

Quantum Health Group Limited and Controlled Entities

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2021 ANNUAL GENERAL MEETING of Quantum Health Group Limited ACN 003 677 245 will be held at the registered office of the Company, 22 Rosebery Avenue, Rosebery, NSW, 2018 on Monday 29 November 2021 at 3.00 pm (AEDT).

Subject to NSW Government COVID-19 Health Orders in force at the time, Shareholders are invited to attend the meeting at the above address (where appropriate COVID-19 double vaccination check-in and social distancing arrangements will be in place), and in view of COVID-19 considerations, the Directors are also, in accordance with amended legislation allowing the convening of AGMs virtually, providing Shareholders with alternative means by which to participate in the AGM, either by on-line meeting platform or by joining the AGM by telephone. To facilitate an orderly and secure meeting, Shareholders wishing to participate in the AGM either in person, on-line or by telephone, must register their attendance with the Company by 5.00pm on Friday 26 November 2021 by email to agm2021@qhealthcare.com.au and confirming the full Holder name and details of your Quantum Health Group shares, Address, HIN or SRN and whether you wish to participate on-line or by telephone. The Company will then provide you with the details necessary for you to participate in the AGM. If you are wishing to participate on-line, you will need to have your own internet access and the Company will provide you with the details to enable you to log-in and join the AGM from either your desktop computer, laptop, mobile or tablet device. Alternatively, if you wish to join the AGM by telephone, the Company will provide you with Dial-in Number and PIN Access details so that you will be able to call from your own phone and join the AGM.

Voting: Shareholders, whether attending the AGM or intending to participate online or by telephone, are strongly encouraged to vote on the matters being considered at the AGM by lodging a directed Proxy appointing the Chairman, prior to 3.00pm on 27 November 2021. Please refer to the instructions set out in the attached Proxy Form and also to the details set out in Note 8 below.

Submission of Shareholder Questions for the AGM: If you wish to submit a question for the AGM, either to the Board or the Auditor, please do so as early as possible prior to the AGM by emailing your question to agm2021@qhealthcare.com.au. Alternatively, during the AGM, questions will be invited at an appropriate time, and Shareholders and appointed proxies in attendance or participating on-line or by telephone may ask their questions at that time.

BUSINESS

The items of business to be considered at this year's AGM are as follows:

- To receive the financial report of the consolidated Group for the year ended 30 June 2021 and the reports by directors and auditors thereon; and
- To consider and, if thought fit, to pass each of Resolutions 1, 2, 3 and 4 below as an **ordinary resolution**, and if so required, to consider Resolution 5:

Resolution 1: Re-election of Mr Drew Townsend as Director

"That Mr Drew Townsend be re-elected as a Director of the Company."

Mr Townsend retires by rotation at the close of the AGM in accordance with the provisions of the Company's constitution and, being eligible, offers himself for re-election.

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Resolution 2: Election of Ms Stephanie Wen as Director

“That Ms Stephanie Wen be elected as a Director of the Company.”

Ms Stephanie Wen retires at the close of the AGM in accordance with the provisions of the Company’s constitution and, being eligible, offers herself for election.

Resolution 3: 2021 Remuneration Report

“That the Remuneration Report of the consolidated Group for the year ended 30 June 2021, as set out in pages 5 – 7 of the Directors’ Report of the Annual Report, be adopted.”

The vote on this Resolution 3 is advisory only and does not bind the Company or its directors. If however 25% or more of the votes cast on this Resolution 3 are against this Resolution 3, the Conditional Spill Motion being Resolution 5 below will be put to Shareholders for their consideration and vote – refer to Note 1 below for further information in relation to Resolution 3 and Resolution 5.

A voting exclusion applies in relation to this Resolution 3 – refer to Note 2 below.

