exceeded and the award has reached its upper limit). At the end of each year, the Nomination and Remuneration Committee may decide to grant STI Awards depending on whether the relevant KPIs have been achieved. Further details of KPIs and the achievement of those objectives in FY 2017 (for KMP) are set out in the Remuneration Report (located at pages 37-67 of the Company's 2017 Annual Report).

- (i) *Maximum number of securities to be acquired under the STIP*

The STI Awards to be awarded to the MD & CEO under the STIP comprise a 75% cash component and a 25% equity component, to be granted in the form of Service Rights.

It is proposed that the maximum number of Service Rights to be granted to the MD & CEO in a given year will be calculated as follows:

$$\frac{\text{Base Package} \times \text{Maximum STI Proportion} \times \text{STI Equity Proportion}}{\text{Rights Value}}$$

where:

Base Package means base salary of MD & CEO in the relevant financial year (inclusive of superannuation, allowances, benefits and any applicable fringe benefits tax).

Maximum STI Proportion means 58.3%, which represents the value of the STI Award which may be granted in a particular year as a proportion of the MD & CEO's Base Package, assuming each of the MD & CEO's KPIs are achieved in the relevant financial year at Target level. If a Stretch KPI is achieved, the Maximum STI Proportion is adjusted. The maximum such adjustment possible in relation to STI Awards for FY 2017 would have been +7% (to 65.3% of Base Package), however no Stretch KPIs were met and so no such adjustment was applied.

STI Equity Proportion means 25%, which represents the proportion of the STI Award that will be paid in the form of Service Rights.

Rights Value means:

- the standard volume weighted average price (**VWAP**) for the Company's shares for the 10 trading days following the announcement of the Company's full year financial results of the financial year to which the STI Award relates (for example, the calculation in respect of an STI Award for FY 2017 would be made in the 10 day trading period following the release of the FY 2017 results); less
- the expected value of dividends on a Share over the applicable vesting period of the Service Rights (described in paragraph (iii) following).

(STI Formula)

(ii) *Maximum number of securities to be acquired under the LTIP*

LTI Awards are granted in the form of Performance Rights.

It is proposed that the maximum number of Performance Rights to be granted to the MD & CEO under the LTIP in a given year will be calculated as follows:

$$\frac{\text{Base Package X Maximum LTI Proportion}}{\text{Rights Value}}$$

where:

Base Package means base salary of MD & CEO in the relevant financial year (inclusive of superannuation, allowances, benefits and any applicable fringe benefits tax).

Maximum LTI Proportion means 116.6%, which represents the maximum value of the LTI Award (assuming achievement of Stretch goals) which may be granted in a given year as a proportion of the MD & CEO's Base Package.

Rights Value means:

- (a) the standard volume weighted average price (**VWAP**) for the Company's shares for the 10 trading days following the most recent announcement of the Company's financial results (for example, the calculation in respect of an LTI Award for FY 2017 would be made in the 10 day trading period following the release of the FY 2017 results); less
- (b) the expected value of dividends on a Share over the applicable measurement period of the Performance Rights (described in paragraph (iii) below).

(LTI Formula)

(iii) *Acquisition of Shares on vesting of Rights*

On vesting of a Service Right or Performance Right, the MD & CEO will be entitled to receive one ordinary share in the capital of the Company (**Share**). The Board may also determine to deliver the value of the Rights in the form of cash, or a combination of Shares and cash.

In respect of Service Rights granted to the MD & CEO under the STIP, 50% of such Rights will vest one year from the date of grant, and the other 50% will vest two years from the date of grant (subject in each case, to the MD & CEO remaining employed by the Primary Group at the end of the applicable vesting period, unless the Board determines otherwise).

In respect of Performance Rights granted under the LTIP, the applicable measurement period is 3 years, commencing at the start of the financial year to which the grant relates. Determination of vesting will occur following the end of a measurement period, having regard to the extent to which vesting conditions have been satisfied.

In respect of LTI Awards made to the MD & CEO, 50% of the Performance Rights will be subject to a vesting condition based on the Company's relative Total Shareholder Return (**rTSR**) (**rTSR Performance Rights**), while the other 50% will be subject to a vesting condition based on Return on Invested Capital (**ROIC**) (**ROIC Performance Rights**).

rTSR is assessed over the relevant measurement period by comparing the Company's Total Shareholder Return (**TSR**) with the TSRs of a comparator group of companies listed on the ASX. TSR is based on share price movements on ASX plus distributions paid in respect of those shares. The rTSR Performance Rights are assessed on a vesting scale with Target and Stretch levels, such that:

- no rTSR Performance Rights will vest unless the Company's rTSR over the measurement period exceeds the Target outcome established by the Board;
- 50% of the rTSR Performance Rights will vest if the Target outcome is achieved; and
- 100% of the rTSR Performance Rights will vest if the Stretch outcome is achieved or exceeded.

