

10th March 2016

Australian Securities Exchange
Company Announcements Office

DIVIDEND REINVESTMENT PLAN ISSUE PRICE

Paragon Care Limited (ASX: PGC) ("the Company") is pleased to advise an Issue Price of \$0.5990 per share for new shares to be issued pursuant to the Company's Dividend Reinvestment Plan (DRP) in respect of the interim dividend announced on 8th February 2016. The Issue Price has been determined in accord with the Company's DRP rules and after applying a 5.0% discount agreed by the Directors.

The Record Date for the final dividend of 0.80¢ per share is 10th March 2016 and final election date for participation in the final dividend DRP is 11th March 2016.

On 6th April 2016 the Company will pay the cash dividend to eligible shareholders and issue new shares to shareholders who participated in the DRP.

Participation in the DPR

Eligible Shareholders can elect to participate in the DRP for future dividends by completing the Election Notice to be sent to eligible shareholders with their dividend statements, and returning it to the Share Registry - Link Market Services Limited (Link). Alternatively if the shareholders is registered online with Link they may elect to participate in the DRP online through the Link website <https://investorcentre.linkmarketservices.com.au/Login/Login>

If you have any questions or wish to receive a DRP Election Notice please contact Link at the numbers listed below:

Link Market Services Limited Locked Bag A14, Sydney South NSW 1235
Toll free: 1300 554 474
Email: registrars@linkmarketservices.com.au

John Osborne
Company Secretary

For further information please contact:

Mark Simari
Managing Director
T: 1300 369 559
E: mark.simari@paragoncare.com.au

Stephen Munday
Chief Financial Officer
T: 1300 369 559
E: stephen.munday@paragoncare.com.au

About Paragon Care Limited

Paragon Care is a Melbourne based, listed company with the ASX (PGC), which has progressively acquired businesses in the healthcare sector. It is a leading provider of medical equipment, devices and consumables for the Australian and New Zealand healthcare market. These are high growth markets driven by the ageing of the population, continuously rising consumer expectations and increasing government spending. By combining a series of strategic acquisitions of class leading companies, Paragon Care has positioned itself to provide end to end solutions including equipment and consumable solutions for acute, aged, primary, community and hospital care. Paragon Care Ltd.'s head office is located at 11 Dalmore Drive Scoresby VIC 3179 Australia. For further information please contact Mark Simari, Managing Director (1300 369 559) or via email at info@paragoncare.com.au.