

NOTICE OF  
EXTRAORDINARY GENERAL MEETING  
& EXPLANATORY MATERIAL



Date: Tuesday, 31 July 2018

Time: 10:30AM

Place: Paragon Care Limited  
Head Office  
11 Dalmore Drive  
Scoresby Victoria 3179

**Paragon Care Limited**  
ABN 76 064 551 426

Head Office  
11 Dalmore Drive  
Scoresby VIC 3179 Australia

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PART A

## CHAIRMAN'S LETTER

25 June 2018

Dear Shareholder

**Re: Extraordinary General Meeting – 31 July 2018**

It is my pleasure to invite you to the Extraordinary General Meeting (“EGM”) of Paragon Care Limited (“Company”). Enclosed with this letter is a copy of the Notice of Extraordinary General Meeting (“Notice of Meeting”) and accompanying Explanatory Material. The EGM will be held at the Paragon Care Limited Head Office, 11 Dalmore Drive, Scoresby Victoria 3179, at 10:30 AM on Tuesday, 31 July 2018.

Items of Business will be an Ordinary Resolution to approve the prior issues of shares and a Special Resolution to approve financial assistance provided in connection with a recent and prospective acquisitions.

I look forward to seeing you at the meeting.

Yours sincerely



**Shane Tanner**  
Chairman

PART B

# PARAGON CARE LIMITED

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS GIVEN** that an Extraordinary General Meeting of the shareholders of Paragon Care Limited ACN 064 551 426 ("Company") will be held at 10:30AM on Tuesday, 31 July 2018 at the Paragon Care Limited Head Office, 11 Dalmore Drive, Scoresby Victoria 3179.

This Notice of Meeting should be read in conjunction with the accompanying Explanatory Material and form part of this Notice. Terms used in this Notice of Meeting will, unless the context otherwise requires, have the meaning given to them in the Glossary contained in Part D.

### Items of Business

#### Resolution 1

1. Approval of the prior issues of shares
  - To consider and, if thought fit, pass the following resolution as an ordinary resolution:
  - *"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders of the Company approve and ratify the past issue of 56,668,650 fully-paid ordinary shares in the capital of the Company on the terms and conditions set out in the Explanatory Material."*
  - The Directors unanimously recommend that you vote in favour of Resolution 1.

#### Resolution 2

2. Approval of financial assistance in connection with recent transaction
  - To consider and, if thought fit, pass the following resolution as a special resolution:
  - *"That, for the purposes of sections 260A and 260B(2) of the Corporations Act, approval is given for the financial assistance arising under the new Facility Agreement (defined in Section 2.2 in the Explanatory Material below) and finance documents that is to be provided by the new Paragon Care subsidiaries from time to time (including upon any subsequent refinancing, variation or replacement of any facility, or the provision of further security in connection with any facility) in connection with the acquisitions as described in the Explanatory Material accompanying this Notice of Meeting."*
  - The Directors unanimously recommend that you vote in favour of Resolution 2.

A proxy form accompanies this Notice of Meeting. Shareholders who do not plan to attend the EGM are encouraged to complete and return a proxy form.

Please note, the Chairman of the EGM intends to vote undirected proxies in favour of each item of business.

BY ORDER OF THE BOARD

**John Osborne**  
Company Secretary  
Paragon Care Limited  
Scoresby, Victoria  
25 June 2018

## Voting Exclusion Statement

### Resolution 1

In accordance with the notice requirements of ASX Listing Rule 7.5.6 for approval under ASX Listing Rule 7.4, and ASX Listing Rule 14.11.1, the Company will disregard any votes cast in favour of this resolution by or on behalf of:

- The vendors of Anaequip Medical (K. Marshall and W. Venables);
- The vendors of Surgical Specialties (BMSN Pty Ltd, Negroni Holdings Pty Ltd, D.H. North, B.S. Stewart and M.J. Stewart);
- The vendors of REM Systems Limited (John Keith Radley, Paul Andrew Schollum, Shirley May Schollum and Brian Duncan Wilsher);
- Participants in the institutional and professional investor placement of February 2018 (being clients of Bell Potter and Shaw and Partners);
- Nominated parties of any of the above persons or parties who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary shares) if the Resolution is passed; and
- any Associate of any party named above.

Associate has the meaning given to it by Division 2 of Part 1.2 of the Corporations Act.

