

Form 604

Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To Company Name/Scheme ESTIA HEALTH LIMITED ("Estia")

ACN/ARSN 160 986 201

1. Details of substantial holder (1)

Name ESTIA HEALTH LIMITED

ACN/ARSN (if applicable) 160 986 201

There was a change in the interests of the substantial holder on 8 February 2016

The previous notice was given to the company on 23/11/2015

The previous notice was dated 23/11/2015

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

Class of securities (4)	Previous notice		Present notice	
	Person's votes	Voting power (5)	Person's votes	Voting power (5)
Ordinary Shares	16,367,811	9.03%	22,999,111	12.24%

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (6)	Consideration given in relation to change (7)	Class and number of securities affected	Person's votes affected
8 February 2016	Estia	Restriction on disposal of shares under voluntary escrow arrangements which give Estia a technical "relevant interest" in its own shares under section 608(1)(c) of the Corporations Act. However, Estia has no right to acquire these shares or to control the voting rights attaching to these shares. Copies of these escrow agreements are attached at Annexure A.	Not applicable	6,631,300 new ordinary shares in the capital of Estia (" Ordinary Shares ")	3.53%

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Nature of relevant interest (6)	Class and number of securities	Person's votes
Estia	Those holders listed in Annexure B	Those holders listed in Annexure B	Apart from the relevant interests described in paragraph 3 above, the other relevant interests arise from represent restrictions on disposal of shares under voluntary escrow arrangements disclosed in Estia's prospectus dated 24 November 2014 gives Estia a technical "relevant interest" in its own shares under section 608(1)(c) of the Corporations Act. However, Estia has no right to acquire these shares or to control the voting rights attaching to these shares. Copies of the pro forma escrow deeds were attached to Estia's previous notice dated 8 December 2014.	22,999,111 Ordinary Shares	12.24%

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Not applicable	Not applicable

6. Addresses

The addresses of persons named in this form are as follows:

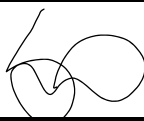
Name	Address
Estia	357 CAMBERWELL ROAD CAMBERWELL, VIC 3124
Holders listed in Annexure A	c/- 357 CAMBERWELL ROAD CAMBERWELL, VIC 3124

Signature

print name SUZY WATSON

Capacity COMPANY SECRETARY

sign here



date 8 / 2 / 2016

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 6 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

Estia Health Limited (ACN 160 986 201)

Annexure A

This is Annexure A of 91 pages, referred to in Form 604 – Notice of change of interests of substantial holder

Escrow Deed

Dated

Estia Health Limited (ACN 160 986 201) ("**Company**")

The "**Holder**" whose details are set out in Schedule 1

The "**Controller**" whose details are set out in Schedule 1 (if any)

King & Wood Mallesons

Level 61

Governor Phillip Tower

1 Farrer Place

Sydney NSW 2000

Australia

T +61 2 9296 2000

F +61 2 9296 3999

DX 113 Sydney

www.kwm.com

Escrow Deed

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Escrow Deed

Details

Parties	Company, Holder and Controller (if any)	
Company	Name	Estia Health Limited
	ACN	160 986 201
	Address	357 Camberwell Road Camberwell VIC 3124
	Telephone	+61 3 9811 9777
	Email	Suzy.Watson@estiahealth.com.au
	Attention	Company Secretary
Holder	The Holder whose name and address are set out in Schedule 1.	
Controller	The Controller whose name and address are set out in Schedule 1 (if any).	
Recitals	A	The Holder is a shareholder of the Company and the Controller (if any) is the ultimate beneficial owner of all of the Shares held by the Holder.
	B	The Holder undertakes to the Company to hold the Escrow Shares pursuant and subject to the terms of this deed.
	C	The Controller (if any) undertakes to the Company to hold the Controller Interests pursuant and subject to the terms of this deed.
Governing law	New South Wales	
Date of deed	See signing page	

Escrow Deed

General terms

1 Definitions and interpretation

1.1 Definitions

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or the financial market conducted by ASX Limited, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Board means the board of directors of the Company.

Business Day means a business day as defined in the ASX Listing Rules.

Claim means any claim, cost (including legal costs on a solicitor and client basis), damages, debt, expense, tax, liability, loss, obligation, allegation, suit, action, demand, cause of action, proceeding or judgment of any kind however calculated or caused, and whether direct or indirect, consequential, incidental or economic.

Control means, in respect of a person, the capacity to determine the outcome of decisions in relation to the financial and operating policies of that person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise (and, without limiting the previous words, a person is deemed to Control another person if it holds, directly or indirectly, together with other persons it Controls, the beneficial interest in more than 50% of the total voting rights in the other person) and **Controlled** and **Controlling** have corresponding meanings.

Controller Interests means all Securities and legal, beneficial, economic or other interests in the Escrow Shares and each intermediate entity through which that interest occurs.

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

Deal means:

- (a) sell, assign, transfer or otherwise dispose (including to 'dispose' as defined in the ASX Listing Rules);
- (b) offer to sell, assign, transfer or otherwise dispose (including to 'dispose' as defined in the ASX Listing Rules);
- (c) enter into any option which, if exercised, enables or requires the holder to sell, assign, transfer or otherwise dispose;

- (d) create or agree to offer to create or permit to be created any Security Interest in; or
- (e) agree (or agree to offer) to do any of these things,

and **Dealing** has a corresponding meaning.

Escrow Period means the period commencing on the date of this deed and ending on the date which is 12 months from the date of this deed.

Escrow Shares means all of the Escrow Shares listed in Item 3 of Schedule 1.

Group means the Company and all of its Subsidiaries from time to time and **Group Company** means any one of them.

Holding Lock has the meaning given in section 2 of the ASX Settlement Operating Rules.

Issuer Sponsored Subregister has the meaning given in section 2 of the ASX Settlement Operating Rules.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPSA Security Interest means a “security interest” within the meaning of the PPSA.

Security Interest means an interest or power:

- (a) reserved in or over an interest in any securities including, any retention of title; or
- (b) created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, but is not limited to:

- (c) any agreement to grant or create any of the above; and
- (d) a PPSA Security Interest.

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

Share Registry means the share registry engaged by the Company to administer and manage its register of members.

Subsidiary has the meaning given in the Corporations Act.

Takeover Bid means a takeover bid for some or all Shares under Chapter 6 of the Corporations Act.

Voluntary Escrow Deed means a voluntary escrow deed entered into with respect to Shares.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation.

In this deed, unless the context requires another meaning:

- (a) a reference to:
 - (i) the singular includes the plural and vice versa;
 - (ii) a gender includes all genders;
 - (iii) a document (including this deed) is a reference to that document as amended, consolidated, supplemented, novated or replaced;
 - (iv) an agreement includes any undertaking, representation, deed, agreement or legally enforceable arrangement or understanding whether written or not;
 - (v) a party means a party to this deed;
 - (vi) an item, Recital, clause, provision, Schedule or Annexure is to an item, Recital, clause, provision, Schedule or Annexure of or to this deed;
 - (vii) a person (including a party) includes:
 - (A) an individual, company, other body corporate, association, partnership, firm, joint venture, trust or government agency; and
 - (B) the person's successors, permitted assigns, substitutes, executors and administrators;
 - (viii) a law includes any legislation, judgment, rule of common law or equity or rule of any applicable stock exchange, and is a reference to that law as amended, consolidated, supplemented or replaced and includes a reference to any regulation, by-law or other subordinate legislation;
 - (ix) time is to prevailing Sydney time; and
 - (x) the words "including" or "includes" means "including, but not limited to", or "includes, without limitation" respectively;
- (b) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (c) headings and the Recitals are for convenience only and do not affect interpretation of this deed;
- (d) if a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day;
- (e) a warranty, representation, covenant or obligation given or entered into by more than one person binds them severally but not jointly;
- (f) unless otherwise expressly provided in this deed, if a period must be calculated from, after or before a day or the day of an act or event, it must be calculated excluding that day;
- (g) "writing" and "written" includes printing, typing and other modes of reproducing words in a visible form including any representation of words in a physical document or in an electronic communication or form or otherwise;

- (h) the word “law” includes common law, principles of equity and legislation, and a reference to legislation includes regulations and other instruments under it and any variation or replacement of any of them; and
- (i) the meaning of general words is not limited by specific examples introduced by “including”, “for example” or “such as” or similar expressions.

1.3 Compliance with ASX Listing Rules

For so long as the Company is listed on the official list of ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules this deed is deemed not to contain that provision to the extent of the inconsistency.

2 Escrow

2.1 Holder restrictions

Subject to clause 3, during the Escrow Period the Holder agrees that it will not:

- (a) Deal with;
- (b) Deal in any interest (including any economic interest) or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest (including any economic interest) or right in respect of,

any or all of the Escrow Shares.

2.2 Controller restrictions

Subject to clause 3, during the Escrow Period the Controller (if any) agrees that he or she will not:

- (a) Deal with;
- (b) Deal in any interest or right in respect of; or

- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of the Controller Interests or do anything else which effectively circumvents the substantive terms of the escrow contemplated by this deed.

2.3 Escrow restrictions and Holding Lock

The parties acknowledge and agree that:

- (a) **(registration)** as soon as practicable following the settlement of the Offer the Escrow Shares will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) **(Holding Lock)** the Company will apply a Holding Lock on the Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister and the Holder agrees to the application of the Holding Lock; and
- (c) **(release)** the Company will do all things necessary to ensure that the Holding Lock is released:
 - (i) to the extent necessary to permit Dealings of the Escrow Shares permitted by this deed; and
 - (ii) in full at the conclusion of the Escrow Period.

including notifying the ASX that the Escrow Shares will be released from the Holding Lock, in accordance with the timing requirements set out in ASX Listing Rule 3.10A.

2.4 Notice to the Company

If the Holder or the Controller (if any) becomes aware:

- (a) that any action, event or circumstance referred to in clauses 2.1 or 2.2 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clauses 2.1 or 2.2 during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or matter, as applicable, providing full details.

3 Exceptions to escrow restrictions

3.1 Dividends and voting rights

The parties agree that except as expressly provided in clause 2, the terms of this deed will have no effect on any rights of the Holder to receive dividends attaching to the Escrow Shares or to exercise voting rights in respect of the Escrow Shares.

3.2 Takeovers, mergers and reorganisations

Clause 2.1 will cease to apply to the extent necessary to allow:

- (a) **(Takeover Bid)** the Holder to accept an offer made under a Takeover Bid for any of the Escrow Shares, provided that holders of not less than 50% of Shares that are not subject to a Voluntary Escrow Deed have accepted the Takeover Bid;
- (b) **(Bid acceptance facility)** the Holder to tender any of the Escrow Shares into a bid acceptance facility established in connection with a Takeover Bid, provided that holders of not less than 50% of Shares that are not subject to a Voluntary Escrow Deed have either accepted the Takeover Bid or tendered (and not withdrawn) their Shares into the bid acceptance facility; or
- (c) **(scheme)** the Escrow Shares to be transferred or cancelled as part of a merger or an acquisition of share capital being implemented by way of a scheme of arrangement under Part 5.1 of the Corporations Act which has received all necessary approvals, including all such necessary approvals by shareholders of the Company and courts,

provided that, if for any reason any or all Escrow Shares are not transferred or cancelled in accordance with a Takeover Bid (including because the Takeover Bid does not become unconditional) or scheme of arrangement described in clauses 3.2(a) or 3.2(c), then the Holder agrees that the restrictions applying to the Escrow Shares under this deed (including under clauses 2.1 and 2.2) will continue to apply and without limiting the foregoing, the Holding Lock will be re-applied to all Escrow Shares not so transferred or cancelled.

3.3 Controller reorganisations

Clauses 2.1 and 2.2 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares or Controller Interests to enable the Controller (if any) to undertake a reorganisation of its affairs, subject to:

- (a) the prior consent of the Company in writing;
- (b) Controller retaining ultimate control of (and full economic exposure to) the Escrow Shares; and
- (c) any new holder of the Escrow Shares or Controller Interests agreeing to be bound by a deed in substantially the same terms as this deed.

3.4 Other exceptions

Clauses 2.1 and 2.2 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares or Controller Interests:

- (a) **(court order)** pursuant to an order of a court of competent jurisdiction compelling any Escrow Shares or Controller Interests to be disposed of or a Security Interest granted over them; or
- (b) **(death or incapacity)** death or incapacity of the Controller (if any), provided that the transferee of the Escrow Shares or Controller Interests has agreed to be bound by a deed in substantially the same terms as this deed in respect of the Escrow Shares or Controller Interests.

4 Termination

- (a) This deed terminates with immediate effect and without the action of any party upon the end of the Escrow Period.

- (b) The Company will procure that the Share Registry releases the Holding Lock in respect of the Escrow Shares, if still in effect, as soon as possible following termination of this deed.

5 Warranties and acknowledgement

5.1 Giving of warranties

Each of the warranties and representations in this clause 5 is given by the Holder or the Controller (if any), as applicable, in favour of the Company:

- (a) as at the date of this deed, unless a later date is specified in clause 5.2; and
- (b) from the applicable date under clause 5.1(a), at all times until expiry of the Escrow Period.

The warranties and representations in this clause 5 are given in respect of any and all Escrow Shares from time to time during the Escrow Period.