Vesting of the rTSR Performance Rights occurs on a straight line basis if outcomes are achieved between Target and Stretch.

ROIC is calculated using underlying Earnings Before Interest and Tax (**EBIT**) as a percentage of average invested capital. The ROIC Performance Rights are assessed on a vesting scale with Threshold, Target and Stretch levels, such that:

- no ROIC Performance Rights will vest unless the Company's average ROIC over the measurement period exceeds the Threshold outcome established by the Board;
- 25% of the ROIC Performance Rights will vest if the Threshold outcome is achieved;
- 50% of the ROIC Performance Rights will vest if the Target outcome is achieved; and
- 100% of the ROIC Performance Rights will vest if the Stretch outcome is achieved or exceeded.

Vesting of the ROIC Performance Rights occurs on a straight line basis if outcomes are achieved between Threshold, Target and Stretch.

Explanatory Statement

(b) The price (including a statement whether the price will be based on, the market price) or the formula for calculating the price for each security to be acquired under the STIP and LTIP

The formula for calculating the price for each Right to be acquired under the STIP and LTIP are set out in STI Formula and LTI Formula set out above, both of which are based on the market price of the Company's Shares.

(c) The names of all Directors and their associates who received securities under the STIP and LTIP since their last approval, the number of securities received and the acquisition price for each security

The STIP and LTIP have not been previously approved by shareholders. Since their adoption in 2016, the following securities have been issued to Peter Gregg (former MD & CEO) under these plans (at nil acquisition price):

<u>DIRECTOR OR ASSOCIATE</u>	<u>TYPE OF AWARD</u>	<u>TYPE OF SECURITY</u>	<u>DATE OF GRANT</u>	<u>NUMBER OF SECURITIES</u>
Peter Gregg	FY 2016 LTI Award	Performance Rights	26 October 2016	528,544

The Rights issued to the former MD & CEO were granted pursuant to the exception under ASX Listing Rule 10.15A (described in paragraph 5.2) and therefore did not require shareholder approval. These Performance Rights were forfeited on Mr Gregg's departure from the Company on 29 May 2017 and will not vest.

(d) The names of all Directors and associates entitled to participate in the STIP and LTIP

As at the date of this Notice of Meeting, the only person eligible to participate in the STIP and LTIP to whom ASX Listing Rule 10.14 applies is Dr Malcolm Parmenter, the Company's MD & CEO.

(e) The terms of any loan in relation to an acquisition of securities

No loan applies in relation to the acquisition by the MD & CEO of securities under the STIP or LTIP.

(f) Annual Report disclosures

If the resolution in Item 5 is carried, details of any securities issued under the STIP and/or LTIP will be published in each annual report of the Company relating to a period in which securities have been issued, and this disclosure will include a statement that approval for the issue of securities was obtained under ASX Listing Rule 10.14.

Any additional person who becomes entitled to participate in the STIP and/or LTIP (and to whom ASX Listing Rule 10.14 applies) after the resolution in Item 5 is approved and who is not named in this Notice of Meeting will not participate in the STIP or LTIP (as applicable), until approval of their participation is obtained under ASX Listing Rule 10.14.

(g) The date by which the Company will issue securities to which item 5 applies

The last date by which the Company will issue any securities to which Item 5 applies is 23 November 2020, being three years after the date of this AGM.

Recommendation on Item 5

5.5 Your Directors (other than Dr Malcolm Parmenter, who is excluded from voting) unanimously recommend that you vote in favour of approving the acquisition of securities by Dr Parmenter under the Primary Executive Incentive Plan.

5.6 If you appoint the Chair of the Meeting as your proxy, and you do not direct your proxy on how to vote on the resolution in Item 5 on the Proxy Form, you will be expressly authorising the Chair of the Meeting to exercise your proxy even if Item 5 is connected directly or indirectly with the remuneration of the a member of the KMP, which includes the Chair of the Meeting.