Resolution 4: Ratification of Appointment of Auditor

“That, pursuant to Section 327B(1)(b) of the Corporations Act 2001 (Cth) and for all other purposes, MNSA Pty Ltd, having been nominated by a shareholder and having given its consent in writing to act as auditor, be appointed as the auditor of the Company to hold office from the conclusion of the Company’s 2021 Annual General Meeting until it resigns or is removed from the office of auditor of the Company.”

CONTINGENT BUSINESS

Resolution 5: Conditional Spill Motion

If required, to consider and, if thought fit, to pass as an ordinary resolution:

“That, subject to and conditional on at least 25% of the votes cast on Resolution 3, being cast against the 2021 Remuneration Report:

(a) an extraordinary general meeting of Quantum Health Group Limited (Spill Meeting) be held within 90 days of the passing of this Resolution 5;

(b) all of the Non-executive Directors who were in office when the resolution to approve the Directors’ Report for the financial year ended 30 June 2021 was passed and who remain in office at the time of the Spill Meeting (being Mr Drew Townsend, Mr Alan McCarthy and Ms Stephanie Wen), cease to hold office immediately before the end of the Spill Meeting; and

(c) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting”.

A voting exclusion applies in relation to this Resolution 5 – refer to Note 3 below.

By Order of the Board



Mr John Walstab
CEO/Managing Director
29 October 2021

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NOTES:

1. Background in relation to Resolution 3, 2021 Remuneration Report and Resolution 5, Conditional Spill Motion

The Corporations Act 2001 (Cth) (Corporations Act) requires that Quantum Health Group Limited include in the business of its 2021 AGM a resolution that its Remuneration Report for the financial year ended 30 June 2021 be adopted. The resolution is advisory only and does not bind the Company or its directors, though the directors will take into account the outcome of the vote when reviewing the Company's remuneration policies and practices.

At the Company's 2020 AGM, because in excess of 25% of the votes cast on the resolution to adopt the 2020 Remuneration Report were against the resolution, the Company received a "first strike" for the purposes of the relevant remuneration report provisions of the Corporations Act.

Shareholders should note that if in excess of 25% of the votes cast on Resolution 3 at the 2021 AGM are against adopting the 2021 Remuneration Report, then this will constitute the Company having received a "second strike" for the purposes of the relevant remuneration report provisions of the Corporations Act.

If a "second strike" arises as a consequence of the vote in relation to Resolution 3, the Company will be required to put to the 2021 AGM the Conditional Spill Motion, being Resolution 5 set out above. Resolution 5 is a conditional resolution though and will not be required to be put to the 2021 AGM if more than 75% of votes cast on Resolution 3 are cast in favour of adopting the 2021 Remuneration Report ie in which case the Company will have thereby avoided a "second strike" for the purposes of the relevant remuneration report provisions of the Corporations Act.

If the Company is required to put the Resolution 5 Conditional Spill Motion to the 2021 AGM, and the Resolution 5 is passed as an ordinary resolution, it will be necessary for the Board to convene an extraordinary general meeting of the Company (Spill Meeting) to be held within 90 days of the date of the 2021 AGM in order to consider the composition of the Board. If a Spill Meeting is required, the Board will notify shareholders of the date of such meeting and issue a notice of meeting for such meeting in due course.

If the Spill Meeting is held each of the Company's Non-executive Directors who were in office when the Board resolution to approve the Directors Report, including the Remuneration Report, for the year ended 30 June 2021 was passed and who remain in office at the time of the Spill Meeting (being Mr Drew Townsend, Mr Alan McCarthy and Ms Stephanie Wen) will, unless re-elected at the Spill Meeting, automatically vacate office at the conclusion of the Spill Meeting. Accordingly even if Mr Townsend is re-elected as a Non-executive Director at the 2021 AGM (under Resolution 1 above) and Ms Wen is elected as a Non-executive Director at the 2021 AGM (under Resolution 2 above), if Resolution 5 is required to be put to the 2021 AGM and is passed as an ordinary resolution, then Mr Townsend and Ms Wen will need to be re-elected at the Spill Meeting to remain in office following the Spill Meeting.