5.2 Holder warranties and representations

Each of the Holder and the Controller (if any) jointly and severally warrant and represent the following:

- (a) prior to the Escrow Period it has not done (and will not do), or omitted to do (or will not omit to do), any act which would result in a Dealing in Escrow Shares (or any other breach of clauses 2.1 or 2.2) which will take effect during the Escrow Period;
- (b) the Holder holds the Escrow Shares set out in item 3 of the Schedule on behalf of the Controller (if any) and the Controller (if any) holds the Controller Interests;
- (c) the Escrow Shares, as set out in item 3 of the Schedule, are all the securities, substantial economic interests or other interests that the Holder directly or indirectly has in the Company on behalf of the Controller (if any);
- (d) the Escrow Shares and the Controller Interests are free from all Security Interests and other third party interests or rights;
- (e) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder or the Controller (if any) has entered into this deed as a trustee ("**Trustee**"), under the trust deed for the relevant trust ("**Trust**"));
- (f) it has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (g) this deed constitutes a legal, valid and binding obligation on it and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (h) no person (other than the Controller) has the power to direct or cause the direction of the management of the Holder, whether through the ownership of voting securities or by agreement or by virtue of any person being the manager or adviser of the Holder or otherwise;

- (i) the execution, delivery and performance by each Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents, if any, (or, if the Holder or the Controller (if any) is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Holder ;and
- (j) if the Holder or the Controller (if any) is a Trustee:
 - (i) the Trustee is the sole trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust;
 - (ii) the Trustee has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Trustee has not released or disposed of its equitable lien over those Trust assets; and
 - (iii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.

5.3 Survival of warranties and representations

The warranties and representations in this clause 5 survive the termination of this deed.

6 Consequences of breaching this deed

- (a) If the Holder or the Controller (if any) breaches this deed or the Company believes that a prospective breach of this deed may occur, each of the following applies:
 - (i) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach or prospective breach; and
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment, transfer of or other Dealing in any of the Holder's Escrow Shares.
- (b) The parties agree that damages would be an insufficient remedy for a breach or prospective breach of this deed by the Holder or the Controller (if any) and each of the Holder and Controller (if any) agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's or Controller's (as applicable) obligations under this deed, without proof of actual damage and without prejudice to any of the Company's other rights or remedies.

7 Notices and other communications

7.1 Form - all communications

Unless expressly stated otherwise in this deed, all notices, certificates, consents, approvals, waivers and other communications in connection with this deed must be:

- (a) in writing;
- (b) in English or accompanied by a certified translation into English;
- (c) signed by the sender (if an individual) or a person duly authorised by the sender; and
- (d) marked for the attention of the person identified or referred to in the Details or Schedule or, if the recipient has notified otherwise, then marked for attention in the way last notified.

7.2 Form - communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 7.1. However, the email:

- (a) must state the first and last name of the sender; and
- (b) must be in plain text format or, if attached to an email, must be an Adobe Portable Document Format (pdf) file.

Communications sent by email are taken to be signed by the named sender.

7.3 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details or Schedule 1; or
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details or Schedule 1; or
- (c) sent by email to the address set out or referred to in the Details or Schedule 1; or
- (d) given in any other way permitted by law.

However, if the intended recipient has notified a changed address or email address, then communications must be to that address or email address.

7.4 When effective

Communications take effect from the time they are received or taken to be received under clause 7.5 (whichever happens first) unless a later time is specified.

7.5 When taken to be received

Communications are taken to be received:

- (a) if sent by post, three days after posting (or seven days after posting if sent from one country to another); or

- (b) if sent by email;
 - (i) when the sender receives an automated message confirming delivery; or
 - (ii) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first.

7.6 Receipt outside business hours

Despite clauses 7.4 and 7.5, if communications are received or taken to be received under clause 7.5 after 5.00pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

8 General provisions

8.1 Invalid or unenforceable provisions

If a provision of this deed is invalid or unenforceable in a jurisdiction:

- (a) it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability; and
- (b) it does not affect the validity or enforceability of:
 - (i) that provision in another jurisdiction; or
 - (ii) the remaining provisions.

8.2 Waiver and exercise of rights

- (a) A waiver by a party of a provision or a right under this deed is binding on the party granting the waiver only if it is given in writing and is signed by the party or an officer of the party granting the waiver.
- (b) A waiver is effective only in the specific instance and for the specific purpose for which it is given.
- (c) A single or partial exercise of a right by a party does not preclude another or further exercise or attempted exercise of that right or the exercise of another right.
- (d) Failure by a party to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

8.3 Amendment

This deed may be amended only by a document signed by all parties.

8.4 Further assurances

The Holder and the Controller (if any) each undertake to, and to procure that all persons under their respective Control, do all things necessary or desirable to effect the transactions contemplated by this deed as expeditiously as possible, including executing, delivering or completing any form, document or instrument

necessary or desirable to give effect to any of the transactions contemplated by this deed.

8.5 PPSA further steps

If the Company determines that this deed results in the creation of a PPSA Security Interest, the Holder and the Controller (if any) each agree to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which the Company reasonably asks and considers necessary for the purposes of:

- (a) ensuring that the PPSA Security Interest is enforceable, perfected and otherwise effective;
- (b) enabling the Company to apply for any registration, or give any notification, in connection with the PPSA Security Interest so that the PPSA Security Interest has the priority required by the Company; and
- (c) enabling the Company to exercise rights in connection with the PPSA Security Interest.

8.6 Non-merger

The warranties, other representations and undertakings by the parties in this deed are continuing and will not merge or be extinguished on Completion of the Offer.

8.7 Assignment

The Holder and the Controller (if any) must not transfer, assign, create an interest in, or deal in any other way with, any of its rights or obligations under this deed without the prior written consent of the Company.

8.8 Entire agreement

This deed and the documents referred to in this deed are the entire agreement of the parties about the subject matter of this deed and supersede any representations, negotiations, arrangements, understandings or agreements and all other communications.

8.9 Remedies

The rights, remedies and powers of the parties under this deed are cumulative and not exclusive of any rights, remedies or powers provided to the parties by law.

8.10 Inconsistent agreements

If a provision of this deed is inconsistent with a provision of any other agreement, document, representation, negotiation, arrangement or understanding between the Holder or the Controller (if any) and any other person, the provision of this deed prevails.

8.11 Successors and assigns

This deed is binding on, and has effect for the benefit of, the parties and their respective successors and permitted assigns and, in the case of the Holder and the Controller (if any), his or her personal representatives and any trustee, receiver or other person lawfully acting on his or her behalf.

8.12 Approvals and consents

Except where this deed expressly states otherwise, a party or other person referred to in this deed (including the Board) may, in its absolute discretion, give conditionally or unconditionally or withhold any approval, consent, resolution or determination under this deed.

8.13 Counterparts

This deed may be signed in counterparts and all counterparts taken together constitute one document.

8.14 Governing law

This deed is governed by the laws of New South Wales.

8.15 Jurisdiction

Each party irrevocably and unconditionally:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales; and
- (b) waives any claim or objection based on absence of jurisdiction or inconvenient forum.

9 Trustee Capacity

If the Holder or the Controller (if any) has entered into this deed as a Trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 9 but subject to paragraph 9(c), the Holder or the Controller (as applicable) enters into this deed only in its capacity as Trustee of the relevant Trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder or the Controller (as applicable) only to the extent which it can be satisfied out of the property of the relevant Trust for which the Holder or Controller (as applicable) is actually indemnified for the liability. The Holder or the Controller (as applicable) will exercise its rights of indemnification in order to satisfy its obligations under this deed;
- (b) subject to paragraph 9(c), a party to this deed may not sue the Holder or the Controller (as applicable) in any capacity other than as Trustee in respect of the relevant Trust, including seeking the appointment to the Holder or Controller (as applicable) of a receiver (except in relation to the property of the relevant Trust), a liquidator, administrator or any similar person; and
- (c) the provisions of this clause 9 will not apply to any obligation or liability of the Holder or the Controller (as applicable) to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction in the extent, or elimination of, the Holder's or Controller's (as applicable) right of indemnification out of the assets of the relevant Trust, or the right does not exist at all, as a result of the Holder's or the Controller's (as applicable) fraud, negligence, improper performance of duties or breach of trust.

EXECUTED as a deed

Escrow Deed

Schedule 1 - Details

Item 1. Holder

Name: John Emery Kennedy and Thomas Emery Kennedy as trustees for the Daniel Morris Kennedy Testamentary Trust

Address: John Emery Kennedy, 149 Darling Point Road, Darling Point NSW 2027

Thomas Emery Kennedy, 27 Bundarra Road, Bellevue Hill NSW 2023

Email: jkennedy@bigpond.net.au,
kennedypharm@yahoo.com.au

Attention: John Emery Kennedy and Thomas Emery Kennedy

Item 2. Controller (if any)

Name: Not applicable

Address: Not applicable

Email: Not applicable

Attention: Not applicable

Item 3. Escrow Shares

425,051 Shares to be issued to the Holder on or about the date of this deed.

Escrow Deed

Signing page

DATED: _____

EXECUTED by **ESTIA HEALTH LIMITED** in accordance with section 127(1) of the Corporations Act 2001 (Cth) by authority of its directors:

.....
Signature of director

.....
Name of director (block letters)

.....
Signature of director/company secretary*

*delete whichever is not applicable

.....
Name of director/company secretary* (block letters)

*delete whichever is not applicable

SIGNED, SEALED AND DELIVERED by **John Emery Kennedy as trustee for the Daniel Morris Kennedy Testamentary Trust** in the presence of:

.....
Signature of witness

.....
Name of witness (block letters)

.....
Signature of John Emery Kennedy as trustee for the Daniel Morris Kennedy Testamentary Trust

SIGNED, SEALED AND DELIVERED by **Thomas Emery Kennedy as trustee for the Daniel Morris Kennedy Testamentary Trust** in the presence of:

.....
Signature of witness

.....
Name of witness (block letters)

.....
Signature of Thomas Emery Kennedy as trustee for the Daniel Morris Kennedy Testamentary Trust

Escrow Deed

Dated

Estia Health Limited (ACN 160 986 201) ("**Company**")

The "**Holder**" whose details are set out in Schedule 1

The "**Controller**" whose details are set out in Schedule 1 (if any)

King & Wood Mallesons

Level 61

Governor Phillip Tower

1 Farrer Place

Sydney NSW 2000

Australia

T +61 2 9296 2000

F +61 2 9296 3999

DX 113 Sydney

www.kwm.com

Escrow Deed

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Escrow Deed

Details

Parties	Company, Holder and Controller (if any)	
Company	Name	Estia Health Limited
	ACN	160 986 201
	Address	357 Camberwell Road Camberwell VIC 3124
	Telephone	+61 3 9811 9777
	Email	Suzy.Watson@estiahealth.com.au
	Attention	Company Secretary
Holder	The Holder whose name and address are set out in Schedule 1.	
Controller	The Controller whose name and address are set out in Schedule 1 (if any).	
Recitals	A	The Holder is a shareholder of the Company and the Controller (if any) is the ultimate beneficial owner of all of the Shares held by the Holder.
	B	The Holder undertakes to the Company to hold the Escrow Shares pursuant and subject to the terms of this deed.
	C	The Controller (if any) undertakes to the Company to hold the Controller Interests pursuant and subject to the terms of this deed.
Governing law	New South Wales	
Date of deed	See signing page	

Escrow Deed

General terms

1 Definitions and interpretation

1.1 Definitions

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or the financial market conducted by ASX Limited, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Board means the board of directors of the Company.

Business Day means a business day as defined in the ASX Listing Rules.

Claim means any claim, cost (including legal costs on a solicitor and client basis), damages, debt, expense, tax, liability, loss, obligation, allegation, suit, action, demand, cause of action, proceeding or judgment of any kind however calculated or caused, and whether direct or indirect, consequential, incidental or economic.

Control means, in respect of a person, the capacity to determine the outcome of decisions in relation to the financial and operating policies of that person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise (and, without limiting the previous words, a person is deemed to Control another person if it holds, directly or indirectly, together with other persons it Controls, the beneficial interest in more than 50% of the total voting rights in the other person) and **Controlled** and **Controlling** have corresponding meanings.

Controller Interests means all Securities and legal, beneficial, economic or other interests in the Escrow Shares and each intermediate entity through which that interest occurs.

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

Deal means:

- (a) sell, assign, transfer or otherwise dispose (including to 'dispose' as defined in the ASX Listing Rules);
- (b) offer to sell, assign, transfer or otherwise dispose (including to 'dispose' as defined in the ASX Listing Rules);
- (c) enter into any option which, if exercised, enables or requires the holder to sell, assign, transfer or otherwise dispose;

- (d) create or agree to offer to create or permit to be created any Security Interest in; or
- (e) agree (or agree to offer) to do any of these things,

and **Dealing** has a corresponding meaning.

Escrow Period means the period commencing on the date of this deed and ending on the date which is 12 months from the date of this deed.

Escrow Shares means all of the Escrow Shares listed in Item 3 of Schedule 1.

Group means the Company and all of its Subsidiaries from time to time and **Group Company** means any one of them.

Holding Lock has the meaning given in section 2 of the ASX Settlement Operating Rules.

Issuer Sponsored Subregister has the meaning given in section 2 of the ASX Settlement Operating Rules.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPSA Security Interest means a “security interest” within the meaning of the PPSA.

Security Interest means an interest or power:

- (a) reserved in or over an interest in any securities including, any retention of title; or
- (b) created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, but is not limited to:

- (c) any agreement to grant or create any of the above; and
- (d) a PPSA Security Interest.

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

Share Registry means the share registry engaged by the Company to administer and manage its register of members.

Subsidiary has the meaning given in the Corporations Act.

Takeover Bid means a takeover bid for some or all Shares under Chapter 6 of the Corporations Act.