5.7 The Chair of the Meeting intends to vote all available proxies in favour of Item 5.

Item 6: Appointment of Auditor

6.1 Deloitte Touche Tohmatsu (**Deloitte**) has been the Company's auditor since 1994.

6.2 Your Directors consider that the appointment of a new auditor is appropriate. Deloitte agreed to resign as auditor with effect from the date of this AGM and has formally notified the Company of the resignation.

6.3 The Company conducted a tender process to select a new auditor and, following this process, the Board recommends the appointment of Ernst & Young as the new auditor of the Company and its controlled entities.

6.4 Section 328B(1) of the Corporations Act requires that written notice of nomination of a new auditor be received from a member of the Company. The Company has received such a nomination from Mr Robert Hubbard, who is a member of the Company, nominating the proposed new auditor. A copy of this nomination is Attachment B to this Notice of Meeting.

6.5 If the resolution in Item 6 is passed, the appointment of the new auditor will take effect at the close of this AGM.

Recommendation on Item 6

6.6 Your Directors unanimously recommend that you vote in favour of the resolution in Item 6 to appoint Ernst & Young as the new auditor.

6.7 The Chair of the Meeting intends to vote all available proxies in favour of Item 6.

Attachment A

Part A - Summary of key terms of Short Term Incentive Plan (STIP)

Purpose	The purpose of the short term incentive (STI) is to create a strong link between performance and reward by providing a variable/at risk element of executive remuneration that focuses on performance, generally over a period of one year.
Eligibility	<p>Senior Executives are eligible to participate in the STIP. These comprise the MD & CEO, other Key Management Personnel (as defined in the Corporations Act) who hold executive roles, other direct reports to the MD & CEO, and other persons selected by the Board.</p> <p>Non-executive Directors are not eligible to participate in the STIP.</p>
Form of awards	<p>STI Awards may be paid in the form of cash, equity (which may include Shares, Rights, options or other securities), or a combination of both.</p> <p>A Right is a right to acquire a Share. Rights can take the form of:</p> <ul style="list-style-type: none">■ Service Rights, which, once issued, are subject to the relevant participant remaining employed by the Company for a predetermined period; at the end of that period the Service Rights vest and one ordinary Share is issued for each vested Right; and■ Performance Rights, which, once issued, are subject to various performance hurdles being met by the Company over a predetermined measurement period. At the end of the measurement period, if the performance hurdles have been met, the Performance Rights vest and one ordinary Share is issued for each vested Right. If the performance hurdles have not been met the Rights lapse and no Shares are issued. <p>As at the date of this Notice of Meeting, the 25% equity portion of each STI Award is entirely composed of Service Rights.</p> <p>The portion of an award that would be paid in the form of cash, and which is not subject to deferral, may be reduced in accordance with the application of salary sacrifice arrangements entered into by the participant.</p>
Deferral	<p>The Board may determine, as part of an offer, that part of an STI Award will be deferred for a specified period (which may be subject to conditions such as length of service). This may occur by making part of any cash payment under the STI Award at a future date or dates.</p> <p>If equity is provided in relation to deferred STI Awards, the deferral may take the form of a service based vesting condition, a disposal restriction (i.e. such that the Shares allocated on vesting are subject to certain restrictions on disposal), or both.</p> <p>The STI Awards granted for FY 2017 comprised a 75% cash component and a 25% equity component (which was granted in the form of Service Rights). Half of those Services Rights are deferred for one year (meaning they vest one year after the end of FY 2017), and the other half of those Services Rights are deferred for 2 years (meaning they vest two years after the end of FY 2017), in each case subject to the participant remaining employed by the Primary Group at the end of the applicable vesting period (unless the Board determines otherwise).</p>
Criteria for STI assessment	<p>Whether any STI Award is made in relation to a given financial year (and, if made, the amount of the award) depends on the extent to which the relevant participant has met their performance criteria or Key Performance Indicators (KPIs).</p> <p>Each KPI is allocated a weighting for each financial year that relates to the Target level of performance and reward. The weightings and nature of the KPIs may change from measurement period to measurement period. In FY 2017, the KPIs used for the STI Awards included:</p> <ul style="list-style-type: none">■ Underlying Net Profit After Tax (NPAT) of the Primary Group as a whole;■ NPAT of the business division of which the relevant participant is a member;■ financial targets, including Earnings Before Interest and Tax (EBIT), operating cash flow (OCF) and capital expenditure of the particular State (within the business division) where the relevant participant is located;■ various role-specific KPIs assigned to the relevant participant in relation to the financial year; and■ various behavioural KPIs assigned to the relevant participant in relation to the financial year. <p>KPIs can be in the nature of binary goals (where the potential result is either achieved or not achieved), a maximum goal (where the potential result for that KPI may be anywhere from zero up to the maximum goal), or scalable goals where potential results may be presented as a range (i.e. Threshold, Target and Stretch). The calibration of performance conditions for an STI Award (including the vesting scales applied by the Board) may differ from year to year. In addition to the above criteria, all STI Awards are subject to a post-hoc quality of earnings test, the nature and application of which are at the Board's absolute discretion.</p>