If Resolution 5 is required to be put to the 2021 AGM, then the Board suggests that when considering Resolution 5, Shareholders consider:

- the changes to Board composition that have occurred since the 2020 Remuneration Report and the 2020 AGM;
- additional costs that would be incurred by the Company, and the disruption and uncertainty arising, if the Company is required to hold an additional general meeting of Shareholders within 90 days of the 2021 AGM; and
- the existing Non-executive Directors when previously elected and re-elected as Directors of the Company by Shareholders have received strong support from Shareholders.

2. Voting Exclusion Statement in relation to Resolution 3, Remuneration Report

The Company will disregard any votes cast on Resolution 3:

- by or on behalf of a member of the Company's key management personnel (KMP) named in the Remuneration Report or their closely related parties (such as close family members and any controlled companies), regardless of the capacity in which the vote is cast; and
- as a proxy by a person who is a member of the KMP at the date of the AGM or their closely related parties.

However, votes will not be disregarded if they are cast as proxy for a person entitled to vote on Resolution 3:

- in accordance with a direction as specified on the proxy form as to how to vote; or
- by the Chairman of the meeting pursuant to an express authorisation to exercise the proxy as the Chairman sees fit (even though the resolution is connected directly or indirectly with the remuneration of the KMP).

3. Voting Exclusion Statement in relation to Resolution 5, Conditional Spill Motion

If Resolution 5, Conditional Spill Motion, is (in the circumstances summarised in Note 1 above) required to be put to the 2021 AGM, the Company will disregard any votes cast on Resolution 5:

- by or on behalf of a member of the Company's key management personnel (KMP) named in the Remuneration Report or their closely related parties (such as close family members and any controlled companies), regardless of the capacity in which the vote is cast; and
- as a proxy by a person who is a member of the KMP at the date of the AGM or their closely related parties.

However, votes will not be disregarded if they are cast as proxy for a person entitled to vote on Resolution 5:

- in accordance with a direction as specified on the proxy form as to how to vote; or
- by the Chairman of the meeting pursuant to an express authorisation to exercise the proxy as the Chairman sees fit (even though the resolution is connected directly or indirectly with the remuneration of the KMP).

4. Background in relation to Resolution 4, Ratification of Appointment of Auditor

On 30 June 2021, in accordance with section 327C of the Corporations Act, the Company appointed MNSA Pty Limited (MNSA) as auditor of the Company following ASIC's consent to the resignation of the previous auditor of the Company, HLB Mann Judd, in accordance with section 329(5) of the Corporations Act.

Following the above appointment, and in accordance with section 327C(2) of the Corporations Act, MNSA holds office as auditor of the Company until the Company's next Annual General Meeting, being the 2021 AGM, the meeting the subject of this Notice of Meeting.

In accordance with section 327B(1)(b) of the Corporations Act, the Company now seeks Shareholder approval for the ongoing appointment of MNSA as auditor of the Company and its controlled entities.

In accordance with section 328B of the Corporations Act, notice in writing nominating MNSA as auditor has been given to the Company by a Shareholder. A copy of this Auditor Nomination Notice is attached to this Notice of Meeting as Annexure A.

MNSA has provided to the Company, and has not withdrawn, its written Consent to Act as auditor of the Company, in accordance with section 328A(1) of the Corporations Act 2001.

The appointment of MNSA as auditor of the Company will be by vote of Shareholders as an ordinary resolution.