Voluntary Escrow Deed means a voluntary escrow deed entered into with respect to Shares.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation.

In this deed, unless the context requires another meaning:

- (a) a reference to:
 - (i) the singular includes the plural and vice versa;
 - (ii) a gender includes all genders;
 - (iii) a document (including this deed) is a reference to that document as amended, consolidated, supplemented, novated or replaced;
 - (iv) an agreement includes any undertaking, representation, deed, agreement or legally enforceable arrangement or understanding whether written or not;
 - (v) a party means a party to this deed;
 - (vi) an item, Recital, clause, provision, Schedule or Annexure is to an item, Recital, clause, provision, Schedule or Annexure of or to this deed;
 - (vii) a person (including a party) includes:
 - (A) an individual, company, other body corporate, association, partnership, firm, joint venture, trust or government agency; and
 - (B) the person's successors, permitted assigns, substitutes, executors and administrators;
 - (viii) a law includes any legislation, judgment, rule of common law or equity or rule of any applicable stock exchange, and is a reference to that law as amended, consolidated, supplemented or replaced and includes a reference to any regulation, by-law or other subordinate legislation;
 - (ix) time is to prevailing Sydney time; and
 - (x) the words "including" or "includes" means "including, but not limited to", or "includes, without limitation" respectively;
- (b) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (c) headings and the Recitals are for convenience only and do not affect interpretation of this deed;
- (d) if a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day;
- (e) a warranty, representation, covenant or obligation given or entered into by more than one person binds them severally but not jointly;
- (f) unless otherwise expressly provided in this deed, if a period must be calculated from, after or before a day or the day of an act or event, it must be calculated excluding that day;
- (g) "writing" and "written" includes printing, typing and other modes of reproducing words in a visible form including any representation of words in a physical document or in an electronic communication or form or otherwise;

- (h) the word “law” includes common law, principles of equity and legislation, and a reference to legislation includes regulations and other instruments under it and any variation or replacement of any of them; and
- (i) the meaning of general words is not limited by specific examples introduced by “including”, “for example” or “such as” or similar expressions.

1.3 Compliance with ASX Listing Rules

For so long as the Company is listed on the official list of ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules this deed is deemed not to contain that provision to the extent of the inconsistency.

2 Escrow

2.1 Holder restrictions

Subject to clause 3, during the Escrow Period the Holder agrees that it will not:

- (a) Deal with;
- (b) Deal in any interest (including any economic interest) or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest (including any economic interest) or right in respect of,

any or all of the Escrow Shares.

2.2 Controller restrictions

Subject to clause 3, during the Escrow Period the Controller (if any) agrees that he or she will not:

- (a) Deal with;
- (b) Deal in any interest or right in respect of; or

- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of the Controller Interests or do anything else which effectively circumvents the substantive terms of the escrow contemplated by this deed.

2.3 Escrow restrictions and Holding Lock

The parties acknowledge and agree that:

- (a) **(registration)** as soon as practicable following the settlement of the Offer the Escrow Shares will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) **(Holding Lock)** the Company will apply a Holding Lock on the Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister and the Holder agrees to the application of the Holding Lock; and
- (c) **(release)** the Company will do all things necessary to ensure that the Holding Lock is released:
 - (i) to the extent necessary to permit Dealings of the Escrow Shares permitted by this deed; and
 - (ii) in full at the conclusion of the Escrow Period.

including notifying the ASX that the Escrow Shares will be released from the Holding Lock, in accordance with the timing requirements set out in ASX Listing Rule 3.10A.

2.4 Notice to the Company

If the Holder or the Controller (if any) becomes aware:

- (a) that any action, event or circumstance referred to in clauses 2.1 or 2.2 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clauses 2.1 or 2.2 during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or matter, as applicable, providing full details.

3 Exceptions to escrow restrictions

3.1 Dividends and voting rights

The parties agree that except as expressly provided in clause 2, the terms of this deed will have no effect on any rights of the Holder to receive dividends attaching to the Escrow Shares or to exercise voting rights in respect of the Escrow Shares.

3.2 Takeovers, mergers and reorganisations

Clause 2.1 will cease to apply to the extent necessary to allow:

- (a) **(Takeover Bid)** the Holder to accept an offer made under a Takeover Bid for any of the Escrow Shares, provided that holders of not less than 50% of Shares that are not subject to a Voluntary Escrow Deed have accepted the Takeover Bid;
- (b) **(Bid acceptance facility)** the Holder to tender any of the Escrow Shares into a bid acceptance facility established in connection with a Takeover Bid, provided that holders of not less than 50% of Shares that are not subject to a Voluntary Escrow Deed have either accepted the Takeover Bid or tendered (and not withdrawn) their Shares into the bid acceptance facility; or
- (c) **(scheme)** the Escrow Shares to be transferred or cancelled as part of a merger or an acquisition of share capital being implemented by way of a scheme of arrangement under Part 5.1 of the Corporations Act which has received all necessary approvals, including all such necessary approvals by shareholders of the Company and courts,

provided that, if for any reason any or all Escrow Shares are not transferred or cancelled in accordance with a Takeover Bid (including because the Takeover Bid does not become unconditional) or scheme of arrangement described in clauses 3.2(a) or 3.2(c), then the Holder agrees that the restrictions applying to the Escrow Shares under this deed (including under clauses 2.1 and 2.2) will continue to apply and without limiting the foregoing, the Holding Lock will be re-applied to all Escrow Shares not so transferred or cancelled.

3.3 Controller reorganisations

Clauses 2.1 and 2.2 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares or Controller Interests to enable the Controller (if any) to undertake a reorganisation of its affairs, subject to:

- (a) the prior consent of the Company in writing;
- (b) Controller retaining ultimate control of (and full economic exposure to) the Escrow Shares; and
- (c) any new holder of the Escrow Shares or Controller Interests agreeing to be bound by a deed in substantially the same terms as this deed.

3.4 Other exceptions

Clauses 2.1 and 2.2 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares or Controller Interests:

- (a) **(court order)** pursuant to an order of a court of competent jurisdiction compelling any Escrow Shares or Controller Interests to be disposed of or a Security Interest granted over them; or
- (b) **(death or incapacity)** death or incapacity of the Controller (if any), provided that the transferee of the Escrow Shares or Controller Interests has agreed to be bound by a deed in substantially the same terms as this deed in respect of the Escrow Shares or Controller Interests.

4 Termination

- (a) This deed terminates with immediate effect and without the action of any party upon the end of the Escrow Period.

- (b) The Company will procure that the Share Registry releases the Holding Lock in respect of the Escrow Shares, if still in effect, as soon as possible following termination of this deed.

5 Warranties and acknowledgement

5.1 Giving of warranties

Each of the warranties and representations in this clause 5 is given by the Holder or the Controller (if any), as applicable, in favour of the Company:

- (a) as at the date of this deed, unless a later date is specified in clause 5.2; and
- (b) from the applicable date under clause 5.1(a), at all times until expiry of the Escrow Period.

The warranties and representations in this clause 5 are given in respect of any and all Escrow Shares from time to time during the Escrow Period.

5.2 Holder warranties and representations

Each of the Holder and the Controller (if any) jointly and severally warrant and represent the following:

- (a) prior to the Escrow Period it has not done (and will not do), or omitted to do (or will not omit to do), any act which would result in a Dealing in Escrow Shares (or any other breach of clauses 2.1 or 2.2) which will take effect during the Escrow Period;
- (b) the Holder holds the Escrow Shares set out in item 3 of the Schedule on behalf of the Controller (if any) and the Controller (if any) holds the Controller Interests;
- (c) the Escrow Shares, as set out in item 3 of the Schedule, are all the securities, substantial economic interests or other interests that the Holder directly or indirectly has in the Company on behalf of the Controller (if any);
- (d) the Escrow Shares and the Controller Interests are free from all Security Interests and other third party interests or rights;
- (e) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder or the Controller (if any) has entered into this deed as a trustee ("**Trustee**"), under the trust deed for the relevant trust ("**Trust**"));
- (f) it has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (g) this deed constitutes a legal, valid and binding obligation on it and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (h) no person (other than the Controller) has the power to direct or cause the direction of the management of the Holder, whether through the ownership of voting securities or by agreement or by virtue of any person being the manager or adviser of the Holder or otherwise;

- (i) the execution, delivery and performance by each Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents, if any, (or, if the Holder or the Controller (if any) is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Holder ;and
- (j) if the Holder or the Controller (if any) is a Trustee:
 - (i) the Trustee is the sole trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust;
 - (ii) the Trustee has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Trustee has not released or disposed of its equitable lien over those Trust assets; and
 - (iii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.

5.3 Survival of warranties and representations

The warranties and representations in this clause 5 survive the termination of this deed.

6 Consequences of breaching this deed

- (a) If the Holder or the Controller (if any) breaches this deed or the Company believes that a prospective breach of this deed may occur, each of the following applies:
 - (i) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach or prospective breach; and
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment, transfer of or other Dealing in any of the Holder's Escrow Shares.
- (b) The parties agree that damages would be an insufficient remedy for a breach or prospective breach of this deed by the Holder or the Controller (if any) and each of the Holder and Controller (if any) agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's or Controller's (as applicable) obligations under this deed, without proof of actual damage and without prejudice to any of the Company's other rights or remedies.

7 Notices and other communications

7.1 Form - all communications

Unless expressly stated otherwise in this deed, all notices, certificates, consents, approvals, waivers and other communications in connection with this deed must be:

- (a) in writing;
- (b) in English or accompanied by a certified translation into English;
- (c) signed by the sender (if an individual) or a person duly authorised by the sender; and
- (d) marked for the attention of the person identified or referred to in the Details or Schedule or, if the recipient has notified otherwise, then marked for attention in the way last notified.

7.2 Form - communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 7.1. However, the email:

- (a) must state the first and last name of the sender; and
- (b) must be in plain text format or, if attached to an email, must be an Adobe Portable Document Format (pdf) file.

Communications sent by email are taken to be signed by the named sender.

7.3 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details or Schedule 1; or
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details or Schedule 1; or
- (c) sent by email to the address set out or referred to in the Details or Schedule 1; or
- (d) given in any other way permitted by law.

However, if the intended recipient has notified a changed address or email address, then communications must be to that address or email address.

7.4 When effective

Communications take effect from the time they are received or taken to be received under clause 7.5 (whichever happens first) unless a later time is specified.

7.5 When taken to be received

Communications are taken to be received:

- (a) if sent by post, three days after posting (or seven days after posting if sent from one country to another); or

- (b) if sent by email;
 - (i) when the sender receives an automated message confirming delivery; or
 - (ii) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first.

7.6 Receipt outside business hours

Despite clauses 7.4 and 7.5, if communications are received or taken to be received under clause 7.5 after 5.00pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

8 General provisions

8.1 Invalid or unenforceable provisions

If a provision of this deed is invalid or unenforceable in a jurisdiction:

- (a) it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability; and
- (b) it does not affect the validity or enforceability of:
 - (i) that provision in another jurisdiction; or
 - (ii) the remaining provisions.

8.2 Waiver and exercise of rights

- (a) A waiver by a party of a provision or a right under this deed is binding on the party granting the waiver only if it is given in writing and is signed by the party or an officer of the party granting the waiver.
- (b) A waiver is effective only in the specific instance and for the specific purpose for which it is given.
- (c) A single or partial exercise of a right by a party does not preclude another or further exercise or attempted exercise of that right or the exercise of another right.
- (d) Failure by a party to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

8.3 Amendment

This deed may be amended only by a document signed by all parties.

8.4 Further assurances

The Holder and the Controller (if any) each undertake to, and to procure that all persons under their respective Control, do all things necessary or desirable to effect the transactions contemplated by this deed as expeditiously as possible, including executing, delivering or completing any form, document or instrument

necessary or desirable to give effect to any of the transactions contemplated by this deed.

8.5 PPSA further steps

If the Company determines that this deed results in the creation of a PPSA Security Interest, the Holder and the Controller (if any) each agree to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which the Company reasonably asks and considers necessary for the purposes of:

- (a) ensuring that the PPSA Security Interest is enforceable, perfected and otherwise effective;
- (b) enabling the Company to apply for any registration, or give any notification, in connection with the PPSA Security Interest so that the PPSA Security Interest has the priority required by the Company; and
- (c) enabling the Company to exercise rights in connection with the PPSA Security Interest.

8.6 Non-merger

The warranties, other representations and undertakings by the parties in this deed are continuing and will not merge or be extinguished on Completion of the Offer.

8.7 Assignment

The Holder and the Controller (if any) must not transfer, assign, create an interest in, or deal in any other way with, any of its rights or obligations under this deed without the prior written consent of the Company.

8.8 Entire agreement

This deed and the documents referred to in this deed are the entire agreement of the parties about the subject matter of this deed and supersede any representations, negotiations, arrangements, understandings or agreements and all other communications.

8.9 Remedies

The rights, remedies and powers of the parties under this deed are cumulative and not exclusive of any rights, remedies or powers provided to the parties by law.

8.10 Inconsistent agreements

If a provision of this deed is inconsistent with a provision of any other agreement, document, representation, negotiation, arrangement or understanding between the Holder or the Controller (if any) and any other person, the provision of this deed prevails.

8.11 Successors and assigns

This deed is binding on, and has effect for the benefit of, the parties and their respective successors and permitted assigns and, in the case of the Holder and the Controller (if any), his or her personal representatives and any trustee, receiver or other person lawfully acting on his or her behalf.