Attachment A

Termination of employment

In the event of termination of employment during a measurement period, the following will apply:

NATURE OF TERMINATION OF EMPLOYMENT	TREATMENT OF STIP ENTITLEMENT FOR THE MEASUREMENT PERIOD IN WHICH THE TERMINATION OCCURS	DEFERRED STI AWARDS (RIGHTS)
Dismissal	All entitlements in relation to the measurement period are forfeited.	Any unvested Rights related to prior STI Awards are forfeited (excluding Rights that resulted from salary sacrifice).
Resignation	All entitlements in relation to the measurement period are forfeited, unless otherwise determined by the Board. If the Board determines entitlements will not be fully forfeited, the amounts that may be earned under the STI Award will be reduced pro-rata to reflect the period of the measurement period not served, and will generally be paid at the same time as other participants receive payments.	Any unvested Rights related to prior STI Awards are forfeited (excluding Rights that resulted from salary sacrifice).
Other Termination of Employment e.g. death, total & permanent disablement, redundancy, retrenchment, retirement with the prior written consent of the Board.	Termination does not affect a participant's entitlement in respect of the measurement period other than that the award opportunity will be reduced proportionately to reflect the portion of the measurement period during which the participant was employed. The actual STI Award earned will be determined following the end of the measurement period along with the determination of awards for other participants.	Any unvested Rights related to prior STI Awards are unaffected by the termination and any service test will be deemed to have been met, unless otherwise determined.

Change of Control including Takeover

In the event of a Change of Control (defined below) the Board may in its discretion decide to:

- terminate the STIP for the measurement period and pay pro-rata awards based on the completed proportion of the measurement period and taking into account performance up to the date of the Change of Control; or
- continue the STIP but make interim non-refundable pro-rata awards based on the completed proportion of the measurement period and taking into account performance up to the date of the Change of Control; or
- allow the STIP to continue.

A **Change of Control** occurs when the Board advises participants that one or more persons acting in concert have acquired, or are likely to imminently acquire "control" of the Company as defined in section 50AA of the Corporations Act.

Amendment

The Board may amend or terminate the STIP at any time provided that the rights of participants to awards earned prior to the amendment or termination are not affected, unless otherwise agreed in writing by the participants.

Part B - Summary of key terms of Primary Health Care Rights Plan (LTIP)