5. The Chairman of the Meeting Acting as Proxy

Shareholders may appoint the Chairman of the meeting as your proxy. The Chairman of the meeting will be deemed to be your proxy if you sign your Proxy Form or Voting Card but do not name a proxy or if the person you appoint as proxy does not attend the AGM. If you direct the Chairman of the meeting how to vote on particular Resolutions, then on a poll the Chairman of the meeting must cast your votes in accordance with your direction. If the Chairman of the meeting is or becomes your proxy and you do not give any voting instructions for Resolution 3, then by completing and submitting the Proxy Form or Voting Card you will be expressly authorising the Chairman of the meeting to exercise the proxy as the Chairman of the meeting sees fit in respect of Resolution 3 even though Resolution 3 is connected directly or indirectly with the remuneration of the Company's key management personnel. If the Chairman of the meeting is or becomes your proxy and you do not give any voting instructions for Resolution 5, then by completing and submitting the Proxy Form or Voting Card you will be expressly authorising the Chairman of the meeting to exercise the proxy as the Chairman of the meeting sees fit in respect of Resolution 5 (should Resolution 5 be required to be put to the 2021 AGM) even though Resolution 5 is connected directly or indirectly with the remuneration of the Company's key management personnel. The Chairman of the meeting intends to vote undirected proxies **IN FAVOUR of each of Resolutions 1, 2, 3 and 4**. If Resolution 5, Conditional Spill Motion, is required to be put to the to the 2021 AGM the Chairman intends to vote undirected proxies **AGAINST Resolution 5**.

6. Directors' Recommendation in relation to Resolutions 1, 2, 3 and 4 (and if required, Resolution 5)

With Directors, where holding a personal interest in relation to either of Resolutions 1 and 2 abstaining in relation thereto in each case, the remaining Directors recommend that shareholders **vote IN FAVOUR of each of Resolution 1 and Resolution 2**. While acknowledging each Director has a personal interest in his or her own remuneration from the Company, to the extent and as described in the 2021 Remuneration Report, the Directors unanimously recommend that shareholders **vote IN FAVOUR of Resolution 3** for the 2021 Remuneration Report to be adopted. In relation to Resolution 4, the Directors unanimously recommend that shareholders **vote IN FAVOUR of Resolution 4** for MNSA Pty Limited to be appointed as auditor of the Company. If Resolution 5 is required to be put to the 2021 AGM the Directors unanimously recommend that Shareholders **vote AGAINST Resolution 5** so that the convening of a Spill Meeting is not required.

7. Determination of Entitlement to Vote

The Board has determined that for the purposes of the meeting, all shares in the Company shall be taken to be held by the persons who held them as registered shareholders at 7.00pm AEDT on 25 November 2021 (Entitlement Time). All holders of shares in the Company as at the Entitlement Time are entitled to attend and vote at the meeting.

8. Lodging a Proxy Form prior to the Meeting

Instructions for completion and return of the attached Proxy Form are detailed on the Proxy Form. Proxy Forms must be received at the Company's Share Registry, Boardroom Pty Limited, no later than 48 hours before the commencement of the AGM, ie by 3.00pm AEDT on Saturday 27 November 2021.

Proxy Forms may be returned on-line, by Fax, by Mail or In Person, to Boardroom Pty Limited in accordance with the details set out in Step 4 of the Proxy Form.

Any Proxy Form received after 3.00pm AEDT on Saturday 27 November 2021 will not be valid.

Annexure A

Notice of Nomination by Shareholder of Auditor MNSA Pty Ltd

ANNEXURE A – AUDITOR NOMINATION NOTICE

Notice of Nomination of MNSA Pty Ltd as Auditor

21st October 2021

The Board of Directors,
Quantum Health Group Limited
22 Rosebery Avenue
Rosebery, NSW, 2018


Dear Sirs/Madam,

NOTICE OF NOMINATION OF AUDITOR IN ACCORDANCE WITH SECTION 328B OF THE CORPORATIONS ACT 2001

I, Realm Group Pty Limited being a Shareholder of Quantum Health Group Limited (Company), nominate MNSA Pty Ltd, for the appointment as Auditor of Quantum Health Group Limited at the Company's 2021 Annual General Meeting.

I consent to the distribution of a copy of this Notice of Nomination as an Annexure to the Notice of Meeting for the 2021 Annual General Meeting of Quantum Health Group Limited as required by section 328B(3) of the Corporations Act,2001.

Yours faithfully,


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Realm Group Pty Limited