8.12 Approvals and consents

Except where this deed expressly states otherwise, a party or other person referred to in this deed (including the Board) may, in its absolute discretion, give conditionally or unconditionally or withhold any approval, consent, resolution or determination under this deed.

8.13 Counterparts

This deed may be signed in counterparts and all counterparts taken together constitute one document.

8.14 Governing law

This deed is governed by the laws of New South Wales.

8.15 Jurisdiction

Each party irrevocably and unconditionally:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales; and
- (b) waives any claim or objection based on absence of jurisdiction or inconvenient forum.

9 Capacity

If the Holder or the Controller (if any) has entered into this deed as a Trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 9 but subject to paragraph 9(c), the Holder or the Controller (as applicable) enters into this deed only in its capacity as Trustee of the relevant Trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder or the Controller (as applicable) only to the extent which it can be satisfied out of the property of the relevant Trust for which the Holder or Controller (as applicable) is actually indemnified for the liability. The Holder or the Controller (as applicable) will exercise its rights of indemnification in order to satisfy its obligations under this deed;
- (b) subject to paragraph 9(c), a party to this deed may not sue the Holder or the Controller (as applicable) in any capacity other than as Trustee in respect of the relevant Trust, including seeking the appointment to the Holder or Controller (as applicable) of a receiver (except in relation to the property of the relevant Trust), a liquidator, administrator or any similar person; and
- (c) the provisions of this clause 9 will not apply to any obligation or liability of the Holder or the Controller (as applicable) to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction in the extent, or elimination of, the Holder's or Controller's (as applicable) right of indemnification out of the assets of the relevant Trust, or the right does not exist at all, as a result of the Holder's or the Controller's (as applicable) fraud, negligence, improper performance of duties or breach of trust.

EXECUTED as a deed

Escrow Deed

Schedule 1 - Details

Item 1. Holder

Name: John Emery Kennedy as trustee of the John Kennedy Testamentary Trust

Address: 149 Darling Point Road, Darling Point NSW 2027

Email: jkennedy@bigpond.net.au

Attention: John Emery Kennedy

Item 2. Controller (if any)

Name: Not applicable

Address: Not applicable

Email: Not applicable

Attention: Not applicable

Item 3. Escrow Shares

1,771,042 Shares to be issued to the Holder on or about the date of this deed.

Escrow Deed

Signing page

DATED: _____

EXECUTED by **ESTIA HEALTH LIMITED** in accordance with section 127(1) of the Corporations Act 2001 (Cth) by authority of its directors:

.....
Signature of director

.....
Name of director (block letters)

.....
Signature of director/company secretary*

*delete whichever is not applicable

.....
Name of director/company secretary* (block letters)

*delete whichever is not applicable

SIGNED, SEALED AND DELIVERED by **John Emery Kennedy as trustee of the John Kennedy Testamentary Trust** in the presence of:

.....
Signature of witness

.....
Name of witness (block letters)

.....
Signature of John Emery Kennedy as trustee of the John Kennedy Testamentary Trust

Escrow Deed

Dated

Estia Health Limited (ACN 160 986 201) ("**Company**")

The "**Holder**" whose details are set out in Schedule 1

The "**Controller**" whose details are set out in Schedule 1 (if any)

King & Wood Mallesons

Level 61

Governor Phillip Tower

1 Farrer Place

Sydney NSW 2000

Australia

T +61 2 9296 2000

F +61 2 9296 3999

DX 113 Sydney

www.kwm.com

Escrow Deed

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Escrow Deed

Details

Parties	Company, Holder and Controller (if any)	
Company	Name	Estia Health Limited
	ACN	160 986 201
	Address	357 Camberwell Road Camberwell VIC 3124
	Telephone	+61 3 9811 9777
	Email	Suzy.Watson@estiahealth.com.au
	Attention	Company Secretary
Holder	The Holder whose name and address are set out in Schedule 1.	
Controller	The Controller whose name and address are set out in Schedule 1 (if any).	
Recitals	A	The Holder is a shareholder of the Company and the Controller (if any) is the ultimate beneficial owner of all of the Shares held by the Holder.
	B	The Holder undertakes to the Company to hold the Escrow Shares pursuant and subject to the terms of this deed.
	C	The Controller (if any) undertakes to the Company to hold the Controller Interests pursuant and subject to the terms of this deed.
Governing law	New South Wales	
Date of deed	See signing page	

Escrow Deed

General terms

1 Definitions and interpretation

1.1 Definitions

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or the financial market conducted by ASX Limited, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Board means the board of directors of the Company.

Business Day means a business day as defined in the ASX Listing Rules.

Claim means any claim, cost (including legal costs on a solicitor and client basis), damages, debt, expense, tax, liability, loss, obligation, allegation, suit, action, demand, cause of action, proceeding or judgment of any kind however calculated or caused, and whether direct or indirect, consequential, incidental or economic.

Control means, in respect of a person, the capacity to determine the outcome of decisions in relation to the financial and operating policies of that person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise (and, without limiting the previous words, a person is deemed to Control another person if it holds, directly or indirectly, together with other persons it Controls, the beneficial interest in more than 50% of the total voting rights in the other person) and **Controlled** and **Controlling** have corresponding meanings.

Controller Interests means all Securities and legal, beneficial, economic or other interests in the Escrow Shares and each intermediate entity through which that interest occurs.

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

Deal means:

- (a) sell, assign, transfer or otherwise dispose (including to 'dispose' as defined in the ASX Listing Rules);
- (b) offer to sell, assign, transfer or otherwise dispose (including to 'dispose' as defined in the ASX Listing Rules);
- (c) enter into any option which, if exercised, enables or requires the holder to sell, assign, transfer or otherwise dispose;

- (d) create or agree to offer to create or permit to be created any Security Interest in; or
- (e) agree (or agree to offer) to do any of these things,

and **Dealing** has a corresponding meaning.

Escrow Period means the period commencing on the date of this deed and ending on the date which is 12 months from the date of this deed.

Escrow Shares means all of the Escrow Shares listed in Item 3 of Schedule 1.

Group means the Company and all of its Subsidiaries from time to time and **Group Company** means any one of them.

Holding Lock has the meaning given in section 2 of the ASX Settlement Operating Rules.

Issuer Sponsored Subregister has the meaning given in section 2 of the ASX Settlement Operating Rules.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPSA Security Interest means a “security interest” within the meaning of the PPSA.

Security Interest means an interest or power:

- (a) reserved in or over an interest in any securities including, any retention of title; or
- (b) created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, but is not limited to:

- (c) any agreement to grant or create any of the above; and
- (d) a PPSA Security Interest.

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

Share Registry means the share registry engaged by the Company to administer and manage its register of members.

Subsidiary has the meaning given in the Corporations Act.

Takeover Bid means a takeover bid for some or all Shares under Chapter 6 of the Corporations Act.

Voluntary Escrow Deed means a voluntary escrow deed entered into with respect to Shares.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation.

In this deed, unless the context requires another meaning:

- (a) a reference to:
 - (i) the singular includes the plural and vice versa;
 - (ii) a gender includes all genders;
 - (iii) a document (including this deed) is a reference to that document as amended, consolidated, supplemented, novated or replaced;
 - (iv) an agreement includes any undertaking, representation, deed, agreement or legally enforceable arrangement or understanding whether written or not;
 - (v) a party means a party to this deed;
 - (vi) an item, Recital, clause, provision, Schedule or Annexure is to an item, Recital, clause, provision, Schedule or Annexure of or to this deed;
 - (vii) a person (including a party) includes:
 - (A) an individual, company, other body corporate, association, partnership, firm, joint venture, trust or government agency; and
 - (B) the person's successors, permitted assigns, substitutes, executors and administrators;
 - (viii) a law includes any legislation, judgment, rule of common law or equity or rule of any applicable stock exchange, and is a reference to that law as amended, consolidated, supplemented or replaced and includes a reference to any regulation, by-law or other subordinate legislation;
 - (ix) time is to prevailing Sydney time; and
 - (x) the words "including" or "includes" means "including, but not limited to", or "includes, without limitation" respectively;
- (b) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (c) headings and the Recitals are for convenience only and do not affect interpretation of this deed;
- (d) if a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day;
- (e) a warranty, representation, covenant or obligation given or entered into by more than one person binds them severally but not jointly;
- (f) unless otherwise expressly provided in this deed, if a period must be calculated from, after or before a day or the day of an act or event, it must be calculated excluding that day;
- (g) "writing" and "written" includes printing, typing and other modes of reproducing words in a visible form including any representation of words in a physical document or in an electronic communication or form or otherwise;

- (h) the word “law” includes common law, principles of equity and legislation, and a reference to legislation includes regulations and other instruments under it and any variation or replacement of any of them; and
- (i) the meaning of general words is not limited by specific examples introduced by “including”, “for example” or “such as” or similar expressions.

1.3 Compliance with ASX Listing Rules

For so long as the Company is listed on the official list of ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules this deed is deemed not to contain that provision to the extent of the inconsistency.

2 Escrow

2.1 Holder restrictions

Subject to clause 3, during the Escrow Period the Holder agrees that it will not:

- (a) Deal with;
- (b) Deal in any interest (including any economic interest) or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest (including any economic interest) or right in respect of,

any or all of the Escrow Shares.

2.2 Controller restrictions

Subject to clause 3, during the Escrow Period the Controller (if any) agrees that he or she will not:

- (a) Deal with;
- (b) Deal in any interest or right in respect of; or

- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of the Controller Interests or do anything else which effectively circumvents the substantive terms of the escrow contemplated by this deed.

2.3 Escrow restrictions and Holding Lock

The parties acknowledge and agree that:

- (a) **(registration)** as soon as practicable following the settlement of the Offer the Escrow Shares will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) **(Holding Lock)** the Company will apply a Holding Lock on the Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister and the Holder agrees to the application of the Holding Lock; and
- (c) **(release)** the Company will do all things necessary to ensure that the Holding Lock is released:
 - (i) to the extent necessary to permit Dealings of the Escrow Shares permitted by this deed; and
 - (ii) in full at the conclusion of the Escrow Period.

including notifying the ASX that the Escrow Shares will be released from the Holding Lock, in accordance with the timing requirements set out in ASX Listing Rule 3.10A.

2.4 Notice to the Company

If the Holder or the Controller (if any) becomes aware:

- (a) that any action, event or circumstance referred to in clauses 2.1 or 2.2 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clauses 2.1 or 2.2 during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or matter, as applicable, providing full details.

3 Exceptions to escrow restrictions

3.1 Dividends and voting rights

The parties agree that except as expressly provided in clause 2, the terms of this deed will have no effect on any rights of the Holder to receive dividends attaching to the Escrow Shares or to exercise voting rights in respect of the Escrow Shares.

3.2 Takeovers, mergers and reorganisations

Clause 2.1 will cease to apply to the extent necessary to allow:

- (a) **(Takeover Bid)** the Holder to accept an offer made under a Takeover Bid for any of the Escrow Shares, provided that holders of not less than 50% of Shares that are not subject to a Voluntary Escrow Deed have accepted the Takeover Bid;
- (b) **(Bid acceptance facility)** the Holder to tender any of the Escrow Shares into a bid acceptance facility established in connection with a Takeover Bid, provided that holders of not less than 50% of Shares that are not subject to a Voluntary Escrow Deed have either accepted the Takeover Bid or tendered (and not withdrawn) their Shares into the bid acceptance facility; or
- (c) **(scheme)** the Escrow Shares to be transferred or cancelled as part of a merger or an acquisition of share capital being implemented by way of a scheme of arrangement under Part 5.1 of the Corporations Act which has received all necessary approvals, including all such necessary approvals by shareholders of the Company and courts,

provided that, if for any reason any or all Escrow Shares are not transferred or cancelled in accordance with a Takeover Bid (including because the Takeover Bid does not become unconditional) or scheme of arrangement described in clauses 3.2(a) or 3.2(c), then the Holder agrees that the restrictions applying to the Escrow Shares under this deed (including under clauses 2.1 and 2.2) will continue to apply and without limiting the foregoing, the Holding Lock will be re-applied to all Escrow Shares not so transferred or cancelled.

3.3 Controller reorganisations

Clauses 2.1 and 2.2 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares or Controller Interests to enable the Controller (if any) to undertake a reorganisation of its affairs, subject to:

- (a) the prior consent of the Company in writing;
- (b) Controller retaining ultimate control of (and full economic exposure to) the Escrow Shares; and
- (c) any new holder of the Escrow Shares or Controller Interests agreeing to be bound by a deed in substantially the same terms as this deed.

3.4 Other exceptions

Clauses 2.1 and 2.2 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares or Controller Interests:

- (a) **(court order)** pursuant to an order of a court of competent jurisdiction compelling any Escrow Shares or Controller Interests to be disposed of or a Security Interest granted over them; or
- (b) **(death or incapacity)** death or incapacity of the Controller (if any), provided that the transferee of the Escrow Shares or Controller Interests has agreed to be bound by a deed in substantially the same terms as this deed in respect of the Escrow Shares or Controller Interests.

4 Termination

- (a) This deed terminates with immediate effect and without the action of any party upon the end of the Escrow Period.

- (b) The Company will procure that the Share Registry releases the Holding Lock in respect of the Escrow Shares, if still in effect, as soon as possible following termination of this deed.

5 Warranties and acknowledgement

5.1 Giving of warranties

Each of the warranties and representations in this clause 5 is given by the Holder or the Controller (if any), as applicable, in favour of the Company:

- (a) as at the date of this deed, unless a later date is specified in clause 5.2; and
- (b) from the applicable date under clause 5.1(a), at all times until expiry of the Escrow Period.