Purpose	The purpose of the LTIP is to create a strong link between performance and reward by providing a variable/at risk element of executive remuneration that focuses on performance and/or service over a period of generally three or more years.
Eligibility	All full-time and permanent part-time employees including Directors (but excluding Non-executive Directors) of the Company and its subsidiary companies are eligible to participate in the LTIP.
Form of awards	<p>Under the LTIP, awards can be made in the form of "Rights".</p> <p>A Right is a right to acquire a Share. Rights can take the form of:</p> <ul style="list-style-type: none">■ Service Rights, which, once issued, are subject to the relevant participant remaining employed by the Company for a predetermined period; at the end of that period the Service Rights vest and one ordinary Share is issued for each vested Right; and■ Performance Rights, which, once issued, are subject to various performance hurdles being met by the Company over a predetermined measurement period. At the end of the measurement period, if the performance hurdles have been met, the Performance Rights vest and one ordinary Share is issued for each vested Right. If the performance hurdles have not been met the Rights lapse and no Shares are issued. <p>As at the date of this Notice of Meeting, Rights issued under the LTIP are all Performance Rights.</p> <p>The Board may also issue "Deferred Rights" which are fully vested at grant and automatically exercised 90 days after the date of their grant.</p> <p>Rights do not attract dividends or distributions and voting rights in respect of Shares, until the Right vests and Shares are allocated to the holder upon vesting.</p> <p>A grant of Rights under the LTIP is subject to both the LTIP rules and the terms of the specific grant.</p>
Vesting and Exercise	<p>When a Performance Right or Services Right vests, it is automatically exercised, that is, for each Right that vests, the Company issues one Ordinary Share to the relevant participant.</p> <p>On exercise of a Right, the Board may determine in its absolute discretion whether to deliver the value of the Right in the form of Shares (either through a new issue or on market acquisition), cash or a combination of Shares and cash.</p> <p>Each Right will be granted for nil monetary consideration and will not have an exercise price.</p> <p>No Shares acquired by participants on exercise may be disposed of if to do so would breach the Company's share trading policy or insider trading prohibitions. In addition, Shares allocated on vesting of Right may be subject to specified disposal restrictions (as set out in the terms of the relevant award) which prevent the acquired Share being disposed of for a specified period following acquisition.</p>
Vesting Conditions	<p>Determination of vesting will occur following the end of a measurement period, having regard to the extent to which vesting conditions have been satisfied. Vesting conditions may relate to:</p> <ul style="list-style-type: none">■ service of the participant – i.e. their continued employment with the Company; or■ performance of the Company or an aspect of the Company's operations or the participant; or■ any combination of the foregoing determined by the Board for each tranche. <p>The measurement period for grants of Rights under the LTIP will be three years (commencing on the first day of the financial year in which the grant is made), unless otherwise determined by the Board.</p> <p>Performance conditions may vary between different awards or tranches of awards.</p>
Retesting	<p>The LTIP allows for the retesting of Performance Rights, but:</p> <ul style="list-style-type: none">■ only one retest is allowed per tranche of Performance Rights;■ retesting may only be done if no vesting has occurred at the end of the relevant measurement period; and■ retesting may only be done if the vesting scale is expressed in terms that permit pro-rata increase of the difficulty of the hurdle to account for the additional time. <p>A retest extends the measurement period by one year (to four years).</p>
Vesting scales	<p>The Board may determine a number of vesting outcomes via the use of a Target performance outcome, a Stretch performance outcome, and if appropriate, a Threshold performance outcome.</p> <p>Stretch represents an outstanding level of performance, which will be aligned with a maximum award opportunity for a particular performance metric. Pro rata awards will apply for performance that falls between Target and Stretch, and Threshold and Target. Below Threshold, no rights will vest.</p> <p>Under the LTIP, the Board retains discretion to increase or decrease, including to nil, the vesting percentage in relation to each tranche of Performance Rights if it forms the view that it is appropriate to do so. In exercising this discretion, the Board will take into account (among other things), the Company's performance from the perspective of shareholders over the relevant measurement period.</p>