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 person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## IMPORTANT INFORMATION

- (a) Subject to the Corporations Act, including sections 250R and 250BD, a Shareholder who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.
- (b) The proxy need not be a Shareholder of the Company. A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.
- (c) If you wish to appoint a proxy and are entitled to do so, then complete and return the attached proxy form.
- (d) A corporation may elect to appoint a representative in accordance with the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.
- (e) The Company has determined under regulation 7.11.37 Corporations Regulations 2001 that for the purpose of voting at the meeting or adjourned meeting, securities are taken to be held by those persons recorded in the Company's register of Shareholders as at 7.00 PM (Melbourne time) on 27 July 2018.
- (f) If you have any queries on how to cast your vote then call Link Market Services Limited on 1300 554 474 during business hours.

### Voting entitlement and admission to Extraordinary General Meeting

For the purpose of determining entitlement to attend and vote and voting rights at the EGM, shares shall be taken to be held by persons who are registered as Shareholders as at 7.00 PM (Melbourne Time) on 27 July 2018. Transactions registered after that time will be disregarded in determining entitlements to attend and vote.

### Voting by Proxy

If you are a Shareholder entitled to attend and vote you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the EGM.

A proxy need not be a Shareholder of the Company. A Shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the Shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the Shareholder's votes.

To be effective, the proxy must be received at the share registry of the Company no later than 10:30 AM (Melbourne time) on 29 July 2018 (48 hours before the commencement of the meeting). Proxies must be received before that time by one of the following methods:

**Online:** Shareholders may lodge their proxy votes online at: [www.investorcentre.linkmarketservices.com](http://www.investorcentre.linkmarketservices.com)

To lodge your proxy vote online, you will need your Security holder Reference Number (SRN) or Holder Identification Number (HIN) which is shown on the proxy form

**By post:** Paragon Care Ltd  
c/-Link Market Services Limited Locked Bag A14  
SYDNEY SOUTH NSW 1235

**By facsimile:** In Australia (02) 9287 0309  
From outside Australia +61 2 9287 0309

**By hand 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)

To be valid, a proxy must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

#### **Voting by Attorney**

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Share Registry no later than 10:30 AM (Melbourne time) on 29 July 2018.

#### **Corporate representatives**

A body corporate which is a Shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the EGM. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the EGM a properly executed letter or other document confirming its authority to act as the company's representative.

PART C:

# EXPLANATORY MATERIAL

## 1. Introduction

### 1.1 General

This Explanatory Material has been prepared for the information of members of the Company in connection with the business to be conducted at the Extraordinary General Meeting and provide a detailed explanation about each resolution set out in the Notice of Meeting. These Explanatory Material form part of the Notice of Meeting and must be read together with that notice.

### 1.2 Purpose

The purpose of the Extraordinary General Meeting is to consider and vote on the Resolutions.

### 1.3 Entire Document

Members are encouraged to read this document in its entirety before making a decision on how to vote on the Resolutions being considered at the Extraordinary General Meeting. If you have any doubt about how to deal with this document, please consult your legal, financial or another professional advisor.

### 1.4 Glossary

Certain terms and abbreviations used in this Explanatory Material have defined meanings, which are set out in the Glossary contained in Part D.

## 2. Business of the Extraordinary General Meeting

### 2.1 Resolution 1 — Approval of the prior issue of shares

In the six months to 25 June 2018 the Company made four issues of new shares pursuant to ASX Listing Rules 7.1 and 7.1A as follows:

- (a) On 25 January 2018 the Company announced the acquisition of Anaequip Medical (“Anaequip”) for a total consideration of \$2.3 million, comprising \$1.84 million in cash and through the issue of 550,898 fully paid ordinary shares of the Company. The issue price was \$0.8350 per share being the 30-day VWAP of the PGC share price prior to the date of the acquisition.
- (b) On 19 February 2018 the Company announced that it had completed the institutional component of the fully underwritten accelerated non-renounceable entitlement offer (Institutional Entitlement Offer) and institutional placement (Placement), raising approximately \$44.8 million. The Placement component raised \$26.6 million through the issue of 36.7 million new shares in the Company at \$0.725 per share, of which 20,072,953 fully paid ordinary shares of the Company were issued pursuant to the Company’s capacity under ASX Listing Rule 7.1 and the balance of 16,621,461 shares in the Company were issued under ASX Listing Rule 7.1A.
- (c) On 28 February 2018 the Company announced the acquisition of the Surgical Specialties group of companies (“Surgical Specialties”) for a total consideration of \$32.4 million, comprising \$26.0 million in cash and through the issue of 8,823,338 fully paid ordinary shares of the Company. The issue price was \$0.7250 per share being the same PGC share price for the placement and entitlement issue in February 2018.
- (d) On 8 June 2018 the Company announced the acquisition of the REM Systems business for a cash consideration of NZ\$47.8m and NZ\$10.5m in fully paid ordinary shares in Paragon and an earn-out over the next 3 years. The new share component of the consideration was satisfied through the issue of 10,600,000 fully paid ordinary shares of the Company upon settlement on 12 June 2018 and a further approximately 2.1 million new shares, if shareholders approve Resolution 1. The 10.6 million shares issued on 12 June 2018 were at an issue price of \$0.7650 per share being the 30-day VWAP of the PGC share price and at an exchange rate shortly before the agreement was finalised. If shareholders do not approve Resolution 1 the Company will settle the outstanding balance in cash, being approximately NZ\$1.7 million.