The warranties and representations in this clause 5 are given in respect of any and all Escrow Shares from time to time during the Escrow Period.

5.2 Holder warranties and representations

Each of the Holder and the Controller (if any) jointly and severally warrant and represent the following:

- (a) prior to the Escrow Period it has not done (and will not do), or omitted to do (or will not omit to do), any act which would result in a Dealing in Escrow Shares (or any other breach of clauses 2.1 or 2.2) which will take effect during the Escrow Period;
- (b) the Holder holds the Escrow Shares set out in item 3 of the Schedule on behalf of the Controller (if any) and the Controller (if any) holds the Controller Interests;
- (c) the Escrow Shares, as set out in item 3 of the Schedule, are all the securities, substantial economic interests or other interests that the Holder directly or indirectly has in the Company on behalf of the Controller (if any);
- (d) the Escrow Shares and the Controller Interests are free from all Security Interests and other third party interests or rights;
- (e) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder or the Controller (if any) has entered into this deed as a trustee ("**Trustee**"), under the trust deed for the relevant trust ("**Trust**"));
- (f) it has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (g) this deed constitutes a legal, valid and binding obligation on it and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (h) no person (other than the Controller) has the power to direct or cause the direction of the management of the Holder, whether through the ownership of voting securities or by agreement or by virtue of any person being the manager or adviser of the Holder or otherwise;

- (i) the execution, delivery and performance by each Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents, if any, (or, if the Holder or the Controller (if any) is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Holder ;and
- (j) if the Holder or the Controller (if any) is a Trustee:
 - (i) the Trustee is the sole trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust;
 - (ii) the Trustee has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Trustee has not released or disposed of its equitable lien over those Trust assets; and
 - (iii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettlement the Trust.

5.3 Survival of warranties and representations

The warranties and representations in this clause 5 survive the termination of this deed.

6 Consequences of breaching this deed

- (a) If the Holder or the Controller (if any) breaches this deed or the Company believes that a prospective breach of this deed may occur, each of the following applies:
 - (i) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach or prospective breach; and
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment, transfer of or other Dealing in any of the Holder's Escrow Shares.
- (b) The parties agree that damages would be an insufficient remedy for a breach or prospective breach of this deed by the Holder or the Controller (if any) and each of the Holder and Controller (if any) agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's or Controller's (as applicable) obligations under this deed, without proof of actual damage and without prejudice to any of the Company's other rights or remedies.

7 Notices and other communications

7.1 Form - all communications

Unless expressly stated otherwise in this deed, all notices, certificates, consents, approvals, waivers and other communications in connection with this deed must be:

- (a) in writing;
- (b) in English or accompanied by a certified translation into English;
- (c) signed by the sender (if an individual) or a person duly authorised by the sender; and
- (d) marked for the attention of the person identified or referred to in the Details or Schedule or, if the recipient has notified otherwise, then marked for attention in the way last notified.

7.2 Form - communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 7.1. However, the email:

- (a) must state the first and last name of the sender; and
- (b) must be in plain text format or, if attached to an email, must be an Adobe Portable Document Format (pdf) file.

Communications sent by email are taken to be signed by the named sender.

7.3 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details or Schedule 1; or
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details or Schedule 1; or
- (c) sent by email to the address set out or referred to in the Details or Schedule 1; or
- (d) given in any other way permitted by law.

However, if the intended recipient has notified a changed address or email address, then communications must be to that address or email address.

7.4 When effective

Communications take effect from the time they are received or taken to be received under clause 7.5 (whichever happens first) unless a later time is specified.

7.5 When taken to be received

Communications are taken to be received:

- (a) if sent by post, three days after posting (or seven days after posting if sent from one country to another); or

- (b) if sent by email;
 - (i) when the sender receives an automated message confirming delivery; or
 - (ii) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first.

7.6 Receipt outside business hours

Despite clauses 7.4 and 7.5, if communications are received or taken to be received under clause 7.5 after 5.00pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

8 General provisions

8.1 Invalid or unenforceable provisions

If a provision of this deed is invalid or unenforceable in a jurisdiction:

- (a) it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability; and
- (b) it does not affect the validity or enforceability of:
 - (i) that provision in another jurisdiction; or
 - (ii) the remaining provisions.

8.2 Waiver and exercise of rights

- (a) A waiver by a party of a provision or a right under this deed is binding on the party granting the waiver only if it is given in writing and is signed by the party or an officer of the party granting the waiver.
- (b) A waiver is effective only in the specific instance and for the specific purpose for which it is given.
- (c) A single or partial exercise of a right by a party does not preclude another or further exercise or attempted exercise of that right or the exercise of another right.
- (d) Failure by a party to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

8.3 Amendment

This deed may be amended only by a document signed by all parties.

8.4 Further assurances

The Holder and the Controller (if any) each undertake to, and to procure that all persons under their respective Control, do all things necessary or desirable to effect the transactions contemplated by this deed as expeditiously as possible, including executing, delivering or completing any form, document or instrument

necessary or desirable to give effect to any of the transactions contemplated by this deed.

8.5 PPSA further steps

If the Company determines that this deed results in the creation of a PPSA Security Interest, the Holder and the Controller (if any) each agree to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which the Company reasonably asks and considers necessary for the purposes of:

- (a) ensuring that the PPSA Security Interest is enforceable, perfected and otherwise effective;
- (b) enabling the Company to apply for any registration, or give any notification, in connection with the PPSA Security Interest so that the PPSA Security Interest has the priority required by the Company; and
- (c) enabling the Company to exercise rights in connection with the PPSA Security Interest.

8.6 Non-merger

The warranties, other representations and undertakings by the parties in this deed are continuing and will not merge or be extinguished on Completion of the Offer.

8.7 Assignment

The Holder and the Controller (if any) must not transfer, assign, create an interest in, or deal in any other way with, any of its rights or obligations under this deed without the prior written consent of the Company.

8.8 Entire agreement

This deed and the documents referred to in this deed are the entire agreement of the parties about the subject matter of this deed and supersede any representations, negotiations, arrangements, understandings or agreements and all other communications.

8.9 Remedies

The rights, remedies and powers of the parties under this deed are cumulative and not exclusive of any rights, remedies or powers provided to the parties by law.

8.10 Inconsistent agreements

If a provision of this deed is inconsistent with a provision of any other agreement, document, representation, negotiation, arrangement or understanding between the Holder or the Controller (if any) and any other person, the provision of this deed prevails.

8.11 Successors and assigns

This deed is binding on, and has effect for the benefit of, the parties and their respective successors and permitted assigns and, in the case of the Holder and the Controller (if any), his or her personal representatives and any trustee, receiver or other person lawfully acting on his or her behalf.

8.12 Approvals and consents

Except where this deed expressly states otherwise, a party or other person referred to in this deed (including the Board) may, in its absolute discretion, give conditionally or unconditionally or withhold any approval, consent, resolution or determination under this deed.

8.13 Counterparts

This deed may be signed in counterparts and all counterparts taken together constitute one document.

8.14 Governing law

This deed is governed by the laws of New South Wales.

8.15 Jurisdiction

Each party irrevocably and unconditionally:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales; and
- (b) waives any claim or objection based on absence of jurisdiction or inconvenient forum.

9 Capacity

If the Holder or the Controller (if any) has entered into this deed as a Trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 9 but subject to paragraph 9(c), the Holder or the Controller (as applicable) enters into this deed only in its capacity as Trustee of the relevant Trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder or the Controller (as applicable) only to the extent which it can be satisfied out of the property of the relevant Trust for which the Holder or Controller (as applicable) is actually indemnified for the liability. The Holder or the Controller (as applicable) will exercise its rights of indemnification in order to satisfy its obligations under this deed;
- (b) subject to paragraph 9(c), a party to this deed may not sue the Holder or the Controller (as applicable) in any capacity other than as Trustee in respect of the relevant Trust, including seeking the appointment to the Holder or Controller (as applicable) of a receiver (except in relation to the property of the relevant Trust), a liquidator, administrator or any similar person; and
- (c) the provisions of this clause 9 will not apply to any obligation or liability of the Holder or the Controller (as applicable) to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction in the extent, or elimination of, the Holder's or Controller's (as applicable) right of indemnification out of the assets of the relevant Trust, or the right does not exist at all, as a result of the Holder's or the Controller's (as applicable) fraud, negligence, improper performance of duties or breach of trust.

EXECUTED as a deed

Escrow Deed

Schedule 1 - Details

Item 1. Holder

Name: Kennbros Pty Limited ABN 56 095 220 750

Address: 74-76 Rocky Point Road, Kogarah New South Wales 2217

Email: jkennedy@bigpond.net.au,
botanytank2019@yahoo.com.au

Attention: John Emery Kennedy and Thomas Emery Kennedy

Item 2. Controller (if any)

Name: John Emery Kennedy

Address: 149 Darling Point Road, Darling Point NSW 2027

Email: jkennedy@bigpond.net.au

Attention: John Emery Kennedy

Name: Thomas Emery Kennedy

Address: 27 Bundarra Road, Bellevue Hill NSW 2023

Email: botanytank2019@yahoo.com.au

Attention: Thomas Emery Kennedy

Item 3. Escrow Shares

1,416,834 Shares to be issued to the Holder on or about the date of this deed.

Escrow Deed

Signing page

DATED: _____

**EXECUTED by ESTIA HEALTH
LIMITED** in accordance with section
127(1) of the Corporations Act 2001
(Cth) by authority of its directors:

.....
Signature of director

.....
Name of director (block letters)

.....
Signature of director/company
secretary*

*delete whichever is not applicable

.....
Name of director/company secretary*
(block letters)

*delete whichever is not applicable

**EXECUTED by KENNBROS PTY
LIMITED** in accordance with section
127(1) of the Corporations Act 2001
(Cth) by authority of its directors:

.....
Signature of director

.....
Name of director (block letters)

.....
Signature of director/company
secretary*

*delete whichever is not applicable

.....
Name of director/company secretary*
(block letters)

*delete whichever is not applicable

SIGNED, SEALED AND DELIVERED
by **JOHN EMERY KENNEDY** in the
presence of:

.....
Signature of witness

.....
Name of witness (block letters)

.....
Signature of John Emery Kennedy

SIGNED, SEALED AND DELIVERED)
by **THOMAS EMERY KENNEDY** in the)
presence of:)
)
)
.....)
Signature of witness)
)
.....)
Name of witness (block letters))
)

.....
Signature of Thomas Emery Kennedy

Escrow Deed

Dated

Estia Health Limited (ACN 160 986 201) ("**Company**")

The "**Holder**" whose details are set out in Schedule 1

The "**Controller**" whose details are set out in Schedule 1 (if any)

King & Wood Mallesons

Level 61

Governor Phillip Tower

1 Farrer Place

Sydney NSW 2000

Australia

T +61 2 9296 2000

F +61 2 9296 3999

DX 113 Sydney

www.kwm.com

Escrow Deed

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Escrow Deed

Details

Parties	Company, Holder and Controller (if any)	
Company	Name	Estia Health Limited
	ACN	160 986 201
	Address	357 Camberwell Road Camberwell VIC 3124
	Telephone	+61 3 9811 9777
	Email	Suzy.Watson@estiahealth.com.au
	Attention	Company Secretary
Holder	The Holder whose name and address are set out in Schedule 1.	
Controller	The Controller whose name and address are set out in Schedule 1 (if any).	
Recitals	A	The Holder is a shareholder of the Company and the Controller (if any) is the ultimate beneficial owner of all of the Shares held by the Holder.
	B	The Holder undertakes to the Company to hold the Escrow Shares pursuant and subject to the terms of this deed.
	C	The Controller (if any) undertakes to the Company to hold the Controller Interests pursuant and subject to the terms of this deed.
Governing law	New South Wales	
Date of deed	See signing page	

Escrow Deed

General terms

1 Definitions and interpretation

1.1 Definitions

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or the financial market conducted by ASX Limited, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Board means the board of directors of the Company.

Business Day means a business day as defined in the ASX Listing Rules.

Claim means any claim, cost (including legal costs on a solicitor and client basis), damages, debt, expense, tax, liability, loss, obligation, allegation, suit, action, demand, cause of action, proceeding or judgment of any kind however calculated or caused, and whether direct or indirect, consequential, incidental or economic.

Control means, in respect of a person, the capacity to determine the outcome of decisions in relation to the financial and operating policies of that person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise (and, without limiting the previous words, a person is deemed to Control another person if it holds, directly or indirectly, together with other persons it Controls, the beneficial interest in more than 50% of the total voting rights in the other person) and **Controlled** and **Controlling** have corresponding meanings.

Controller Interests means all Securities and legal, beneficial, economic or other interests in the Escrow Shares and each intermediate entity through which that interest occurs.

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

Deal means:

- (a) sell, assign, transfer or otherwise dispose (including to 'dispose' as defined in the ASX Listing Rules);
- (b) offer to sell, assign, transfer or otherwise dispose (including to 'dispose' as defined in the ASX Listing Rules);
- (c) enter into any option which, if exercised, enables or requires the holder to sell, assign, transfer or otherwise dispose;

- (d) create or agree to offer to create or permit to be created any Security Interest in; or
- (e) agree (or agree to offer) to do any of these things,

and **Dealing** has a corresponding meaning.

Escrow Period means the period commencing on the date of this deed and ending on the date which is 12 months from the date of this deed.

Escrow Shares means all of the Escrow Shares listed in Item 3 of Schedule 1.

Group means the Company and all of its Subsidiaries from time to time and **Group Company** means any one of them.