Attachment A

Lapse and transferability	<p>If Rights in a tranche have not vested and there is no opportunity for those Rights to vest at a later date, they will lapse.</p> <p>Other than in limited circumstances, Rights may not be disposed of, transferred or otherwise dealt with, and lapse immediately on a purported disposal, transfer or dealing.</p>
Termination of employment	<p>If a participant ceases to be an employee of the Primary Group, and the termination of their employment is in circumstances other than Special Circumstances (defined below), then all unvested Rights held by the participant will be forfeited and lapse unless and to the extent otherwise determined by the Board.</p> <p>If a participant's termination is in Special Circumstances, then Performance and Service Rights granted in the financial year of termination will be forfeited in the same proportion that the remainder of the financial year bears to the full financial year, unless otherwise determined by the Board.</p> <p>Performance Rights and Service Rights that do not lapse at the termination of employment will continue to be held by participants with a view to testing for vesting at the end of the relevant measurement period.</p> <p>Special Circumstances means death, total and permanent disablement as determined by the Board, retirement with the prior consent of the Board, redundancy, retrenchment or other Company-initiated terminations other than for cause.</p>
Bonus Issues, Rights Issues and Capital Reorganisation	<p>In cases of bonus share issues by the Company, the number of Rights held by a participant shall be increased by the same number as the number of bonus shares that would have been received by the participants had the Rights been fully paid ordinary shares in the Company (except in the case that the bonus share issue is in lieu of a dividend payment, in which case no adjustment will apply).</p> <p>In the case of general rights issues to Shareholders there will be no adjustment to the Rights. However, the Board may consider issuing options of a number up to the number of Shares to which the participant would have been entitled had the Rights been Shares. The exercise price of such options will be equal to the amount payable by shareholders under the rights issue.</p> <p>In the case of an issue of rights other than to the Company's shareholders, there will be no adjustment to the Rights.</p> <p>In the case of other capital reconstructions, the Board may make such adjustments to the Rights as it considers appropriate.</p>
Change of Control including Takeover	<p>Unless otherwise determined by the Board, in the event of a Change of Control of the Company (defined below), the vesting conditions attached to a tranche of Rights at the time of the relevant Change of Control offer will cease to apply and:</p> <ul style="list-style-type: none">■ unvested Performance Rights granted in the final year of the Change of Control will lapse in the proportion that the remainder of the financial year bears to the full financial year;■ all remaining unvested Performance Rights will vest in accordance with the application of the following formula (noting that negative results will be taken to be nil): $\text{Unvested Performance Rights} \times \frac{\text{Share Price at the Change of Control} - \text{Offer Share Price}}{\text{Offer Share Price}}$ <p>where:</p> <p>Share Price at the Change of Control means the volume weighted average share price (VWAP) at which the Company's shares were traded on ASX in the 14 days prior to the date of calculation (i.e. the date on which the Change of Control (defined below) occurs).</p> <p>Offer Share Price means the VWAP at which the Company's shares traded on ASX in the 14 days following announcement of the most recent annual results of the Company, or such other date determined by the Board.</p> <ul style="list-style-type: none">■ any remaining unvested Performance Rights that do not vest in accordance with the above formula will lapse unless otherwise determined by the Board;■ all unvested Service Rights will vest; and■ any disposal restrictions applied to Deferred Rights by the Company and specified as part of the LTI Award will be lifted (including the removal of any Company-initiated CHES holding lock if applicable), unless otherwise determined by the Board. <p>A Change of Control occurs when the Board advises participants that one or more persons acting in concert have acquired, or are likely to imminently acquire "control" of the Company as defined in section 50AA of the Corporations Act.</p>
Amendment	<p>The Board may at any time amend or repeal all or any of the provisions of the LTIP.</p> <p>No amendment or repeal of the LTIP Rules can be made if it reduces the rights of existing participants in respect of prior offers, unless the relevant participant consents, or where the amendment is introduced primarily to comply with legal requirements, to correct any manifest error or mistake, or to address possible adverse tax implications for participants generally or the Company arising from (amongst other things) changes in law or tax rulings.</p>

Attachment B – Nomination of Auditor

Level 6, 203 Pacific Highway
ST LEONARDS NSW 2065

The Company Secretary
Primary Health Care Limited
Level 6, 203 Pacific Highway
ST LEONARDS NSW 2065

16 October 2017

Dear Sir

Primary Health Care Limited ACN 064 530 516 ("Company") - notice of nomination of auditor

I am a member of the Company.

I nominate Ernst & Young as the auditor of the Company.

This notice of nomination has effect for the purposes of section 328B of the *Corporations Act 2001* (Cth) and for all other purposes.

Yours faithfully



Robert Hubbard

For personal use only

For personal use only

PRIMARY
HEALTH CARE LIMITED

www.primaryhealthcare.com.au

Primary Health Care Limited

ABN 24 064 530 516

Lodge your vote:

 **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

PRY

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form



Vote and view the annual report online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



 **For your vote to be effective it must be received by 11.00 am (Sydney time) on Tuesday, 21 November 2017**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, 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 sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or a corporate proxy is to attend the meeting you will need to execute the appropriate "Certificate of Appointment of Corporate Representative" and lodge the certificate, or a copy of it, by 4.00 pm (Sydney time) on the day **before** the Meeting at the place or by the method for lodging Proxy Forms as set out in the top right hand corner above, or by lodging the certificate, or a copy of it, at the registered office of the Company prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

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MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Primary Health Care Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Primary Health Care Limited to be held at the Fort Macquarie Room, Intercontinental Hotel Sydney, 117 Macquarie Street, Sydney NSW 2000 on Thursday, 23 November 2017 at 11.00 am (Sydney time) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Items 2, 4 & 5 (except where I/we have indicated a different voting intention below) even though Items 2, 4 & 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on any item (including Items 2, 4 & 5) by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Item 2. Adoption of the 2017 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3. To re-elect Mr Robert Hubbard as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4. Approval of Primary Health Care Rights Plan and Short Term Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5. Approval of acquisition of securities by the Managing Director & Chief Executive Officer, Dr Malcolm Parmenter, under the Primary Health Care Rights Plan and Short Term Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 6. Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / / _____

PRY

999999A

Computershare +