### Shareholder approval

Resolution 1 seeks Shareholder approval pursuant to ASX Listing Rule 7.4 for the previous issue of those Shares noted above (Approval).

ASX Listing Rule 7.1 provides that a company must not, subject to specific exceptions, issue or agree to issue more equity securities during any 12 months period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period (**15% Placement Capacity**).

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting approves the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1, that is, be in excess of, or bring the Company above, the 15% Placement Capacity at the time of issue and the security-holders subsequently approve it) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

In respect of Resolution 1, the retrospective approval of a total of 56,668,650 is sought, of which 33,970,722 were issued pursuant to ASX Listing Rule 7.1 and the balance of 22,697,928 were issued pursuant to ASX Listing Rule 7.1A.

By approving this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% Placement Capacity as set out in ASX Listing Rule 7.1, being equal to an additional 42,547,190 shares and a further 5,956,110 under ASX Listing Rule 7.1A (a total of 48,503,299 without the requirement to obtain prior Shareholder approval). If Resolution 1 is approved the Company will shortly thereafter issue a further approximately 2.1 million shares to the vendors of REM Systems Limited as noted above.

### Information required by ASX Listing Rule 7.5

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the Approval:

Information required under ASX Listing Rule 7.5	Anaequip Medical acquisition	Institutional Placement	Surgical Specialties acquisition	REM Systems Limited acquisition
Number of securities issued:	550,898 Shares	36,694,414 Shares	8,823,338* Shares	10,600,000 Shares
Price at which the securities were issued	\$0.8350 per Share	\$0.7250 per Share	\$0.7250 per Share	\$0.7650 per Share
Terms of the securities:	Fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. * Shares issued to vendors as part of the Surgical Specialties acquisition are subject to 12 month escrow.			
The names of the persons to whom the entity issued the securities or the basis which those persons were determined	The vendors being K. Marshall and W. Venables.	Institutional and professional investors being clients of Bell Potter and Shaw and Partners	The vendors being BMSN Pty Ltd, Negroni Holdings Pty Ltd, D.H. North, B.S. Stewart and M.J. Stewart.	The vendors being John Keith Radley, Paul Andrew Schollum, Shirley May Schollum and Brian Duncan Wilsher.
The use (or intended use) of funds raised	Part consideration of the acquisition as advised to ASX on 25 January 2018.	Fund acquisitions as advised to ASX on 8 February 2018.	Part consideration of the acquisition as advised to ASX on 2 March 2018.	Part consideration of the acquisition as advised to ASX on 8 June 2018.
Voting exclusion statement:	A voting exclusion statement is contained in the Notice of Meeting.			

**Director's Recommendation:** The directors unanimously recommend that Shareholders vote in favour of Resolution 1.



## 2.2 Resolution 2. — Approval of financial assistance in connection with recent transaction

### Background

On 8 June 2018 the Company announced the acquisition of REM Systems and prior to that date it had also completed a number of other acquisitions. As a result, the holding company Paragon Care Limited (“the Company”), has added a significant number of new wholly owned subsidiaries. Part of the consideration in respect of a number the past acquisitions has been the issuance of Shares to the vendors and this is expected to be the case in some future acquisitions.

In order to assist the financing of the cash consideration of the recent and future acquisitions and for ongoing working capital purposes, the Company entered into a new facility agreement with the National Australia Bank (“**Bank**” or “**financier**”) (**Facility Agreement**). The new Facility Agreement is a \$111 million secured senior debt facility part of which has been used to fund the REM Systems acquisition and future prospective acquisitions.

In connection with the new Facility Agreement, it is proposed that the Paragon Care subsidiaries will provide cross-guarantees, security, indemnities and various undertakings in favour of the Bank.

### Restrictions on companies giving financial assistance

Under section 260A(1) of the Corporations Act, a company may financially assist a person to acquire shares (or units of shares) in the company or a holding company of the company only if:

- (a) giving the assistance does not materially prejudice:
  - (i) the interests of the company or its shareholders; or
  - (ii) the company's ability to pay its creditors; or
- (b) the assistance is approved by shareholders under section 260B;
- (c) the assistance is exempted under section 260C.