Holding Lock has the meaning given in section 2 of the ASX Settlement Operating Rules.

Issuer Sponsored Subregister has the meaning given in section 2 of the ASX Settlement Operating Rules.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPSA Security Interest means a “security interest” within the meaning of the PPSA.

Security Interest means an interest or power:

- (a) reserved in or over an interest in any securities including, any retention of title; or
- (b) created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, but is not limited to:

- (c) any agreement to grant or create any of the above; and
- (d) a PPSA Security Interest.

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

Share Registry means the share registry engaged by the Company to administer and manage its register of members.

Subsidiary has the meaning given in the Corporations Act.

Takeover Bid means a takeover bid for some or all Shares under Chapter 6 of the Corporations Act.

Voluntary Escrow Deed means a voluntary escrow deed entered into with respect to Shares.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation.

In this deed, unless the context requires another meaning:

- (a) a reference to:
 - (i) the singular includes the plural and vice versa;
 - (ii) a gender includes all genders;
 - (iii) a document (including this deed) is a reference to that document as amended, consolidated, supplemented, novated or replaced;
 - (iv) an agreement includes any undertaking, representation, deed, agreement or legally enforceable arrangement or understanding whether written or not;
 - (v) a party means a party to this deed;
 - (vi) an item, Recital, clause, provision, Schedule or Annexure is to an item, Recital, clause, provision, Schedule or Annexure of or to this deed;
 - (vii) a person (including a party) includes:
 - (A) an individual, company, other body corporate, association, partnership, firm, joint venture, trust or government agency; and
 - (B) the person's successors, permitted assigns, substitutes, executors and administrators;
 - (viii) a law includes any legislation, judgment, rule of common law or equity or rule of any applicable stock exchange, and is a reference to that law as amended, consolidated, supplemented or replaced and includes a reference to any regulation, by-law or other subordinate legislation;
 - (ix) time is to prevailing Sydney time; and
 - (x) the words "including" or "includes" means "including, but not limited to", or "includes, without limitation" respectively;
- (b) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (c) headings and the Recitals are for convenience only and do not affect interpretation of this deed;
- (d) if a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day;
- (e) a warranty, representation, covenant or obligation given or entered into by more than one person binds them severally but not jointly;
- (f) unless otherwise expressly provided in this deed, if a period must be calculated from, after or before a day or the day of an act or event, it must be calculated excluding that day;
- (g) "writing" and "written" includes printing, typing and other modes of reproducing words in a visible form including any representation of words in a physical document or in an electronic communication or form or otherwise;

- (h) the word “law” includes common law, principles of equity and legislation, and a reference to legislation includes regulations and other instruments under it and any variation or replacement of any of them; and
- (i) the meaning of general words is not limited by specific examples introduced by “including”, “for example” or “such as” or similar expressions.

1.3 Compliance with ASX Listing Rules

For so long as the Company is listed on the official list of ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules this deed is deemed not to contain that provision to the extent of the inconsistency.

2 Escrow

2.1 Holder restrictions

Subject to clause 3, during the Escrow Period the Holder agrees that it will not:

- (a) Deal with;
- (b) Deal in any interest (including any economic interest) or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest (including any economic interest) or right in respect of,

any or all of the Escrow Shares.

2.2 Controller restrictions

Subject to clause 3, during the Escrow Period the Controller (if any) agrees that he or she will not:

- (a) Deal with;
- (b) Deal in any interest or right in respect of; or

- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of the Controller Interests or do anything else which effectively circumvents the substantive terms of the escrow contemplated by this deed.

2.3 Escrow restrictions and Holding Lock

The parties acknowledge and agree that:

- (a) **(registration)** as soon as practicable following the settlement of the Offer the Escrow Shares will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) **(Holding Lock)** the Company will apply a Holding Lock on the Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister and the Holder agrees to the application of the Holding Lock; and
- (c) **(release)** the Company will do all things necessary to ensure that the Holding Lock is released:
 - (i) to the extent necessary to permit Dealings of the Escrow Shares permitted by this deed; and
 - (ii) in full at the conclusion of the Escrow Period.

including notifying the ASX that the Escrow Shares will be released from the Holding Lock, in accordance with the timing requirements set out in ASX Listing Rule 3.10A.

2.4 Notice to the Company

If the Holder or the Controller (if any) becomes aware:

- (a) that any action, event or circumstance referred to in clauses 2.1 or 2.2 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clauses 2.1 or 2.2 during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or matter, as applicable, providing full details.

3 Exceptions to escrow restrictions

3.1 Dividends and voting rights

The parties agree that except as expressly provided in clause 2, the terms of this deed will have no effect on any rights of the Holder to receive dividends attaching to the Escrow Shares or to exercise voting rights in respect of the Escrow Shares.

3.2 Takeovers, mergers and reorganisations

Clause 2.1 will cease to apply to the extent necessary to allow:

- (a) **(Takeover Bid)** the Holder to accept an offer made under a Takeover Bid for any of the Escrow Shares, provided that holders of not less than 50% of Shares that are not subject to a Voluntary Escrow Deed have accepted the Takeover Bid;
- (b) **(Bid acceptance facility)** the Holder to tender any of the Escrow Shares into a bid acceptance facility established in connection with a Takeover Bid, provided that holders of not less than 50% of Shares that are not subject to a Voluntary Escrow Deed have either accepted the Takeover Bid or tendered (and not withdrawn) their Shares into the bid acceptance facility; or
- (c) **(scheme)** the Escrow Shares to be transferred or cancelled as part of a merger or an acquisition of share capital being implemented by way of a scheme of arrangement under Part 5.1 of the Corporations Act which has received all necessary approvals, including all such necessary approvals by shareholders of the Company and courts,

provided that, if for any reason any or all Escrow Shares are not transferred or cancelled in accordance with a Takeover Bid (including because the Takeover Bid does not become unconditional) or scheme of arrangement described in clauses 3.2(a) or 3.2(c), then the Holder agrees that the restrictions applying to the Escrow Shares under this deed (including under clauses 2.1 and 2.2) will continue to apply and without limiting the foregoing, the Holding Lock will be re-applied to all Escrow Shares not so transferred or cancelled.

3.3 Controller reorganisations

Clauses 2.1 and 2.2 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares or Controller Interests to enable the Controller (if any) to undertake a reorganisation of its affairs, subject to:

- (a) the prior consent of the Company in writing;
- (b) Controller retaining ultimate control of (and full economic exposure to) the Escrow Shares; and
- (c) any new holder of the Escrow Shares or Controller Interests agreeing to be bound by a deed in substantially the same terms as this deed.

3.4 Other exceptions

Clauses 2.1 and 2.2 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares or Controller Interests:

- (a) **(court order)** pursuant to an order of a court of competent jurisdiction compelling any Escrow Shares or Controller Interests to be disposed of or a Security Interest granted over them; or
- (b) **(death or incapacity)** death or incapacity of the Controller (if any), provided that the transferee of the Escrow Shares or Controller Interests has agreed to be bound by a deed in substantially the same terms as this deed in respect of the Escrow Shares or Controller Interests.

4 Termination

- (a) This deed terminates with immediate effect and without the action of any party upon the end of the Escrow Period.

- (b) The Company will procure that the Share Registry releases the Holding Lock in respect of the Escrow Shares, if still in effect, as soon as possible following termination of this deed.

5 Warranties and acknowledgement

5.1 Giving of warranties

Each of the warranties and representations in this clause 5 is given by the Holder or the Controller (if any), as applicable, in favour of the Company:

- (a) as at the date of this deed, unless a later date is specified in clause 5.2; and
- (b) from the applicable date under clause 5.1(a), at all times until expiry of the Escrow Period.

The warranties and representations in this clause 5 are given in respect of any and all Escrow Shares from time to time during the Escrow Period.

5.2 Holder warranties and representations

Each of the Holder and the Controller (if any) jointly and severally warrant and represent the following:

- (a) prior to the Escrow Period it has not done (and will not do), or omitted to do (or will not omit to do), any act which would result in a Dealing in Escrow Shares (or any other breach of clauses 2.1 or 2.2) which will take effect during the Escrow Period;
- (b) the Holder holds the Escrow Shares set out in item 3 of the Schedule on behalf of the Controller (if any) and the Controller (if any) holds the Controller Interests;
- (c) the Escrow Shares, as set out in item 3 of the Schedule, are all the securities, substantial economic interests or other interests that the Holder directly or indirectly has in the Company on behalf of the Controller (if any);
- (d) the Escrow Shares and the Controller Interests are free from all Security Interests and other third party interests or rights;
- (e) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder or the Controller (if any) has entered into this deed as a trustee ("**Trustee**"), under the trust deed for the relevant trust ("**Trust**"));
- (f) it has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (g) this deed constitutes a legal, valid and binding obligation on it and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (h) no person (other than the Controller) has the power to direct or cause the direction of the management of the Holder, whether through the ownership of voting securities or by agreement or by virtue of any person being the manager or adviser of the Holder or otherwise;

- (i) the execution, delivery and performance by each Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents, if any, (or, if the Holder or the Controller (if any) is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Holder ;and
- (j) if the Holder or the Controller (if any) is a Trustee:
 - (i) the Trustee is the sole trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust;
 - (ii) the Trustee has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Trustee has not released or disposed of its equitable lien over those Trust assets; and
 - (iii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.

5.3 Survival of warranties and representations

The warranties and representations in this clause 5 survive the termination of this deed.

6 Consequences of breaching this deed

- (a) If the Holder or the Controller (if any) breaches this deed or the Company believes that a prospective breach of this deed may occur, each of the following applies:
 - (i) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach or prospective breach; and
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment, transfer of or other Dealing in any of the Holder's Escrow Shares.
- (b) The parties agree that damages would be an insufficient remedy for a breach or prospective breach of this deed by the Holder or the Controller (if any) and each of the Holder and Controller (if any) agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's or Controller's (as applicable) obligations under this deed, without proof of actual damage and without prejudice to any of the Company's other rights or remedies.

7 Notices and other communications

7.1 Form - all communications

Unless expressly stated otherwise in this deed, all notices, certificates, consents, approvals, waivers and other communications in connection with this deed must be:

- (a) in writing;
- (b) in English or accompanied by a certified translation into English;
- (c) signed by the sender (if an individual) or a person duly authorised by the sender; and
- (d) marked for the attention of the person identified or referred to in the Details or Schedule or, if the recipient has notified otherwise, then marked for attention in the way last notified.

7.2 Form - communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 7.1. However, the email:

- (a) must state the first and last name of the sender; and
- (b) must be in plain text format or, if attached to an email, must be an Adobe Portable Document Format (pdf) file.

Communications sent by email are taken to be signed by the named sender.

7.3 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details or Schedule 1; or
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details or Schedule 1; or
- (c) sent by email to the address set out or referred to in the Details or Schedule 1; or
- (d) given in any other way permitted by law.

However, if the intended recipient has notified a changed address or email address, then communications must be to that address or email address.

7.4 When effective

Communications take effect from the time they are received or taken to be received under clause 7.5 (whichever happens first) unless a later time is specified.

7.5 When taken to be received

Communications are taken to be received:

- (a) if sent by post, three days after posting (or seven days after posting if sent from one country to another); or

- (b) if sent by email;
 - (i) when the sender receives an automated message confirming delivery; or
 - (ii) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first.

7.6 Receipt outside business hours

Despite clauses 7.4 and 7.5, if communications are received or taken to be received under clause 7.5 after 5.00pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

8 General provisions

8.1 Invalid or unenforceable provisions

If a provision of this deed is invalid or unenforceable in a jurisdiction:

- (a) it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability; and
- (b) it does not affect the validity or enforceability of:
 - (i) that provision in another jurisdiction; or
 - (ii) the remaining provisions.

8.2 Waiver and exercise of rights

- (a) A waiver by a party of a provision or a right under this deed is binding on the party granting the waiver only if it is given in writing and is signed by the party or an officer of the party granting the waiver.
- (b) A waiver is effective only in the specific instance and for the specific purpose for which it is given.
- (c) A single or partial exercise of a right by a party does not preclude another or further exercise or attempted exercise of that right or the exercise of another right.
- (d) Failure by a party to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

8.3 Amendment

This deed may be amended only by a document signed by all parties.

8.4 Further assurances

The Holder and the Controller (if any) each undertake to, and to procure that all persons under their respective Control, do all things necessary or desirable to effect the transactions contemplated by this deed as expeditiously as possible, including executing, delivering or completing any form, document or instrument

necessary or desirable to give effect to any of the transactions contemplated by this deed.

8.5 PPSA further steps

If the Company determines that this deed results in the creation of a PPSA Security Interest, the Holder and the Controller (if any) each agree to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which the Company reasonably asks and considers necessary for the purposes of:

- (a) ensuring that the PPSA Security Interest is enforceable, perfected and otherwise effective;
- (b) enabling the Company to apply for any registration, or give any notification, in connection with the PPSA Security Interest so that the PPSA Security Interest has the priority required by the Company; and
- (c) enabling the Company to exercise rights in connection with the PPSA Security Interest.

8.6 Non-merger

The warranties, other representations and undertakings by the parties in this deed are continuing and will not merge or be extinguished on Completion of the Offer.

8.7 Assignment

The Holder and the Controller (if any) must not transfer, assign, create an interest in, or deal in any other way with, any of its rights or obligations under this deed without the prior written consent of the Company.

8.8 Entire agreement

This deed and the documents referred to in this deed are the entire agreement of the parties about the subject matter of this deed and supersede any representations, negotiations, arrangements, understandings or agreements and all other communications.

8.9 Remedies

The rights, remedies and powers of the parties under this deed are cumulative and not exclusive of any rights, remedies or powers provided to the parties by law.

8.10 Inconsistent agreements

If a provision of this deed is inconsistent with a provision of any other agreement, document, representation, negotiation, arrangement or understanding between the Holder or the Controller (if any) and any other person, the provision of this deed prevails.

8.11 Successors and assigns

This deed is binding on, and has effect for the benefit of, the parties and their respective successors and permitted assigns and, in the case of the Holder and the Controller (if any), his or her personal representatives and any trustee, receiver or other person lawfully acting on his or her behalf.

8.12 Approvals and consents

Except where this deed expressly states otherwise, a party or other person referred to in this deed (including the Board) may, in its absolute discretion, give conditionally or unconditionally or withhold any approval, consent, resolution or determination under this deed.

8.13 Counterparts

This deed may be signed in counterparts and all counterparts taken together constitute one document.

8.14 Governing law

This deed is governed by the laws of New South Wales.

8.15 Jurisdiction

Each party irrevocably and unconditionally:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales; and
- (b) waives any claim or objection based on absence of jurisdiction or inconvenient forum.

9 Capacity

If the Holder or the Controller (if any) has entered into this deed as a Trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 9 but subject to paragraph 9(c), the Holder or the Controller (as applicable) enters into this deed only in its capacity as Trustee of the relevant Trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder or the Controller (as applicable) only to the extent which it can be satisfied out of the property of the relevant Trust for which the Holder or Controller (as applicable) is actually indemnified for the liability. The Holder or the Controller (as applicable) will exercise its rights of indemnification in order to satisfy its obligations under this deed;
- (b) subject to paragraph 9(c), a party to this deed may not sue the Holder or the Controller (as applicable) in any capacity other than as Trustee in respect of the relevant Trust, including seeking the appointment to the Holder or Controller (as applicable) of a receiver (except in relation to the property of the relevant Trust), a liquidator, administrator or any similar person; and
- (c) the provisions of this clause 9 will not apply to any obligation or liability of the Holder or the Controller (as applicable) to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction in the extent, or elimination of, the Holder's or Controller's (as applicable) right of indemnification out of the assets of the relevant Trust, or the right does not exist at all, as a result of the Holder's or the Controller's (as applicable) fraud, negligence, improper performance of duties or breach of trust.

EXECUTED as a deed

Escrow Deed

Schedule 1 - Details

Item 1. Holder

Name: Mark Edward Kennedy as trustee for the Mark Kennedy Family Trust and the Mark Edward Kennedy Testamentary Trust

Address: Unit 1, 34 Dover Road Rose Bay NSW 2029

Email: mark@kennedyhealthcare.com.au

Attention: Mark Edward Kennedy

Item 2. Controller (if any)

Name: Not applicable

Address: Not applicable

Email: Not applicable

Attention: Not applicable

Item 3. Escrow Shares

1,211,910 Shares to be issued to the Holder on or about the date of this deed (comprising 1,133,467 Shares to be issued to Mark Edward Kennedy as trustee for the Mark Kennedy Family Trust and 78,443 Shares to be issued to Mark Edward Kennedy as trustee for the Mark Edward Kennedy Testamentary Trust).

Escrow Deed

Signing page

DATED: _____

**EXECUTED by ESTIA HEALTH
LIMITED** in accordance with section
127(1) of the Corporations Act 2001
(Cth) by authority of its directors:

.....
Signature of director

.....
Name of director (block letters)

.....
Signature of director/company
secretary*

*delete whichever is not applicable

.....
Name of director/company secretary*
(block letters)

*delete whichever is not applicable

SIGNED, SEALED AND DELIVERED
by **Mark Edward Kennedy as trustee**
for the **Mark Edward Kennedy**
Testamentary Trust in the presence
of:

.....
Signature of witness

.....
Name of witness (block letters)

.....
Signature of Mark Edward Kennedy as
trustee for the Mark Edward Kennedy
Testamentary Trust

SIGNED, SEALED AND DELIVERED
by **Mark Edward Kennedy as trustee**
for the **Mark Kennedy Family Trust** in
the presence of:

.....
Signature of witness

.....
Name of witness (block letters)

.....
Signature of Mark Edward Kennedy as
trustee for the Mark Kennedy Family
Trust

Escrow Deed

Dated

Estia Health Limited (ACN 160 986 201) ("**Company**")

The "**Holder**" whose details are set out in Schedule 1

The "**Controller**" whose details are set out in Schedule 1 (if any)

King & Wood Mallesons

Level 61

Governor Phillip Tower

1 Farrer Place

Sydney NSW 2000

Australia

T +61 2 9296 2000

F +61 2 9296 3999

DX 113 Sydney

www.kwm.com

Escrow Deed

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Escrow Deed

Details

Parties	Company, Holder and Controller (if any)	
Company	Name	Estia Health Limited
	ACN	160 986 201
	Address	357 Camberwell Road Camberwell VIC 3124
	Telephone	+61 3 9811 9777
	Email	Suzy.Watson@estiahealth.com.au
	Attention	Company Secretary
Holder	The Holder whose name and address are set out in Schedule 1.	
Controller	The Controller whose name and address are set out in Schedule 1 (if any).	
Recitals	A	The Holder is a shareholder of the Company and the Controller (if any) is the ultimate beneficial owner of all of the Shares held by the Holder.
	B	The Holder undertakes to the Company to hold the Escrow Shares pursuant and subject to the terms of this deed.
	C	The Controller (if any) undertakes to the Company to hold the Controller Interests pursuant and subject to the terms of this deed.
Governing law	New South Wales	
Date of deed	See signing page	

Escrow Deed

General terms

1 Definitions and interpretation

1.1 Definitions

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) or the financial market conducted by ASX Limited, as the context requires.

ASX Listing Rules means the listing rules of ASX.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Board means the board of directors of the Company.

Business Day means a business day as defined in the ASX Listing Rules.

Claim means any claim, cost (including legal costs on a solicitor and client basis), damages, debt, expense, tax, liability, loss, obligation, allegation, suit, action, demand, cause of action, proceeding or judgment of any kind however calculated or caused, and whether direct or indirect, consequential, incidental or economic.

Control means, in respect of a person, the capacity to determine the outcome of decisions in relation to the financial and operating policies of that person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise (and, without limiting the previous words, a person is deemed to Control another person if it holds, directly or indirectly, together with other persons it Controls, the beneficial interest in more than 50% of the total voting rights in the other person) and **Controlled** and **Controlling** have corresponding meanings.

Controller Interests means all Securities and legal, beneficial, economic or other interests in the Escrow Shares and each intermediate entity through which that interest occurs.

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

Deal means:

- (a) sell, assign, transfer or otherwise dispose (including to 'dispose' as defined in the ASX Listing Rules);
- (b) offer to sell, assign, transfer or otherwise dispose (including to 'dispose' as defined in the ASX Listing Rules);
- (c) enter into any option which, if exercised, enables or requires the holder to sell, assign, transfer or otherwise dispose;

- (d) create or agree to offer to create or permit to be created any Security Interest in; or
- (e) agree (or agree to offer) to do any of these things,

and **Dealing** has a corresponding meaning.

Escrow Period means the period commencing on the date of this deed and ending on the date which is 12 months from the date of this deed.

Escrow Shares means all of the Escrow Shares listed in Item 3 of Schedule 1.

Group means the Company and all of its Subsidiaries from time to time and **Group Company** means any one of them.

Holding Lock has the meaning given in section 2 of the ASX Settlement Operating Rules.

Issuer Sponsored Subregister has the meaning given in section 2 of the ASX Settlement Operating Rules.

PPSA means the *Personal Property Securities Act 2009* (Cth).

PPSA Security Interest means a “security interest” within the meaning of the PPSA.

Security Interest means an interest or power:

- (a) reserved in or over an interest in any securities including, any retention of title; or
- (b) created or otherwise arising in or over any interest in any securities under a bill of sale, mortgage, charge, lien pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, but is not limited to:

- (c) any agreement to grant or create any of the above; and
- (d) a PPSA Security Interest.

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

Share Registry means the share registry engaged by the Company to administer and manage its register of members.

Subsidiary has the meaning given in the Corporations Act.

Takeover Bid means a takeover bid for some or all Shares under Chapter 6 of the Corporations Act.

Voluntary Escrow Deed means a voluntary escrow deed entered into with respect to Shares.

1.2 Interpretation

Headings are for convenience only and do not affect interpretation.

In this deed, unless the context requires another meaning:

- (a) a reference to:
 - (i) the singular includes the plural and vice versa;
 - (ii) a gender includes all genders;
 - (iii) a document (including this deed) is a reference to that document as amended, consolidated, supplemented, novated or replaced;
 - (iv) an agreement includes any undertaking, representation, deed, agreement or legally enforceable arrangement or understanding whether written or not;
 - (v) a party means a party to this deed;
 - (vi) an item, Recital, clause, provision, Schedule or Annexure is to an item, Recital, clause, provision, Schedule or Annexure of or to this deed;
 - (vii) a person (including a party) includes:
 - (A) an individual, company, other body corporate, association, partnership, firm, joint venture, trust or government agency; and
 - (B) the person's successors, permitted assigns, substitutes, executors and administrators;
 - (viii) a law includes any legislation, judgment, rule of common law or equity or rule of any applicable stock exchange, and is a reference to that law as amended, consolidated, supplemented or replaced and includes a reference to any regulation, by-law or other subordinate legislation;
 - (ix) time is to prevailing Sydney time; and
 - (x) the words "including" or "includes" means "including, but not limited to", or "includes, without limitation" respectively;
- (b) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (c) headings and the Recitals are for convenience only and do not affect interpretation of this deed;
- (d) if a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day;
- (e) a warranty, representation, covenant or obligation given or entered into by more than one person binds them severally but not jointly;
- (f) unless otherwise expressly provided in this deed, if a period must be calculated from, after or before a day or the day of an act or event, it must be calculated excluding that day;
- (g) "writing" and "written" includes printing, typing and other modes of reproducing words in a visible form including any representation of words in a physical document or in an electronic communication or form or otherwise;

- (h) the word “law” includes common law, principles of equity and legislation, and a reference to legislation includes regulations and other instruments under it and any variation or replacement of any of them; and
- (i) the meaning of general words is not limited by specific examples introduced by “including”, “for example” or “such as” or similar expressions.

1.3 Compliance with ASX Listing Rules

For so long as the Company is listed on the official list of ASX:

- (a) notwithstanding anything contained in this deed, if the ASX Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the ASX Listing Rules require to be done;
- (c) if the ASX Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be);
- (d) if the ASX Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the ASX Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the ASX Listing Rules this deed is deemed not to contain that provision to the extent of the inconsistency.

2 Escrow

2.1 Holder restrictions

Subject to clause 3, during the Escrow Period the Holder agrees that it will not:

- (a) Deal with;
- (b) Deal in any interest (including any economic interest) or right in respect of; or
- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest (including any economic interest) or right in respect of,

any or all of the Escrow Shares.

2.2 Controller restrictions

Subject to clause 3, during the Escrow Period the Controller (if any) agrees that he or she will not:

- (a) Deal with;
- (b) Deal in any interest or right in respect of; or

- (c) do, or omit to do, any act if the act or omission would (or would be likely to) have the effect of resulting in a Dealing with, or in any interest or right in respect of,

any or all of the Controller Interests or do anything else which effectively circumvents the substantive terms of the escrow contemplated by this deed.

2.3 Escrow restrictions and Holding Lock

The parties acknowledge and agree that:

- (a) **(registration)** as soon as practicable following the settlement of the Offer the Escrow Shares will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) **(Holding Lock)** the Company will apply a Holding Lock on the Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister and the Holder agrees to the application of the Holding Lock; and
- (c) **(release)** the Company will do all things necessary to ensure that the Holding Lock is released:
 - (i) to the extent necessary to permit Dealings of the Escrow Shares permitted by this deed; and
 - (ii) in full at the conclusion of the Escrow Period.

including notifying the ASX that the Escrow Shares will be released from the Holding Lock, in accordance with the timing requirements set out in ASX Listing Rule 3.10A.

2.4 Notice to the Company

If the Holder or the Controller (if any) becomes aware:

- (a) that any action, event or circumstance referred to in clauses 2.1 or 2.2 has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to any action, event or circumstance referred to in clauses 2.1 or 2.2 during the Escrow Period,

it must notify the Company as soon as practicable after becoming aware of the action, event, circumstance or matter, as applicable, providing full details.

3 Exceptions to escrow restrictions

3.1 Dividends and voting rights

The parties agree that except as expressly provided in clause 2, the terms of this deed will have no effect on any rights of the Holder to receive dividends attaching to the Escrow Shares or to exercise voting rights in respect of the Escrow Shares.

3.2 Takeovers, mergers and reorganisations

Clause 2.1 will cease to apply to the extent necessary to allow:

- (a) **(Takeover Bid)** the Holder to accept an offer made under a Takeover Bid for any of the Escrow Shares, provided that holders of not less than 50% of Shares that are not subject to a Voluntary Escrow Deed have accepted the Takeover Bid;
- (b) **(Bid acceptance facility)** the Holder to tender any of the Escrow Shares into a bid acceptance facility established in connection with a Takeover Bid, provided that holders of not less than 50% of Shares that are not subject to a Voluntary Escrow Deed have either accepted the Takeover Bid or tendered (and not withdrawn) their Shares into the bid acceptance facility; or
- (c) **(scheme)** the Escrow Shares to be transferred or cancelled as part of a merger or an acquisition of share capital being implemented by way of a scheme of arrangement under Part 5.1 of the Corporations Act which has received all necessary approvals, including all such necessary approvals by shareholders of the Company and courts,

provided that, if for any reason any or all Escrow Shares are not transferred or cancelled in accordance with a Takeover Bid (including because the Takeover Bid does not become unconditional) or scheme of arrangement described in clauses 3.2(a) or 3.2(c), then the Holder agrees that the restrictions applying to the Escrow Shares under this deed (including under clauses 2.1 and 2.2) will continue to apply and without limiting the foregoing, the Holding Lock will be re-applied to all Escrow Shares not so transferred or cancelled.