Under section 260A(2) such financial assistance may either be given before or after the acquisition of shares.

Under section 260B(1) of the Corporations Act, shareholder approval for financial assistance must be given by the shareholders of the new Australian Paragon Care subsidiary at a general meeting by either:

- (a) a special resolution, with no votes being cast in favour of the resolution by the person acquiring the shares (or units of shares) or by their associates; or
- (b) a resolution agreed to, at a general meeting by all ordinary shareholders.

However, pursuant to section 260B(2) of the Corporations Act, because the new Australian Paragon Care subsidiary became a subsidiary of a listed Australian holding corporation immediately after the acquisition, the financial assistance provided by the new Paragon Care subsidiaries must be approved by a special resolution passed at a general meeting of the listed Australian parent corporation (i.e. the Company).

### Listing of new subsidiaries

The Australian subsidiaries which will be party to these arrangements are:

Electro Medical Group Pty Ltd	Paragon Care International Pty Ltd
Immulab Pty Ltd	Pergamon Technologies Pty Ltd
Immuno Pty Limited	REM Systems Pty Ltd
Insight Surgical Pty Ltd	Surgical Specialties Group Pty Ltd
Labgear Australia Pty Ltd	Surgical Specialties Holdings Pty Ltd
Medtech Solutions Pty Limited	Surgical Specialties Pty Limited
Medtek Pty Ltd	Therapy Specialties Pty Ltd
Midas Software Solutions Pty Ltd	Walkit Pty Ltd

The New Zealand subsidiaries which will be party to these arrangements are:

Designs For Vision Limited	REM Systems Limited
Designs For Vision Pty Ltd	Surgical Specialties (NZ) Ltd
Immuno Limited	Therapy Specialties Ltd

### **Financial assistance to be provided**

The granting of cross-guarantees, security, indemnities and various undertakings in favour of the Bank by the new Paragon Care subsidiaries constitutes the giving of financial assistance in connection with the acquisitions, within the meaning of Part 2J.3 of the Corporations Act.

Financial assistance is also being given by the Company and the other members of the Paragon Care Group with respect to the issue of Shares to the vendors of the new Paragon Care subsidiaries (as the issue of the Shares to the vendors of new Paragon Care subsidiaries is connected to the acquisition by the Company of the shares in the company being acquired and the corresponding financing arrangements with the Bank).

### **Resolution required in connection with the financial assistance**

As described above, under section 260B(2) of the Corporations Act, if immediately after the acquisitions, the new Australian Paragon Care subsidiary becomes a subsidiary of a listed Australian corporation, the financial assistance provided by the new Australian Paragon Care subsidiary must be approved by a special resolution passed at the general meeting of the listed Australian corporation (i.e. the Company).

As a result of the acquisitions, the Company has become the ultimate Australian holding company of the new Paragon Care subsidiaries.

Accordingly, the Company seeks approval of the financial assistance that is to be provided by the new Paragon Care subsidiaries from time to time (including upon any subsequent refinancing, variation or replacement of any facility, or the provision of further security in connection with any facility) in connection with the acquisitions.

This Resolution 1 proposed would, if passed, also approve the giving of financial assistance that may arise in the future on any subsequent refinancing, variation or replacement of the new Facility Agreement, or the provision of further security in connection with the new Facility Agreement. This is to preserve the Company's right to refinance without seeking further shareholder approval.

### **Reasons for giving the financial assistance**

The new Facility Agreement provides finance to the Company which enabled it to partially fund acquisitions. The new Facility Agreement also provides finance to the Company for ongoing working capital purposes.

The provision of the financial assistance is required to enable the Company to comply with certain of its obligations under the new Facility Agreement, and in particular, the obligation to procure the Paragon Care Group to guarantee the obligations of the Company as borrower and certain other group companies under the new Facility Agreement and to grant security in favour of the Bank.

### **Effect of the proposed financial assistance**

The substantial effect of the financial assistance on the Company, the new Paragon Care subsidiaries and the other members of the Paragon Care Group is that they have each guaranteed, and granted security over all of their respective assets and undertaking to secure, all amounts payable under the finance documents.

If there is a default in the due and punctual payment of amounts owing under the new Facility Agreement or if certain other events of default occur, the Company could be required to immediately pay on demand all amounts then owing by the Company under the new Facility Agreement. To the extent such amounts are not repaid, guarantees and security granted by the Paragon Care Group (including the new Paragon Care subsidiaries) may become enforceable by the Bank. The Bank may be entitled to exercise its rights in respect of indemnities granted by the Company and members of the Paragon Care Group.

### **Advantages of the proposed financial assistance**

The advantages of the proposed financial assistance include the following:

- (a) the Directors believe that the new Facility Agreement is the most appropriate form of financing available, in order to partially finance the acquisitions and the acquisitions are in the best interests of the Company and each member of the Paragon Care Group; and
- (b) the financial assistance will enable the Company to comply with its obligations under the new Facility Agreement and to ensure that such facilities remain available. If Resolution 2 is not approved, and such obligations (including the obligation to grant guarantees and security) are not complied with, the financier under the new Facility Agreement may be entitled to default the Company under the new Facility Agreement which would jeopardise the financial arrangement under the new Facility Agreement.

### **Disadvantages of the proposed financial assistance**

The disadvantages of the proposed financial assistance include the following:

- (a) the Paragon Care Group will become liable for the amounts due under the new Facility Agreement;
- (b) the operations of the Paragon Care Group may become restricted by the representations and undertakings in the new Facility Agreement and related finance documents ;
- (c) although the Directors consider this unlikely, the Company or certain other group companies may default under the new Facility Agreement;
- (d) in the event of a default, the Bank may make a demand under the guarantees provided by the Paragon Care Group requiring immediate repayment of the amounts due under the new Facility Agreement, which may result in a winding up of one or more of the members in the Paragon Care Group; and
- (e) in the event of a default, the Bank will be entitled to enforce the security granted by the members of the Paragon Care Group (which includes the new Paragon Care subsidiaries) and accordingly take control of, and realise, all of the assets and undertaking of such companies.

The Directors have considered the giving of the financial assistance and are of the opinion that there are reasonable grounds to believe that it is in the best interests and for the commercial benefit of the Paragon Care Group. Furthermore, it is common for newly acquired subsidiaries to provide guarantees and undertakings of the type outlined above.

### **Other relevant information**

The Directors consider that there is no other information that is known to the Company that is material to a Shareholder's decision on how to vote on Resolution 2, other than information which it would be unreasonable to require the Company to include in this Explanatory Material as the Company has previously disclosed the information to its shareholders.

### **Notice to ASIC**

A copy of this Notice of Meeting was lodged with the ASIC before being sent to the Shareholders of the Company, as required by section 260B(5) of the Corporations Act.

**Director's Recommendation:** The Directors unanimously recommend that Shareholders vote in favour of Resolution 2.

## PART D

# GLOSSARY

**EGM** or **Extraordinary General Meeting** means the general meeting of shareholders of the Company which is the subject of this Notice of Meeting.

**ASX** means ASX Limited (ABN 98 008 624 691) or the Australian Securities Exchange as the context requires.

**Board** means the directors of the Company acting collectively under the Constitution or the committee or person to whom the Board has delegated a relevant power in accordance with the

**Company, Paragon, Paragon Care** or **PGC** – Paragon Care Limited ABN 76 064 551 426.

**Constitution** means the constitution of the Company as amended from time to time.

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

**Director** means a director of the Company.

**Listing Rules** means the Listing Rules of ASX, as amended from time to time.

**Notice** or **Notice of Meeting** means the Notice of Extraordinary General Meeting of the Company, Resolutions means the resolutions to be put to Paragon Care Limited shareholders at the EGM, as set out in the Notice of Meeting.

**Paragon Care Group** – the Company and its wholly owned subsidiaries.

**REM Systems** or **REM Systems Limited**- A New Zealand company acquired on or about 12 June 2018 as advised to the ASX in an announcement on 8 June 2018.

**Shareholders** means the shareholders of the Company.

**Shares** means fully paid ordinary shares in the Company, and any other shares issued by the Company.


**Share Registry** means Link Market Services Limited (ACN 083 214 537) or any other person appointed as registrar of the register of members of the Company from time to time.


## LODGE YOUR VOTE

 **ONLINE**  
[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

 **BY MAIL**  
Paragon Care 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 Paragon Care 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

STEP 1

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 Extraordinary General Meeting of the Company to be held at **10:30am (AEST) on Tuesday, 31 July 2018 at Paragon Care Limited Head Office, 11 Dalmore Drive, Scoresby Victoria 3179** (the Meeting) and at any postponement or adjournment of the Meeting.

**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

#### Resolutions

	For	Against	Abstain*
1 Approval of the prior issues of shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Approval of financial assistance in connection with recent transaction	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 2

 \* 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).

STEP 3

PGC PRX1801A



## 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.

### 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" should 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](http://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 **10:30am (AEST) on Sunday, 29 July 2018**, 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](http://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

Paragon Care 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 EXTRAORDINARY GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**