3.3 Controller reorganisations

Clauses 2.1 and 2.2 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares or Controller Interests to enable the Controller (if any) to undertake a reorganisation of its affairs, subject to:

- (a) the prior consent of the Company in writing;
- (b) Controller retaining ultimate control of (and full economic exposure to) the Escrow Shares; and
- (c) any new holder of the Escrow Shares or Controller Interests agreeing to be bound by a deed in substantially the same terms as this deed.

3.4 Other exceptions

Clauses 2.1 and 2.2 will cease to apply to the extent necessary to allow a Dealing in Escrow Shares or Controller Interests:

- (a) **(court order)** pursuant to an order of a court of competent jurisdiction compelling any Escrow Shares or Controller Interests to be disposed of or a Security Interest granted over them; or
- (b) **(death or incapacity)** death or incapacity of the Controller (if any), provided that the transferee of the Escrow Shares or Controller Interests has agreed to be bound by a deed in substantially the same terms as this deed in respect of the Escrow Shares or Controller Interests.

4 Termination

- (a) This deed terminates with immediate effect and without the action of any party upon the end of the Escrow Period.

- (b) The Company will procure that the Share Registry releases the Holding Lock in respect of the Escrow Shares, if still in effect, as soon as possible following termination of this deed.

5 Warranties and acknowledgement

5.1 Giving of warranties

Each of the warranties and representations in this clause 5 is given by the Holder or the Controller (if any), as applicable, in favour of the Company:

- (a) as at the date of this deed, unless a later date is specified in clause 5.2; and
- (b) from the applicable date under clause 5.1(a), at all times until expiry of the Escrow Period.

The warranties and representations in this clause 5 are given in respect of any and all Escrow Shares from time to time during the Escrow Period.

5.2 Holder warranties and representations

Each of the Holder and the Controller (if any) jointly and severally warrant and represent the following:

- (a) prior to the Escrow Period it has not done (and will not do), or omitted to do (or will not omit to do), any act which would result in a Dealing in Escrow Shares (or any other breach of clauses 2.1 or 2.2) which will take effect during the Escrow Period;
- (b) the Holder holds the Escrow Shares set out in item 3 of the Schedule on behalf of the Controller (if any) and the Controller (if any) holds the Controller Interests;
- (c) the Escrow Shares, as set out in item 3 of the Schedule, are all the securities, substantial economic interests or other interests that the Holder directly or indirectly has in the Company on behalf of the Controller (if any);
- (d) the Escrow Shares and the Controller Interests are free from all Security Interests and other third party interests or rights;
- (e) it has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder or the Controller (if any) has entered into this deed as a trustee ("**Trustee**"), under the trust deed for the relevant trust ("**Trust**"));
- (f) it has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms;
- (g) this deed constitutes a legal, valid and binding obligation on it and, subject to any necessary stamping and registration, is enforceable in accordance with its terms;
- (h) no person (other than the Controller) has the power to direct or cause the direction of the management of the Holder, whether through the ownership of voting securities or by agreement or by virtue of any person being the manager or adviser of the Holder or otherwise;

- (i) the execution, delivery and performance by each Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents, if any, (or, if the Holder or the Controller (if any) is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Holder ;and
- (j) if the Holder or the Controller (if any) is a Trustee:
 - (i) the Trustee is the sole trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust;
 - (ii) the Trustee has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Trustee has not released or disposed of its equitable lien over those Trust assets; and
 - (iii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.

5.3 Survival of warranties and representations

The warranties and representations in this clause 5 survive the termination of this deed.

6 Consequences of breaching this deed

- (a) If the Holder or the Controller (if any) breaches this deed or the Company believes that a prospective breach of this deed may occur, each of the following applies:
 - (i) the Company may take the steps necessary to enforce the deed, or to rectify the breach, as soon as practicable after becoming aware of the breach or prospective breach; and
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment, transfer of or other Dealing in any of the Holder's Escrow Shares.
- (b) The parties agree that damages would be an insufficient remedy for a breach or prospective breach of this deed by the Holder or the Controller (if any) and each of the Holder and Controller (if any) agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's or Controller's (as applicable) obligations under this deed, without proof of actual damage and without prejudice to any of the Company's other rights or remedies.

7 Notices and other communications

7.1 Form - all communications

Unless expressly stated otherwise in this deed, all notices, certificates, consents, approvals, waivers and other communications in connection with this deed must be:

- (a) in writing;
- (b) in English or accompanied by a certified translation into English;
- (c) signed by the sender (if an individual) or a person duly authorised by the sender; and
- (d) marked for the attention of the person identified or referred to in the Details or Schedule or, if the recipient has notified otherwise, then marked for attention in the way last notified.

7.2 Form - communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 7.1. However, the email:

- (a) must state the first and last name of the sender; and
- (b) must be in plain text format or, if attached to an email, must be an Adobe Portable Document Format (pdf) file.

Communications sent by email are taken to be signed by the named sender.

7.3 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details or Schedule 1; or
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details or Schedule 1; or
- (c) sent by email to the address set out or referred to in the Details or Schedule 1; or
- (d) given in any other way permitted by law.

However, if the intended recipient has notified a changed address or email address, then communications must be to that address or email address.

7.4 When effective

Communications take effect from the time they are received or taken to be received under clause 7.5 (whichever happens first) unless a later time is specified.

7.5 When taken to be received

Communications are taken to be received:

- (a) if sent by post, three days after posting (or seven days after posting if sent from one country to another); or

- (b) if sent by email;
 - (i) when the sender receives an automated message confirming delivery; or
 - (ii) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first.

7.6 Receipt outside business hours

Despite clauses 7.4 and 7.5, if communications are received or taken to be received under clause 7.5 after 5.00pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

8 General provisions

8.1 Invalid or unenforceable provisions

If a provision of this deed is invalid or unenforceable in a jurisdiction:

- (a) it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability; and
- (b) it does not affect the validity or enforceability of:
 - (i) that provision in another jurisdiction; or
 - (ii) the remaining provisions.

8.2 Waiver and exercise of rights

- (a) A waiver by a party of a provision or a right under this deed is binding on the party granting the waiver only if it is given in writing and is signed by the party or an officer of the party granting the waiver.
- (b) A waiver is effective only in the specific instance and for the specific purpose for which it is given.
- (c) A single or partial exercise of a right by a party does not preclude another or further exercise or attempted exercise of that right or the exercise of another right.
- (d) Failure by a party to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

8.3 Amendment

This deed may be amended only by a document signed by all parties.

8.4 Further assurances

The Holder and the Controller (if any) each undertake to, and to procure that all persons under their respective Control, do all things necessary or desirable to effect the transactions contemplated by this deed as expeditiously as possible, including executing, delivering or completing any form, document or instrument

necessary or desirable to give effect to any of the transactions contemplated by this deed.

8.5 PPSA further steps

If the Company determines that this deed results in the creation of a PPSA Security Interest, the Holder and the Controller (if any) each agree to do anything (such as obtaining consents, signing and producing documents, getting documents completed and signed and supplying information) which the Company reasonably asks and considers necessary for the purposes of:

- (a) ensuring that the PPSA Security Interest is enforceable, perfected and otherwise effective;
- (b) enabling the Company to apply for any registration, or give any notification, in connection with the PPSA Security Interest so that the PPSA Security Interest has the priority required by the Company; and
- (c) enabling the Company to exercise rights in connection with the PPSA Security Interest.

8.6 Non-merger

The warranties, other representations and undertakings by the parties in this deed are continuing and will not merge or be extinguished on Completion of the Offer.

8.7 Assignment

The Holder and the Controller (if any) must not transfer, assign, create an interest in, or deal in any other way with, any of its rights or obligations under this deed without the prior written consent of the Company.

8.8 Entire agreement

This deed and the documents referred to in this deed are the entire agreement of the parties about the subject matter of this deed and supersede any representations, negotiations, arrangements, understandings or agreements and all other communications.

8.9 Remedies

The rights, remedies and powers of the parties under this deed are cumulative and not exclusive of any rights, remedies or powers provided to the parties by law.

8.10 Inconsistent agreements

If a provision of this deed is inconsistent with a provision of any other agreement, document, representation, negotiation, arrangement or understanding between the Holder or the Controller (if any) and any other person, the provision of this deed prevails.

8.11 Successors and assigns

This deed is binding on, and has effect for the benefit of, the parties and their respective successors and permitted assigns and, in the case of the Holder and the Controller (if any), his or her personal representatives and any trustee, receiver or other person lawfully acting on his or her behalf.

8.12 Approvals and consents

Except where this deed expressly states otherwise, a party or other person referred to in this deed (including the Board) may, in its absolute discretion, give conditionally or unconditionally or withhold any approval, consent, resolution or determination under this deed.

8.13 Counterparts

This deed may be signed in counterparts and all counterparts taken together constitute one document.

8.14 Governing law

This deed is governed by the laws of New South Wales.

8.15 Jurisdiction

Each party irrevocably and unconditionally:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales; and
- (b) waives any claim or objection based on absence of jurisdiction or inconvenient forum.

9 Capacity

If the Holder or the Controller (if any) has entered into this deed as a Trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 9 but subject to paragraph 9(c), the Holder or the Controller (as applicable) enters into this deed only in its capacity as Trustee of the relevant Trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder or the Controller (as applicable) only to the extent which it can be satisfied out of the property of the relevant Trust for which the Holder or Controller (as applicable) is actually indemnified for the liability. The Holder or the Controller (as applicable) will exercise its rights of indemnification in order to satisfy its obligations under this deed;
- (b) subject to paragraph 9(c), a party to this deed may not sue the Holder or the Controller (as applicable) in any capacity other than as Trustee in respect of the relevant Trust, including seeking the appointment to the Holder or Controller (as applicable) of a receiver (except in relation to the property of the relevant Trust), a liquidator, administrator or any similar person; and
- (c) the provisions of this clause 9 will not apply to any obligation or liability of the Holder or the Controller (as applicable) to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction in the extent, or elimination of, the Holder's or Controller's (as applicable) right of indemnification out of the assets of the relevant Trust, or the right does not exist at all, as a result of the Holder's or the Controller's (as applicable) fraud, negligence, improper performance of duties or breach of trust.

EXECUTED as a deed

Escrow Deed

Schedule 1 - Details

Item 1. Holder

Name: Thomas Emery Kennedy as trustee of the Thomas Kennedy Testamentary Trust

Address: 27 Bundarra Road, Bellevue Hill NSW 2023

Email: botanytank2019@yahoo.com.au

Attention: Thomas Emery Kennedy

Item 2. Controller (if any)

Name: Not applicable

Address: Not applicable

Email: Not applicable

Attention: Not applicable

Item 3. Escrow Shares

1,806,463 Shares to be issued to the Holder on or about the date of this deed.

Escrow Deed

Signing page

DATED: _____

EXECUTED by **ESTIA HEALTH LIMITED** in accordance with section 127(1) of the Corporations Act 2001 (Cth) by authority of its directors:

.....
Signature of director

.....
Name of director (block letters)

.....
Signature of director/company secretary*

*delete whichever is not applicable

.....
Name of director/company secretary* (block letters)

*delete whichever is not applicable

SIGNED, SEALED AND DELIVERED by **Thomas Emery Kennedy as trustee of the Thomas Kennedy Testamentary Trust** in the presence of:

.....
Signature of witness

.....
Name of witness (block letters)

.....
Signature of Thomas Emery Kennedy as trustee of the Thomas Kennedy Testamentary Trust

Annexure B

This is Annexure B of 1 page, referred to in Form 604 – Notice of change of interests of substantial holder

Registered Holder of Securities	Number of Ordinary Shares
Aged Services Victoria Pty Ltd as trustee for The Heritage Lakes Trust	13,876,200
Paul Gregersen	869,565
Nicson Investments Pty Ltd as trustee for The Yannopoulos Family Trust	857,241
Goodlifeoz Pty Limited as trustee for the Grier Family Trust	258, 620
Bernard Joseph Vella as trustee for the Green Hills Trust	250,000
Robert Noel Barlow and Norah Kathleen Barlow as trustees of The Kensington Trust	86,207
Grier Investments Pty Ltd as trustee for the Grier Family Superannuation Fund	43,478
Prue Mounsey	37,500
Glenn Hancock	25,000
Penelope Munn	25,000
Rachael Pulbrook	25,000
55 Eurobin Pty Ltd as trustee for 55 Eurobin Trust	14,000
John Emery Kennedy as trustee of the John Kennedy Testamentary Trust	1,771,042
Thomas Emery Kennedy as trustee of the Thomas Kennedy Testamentary Trust	1,806,463
Kennbros Pty Limited	1,416,834
John Emery Kennedy and Thomas Emery Kennedy as trustees of the Daniel Morris Kennedy Testamentary Trust	425,051
Mark Edward Kennedy as trustee for the Mark Kennedy Family Trust and Mark Edward Kennedy Testamentary Trust	1,211,910