

**Form 604**  
Corporations Act 2001  
Section 671B

**Notice of change of interests of substantial holder**

To: Company Name/Scheme ESTIA HEALTH LIMITED

ACN/ARSN 160 986 201

**1. Details of substantial holder (1)**

Name REFER ANNEXURE A

ACN/ARSN (if applicable) \_\_\_\_\_

There was a change in the interests of the substantial holder on

31 / 10 / 16

The previous notice was given to the company on

06 / 09 / 16

The previous notice was dated

06 / 09 / 16

**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 of 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	9,512,220	5.25%	15,201,726	7.85%

**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 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
REFER	ANNEXURE	A			

**4. Present relevant interest**

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
REFER	ANNEXURE	A			

**6. 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:

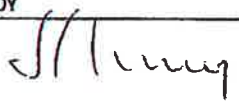
Name and ACN/ARSN (if applicable)	Nature of association
REFER ANNEXURE A	

**7. Addresses**

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

Name	Address
REFER ANNEXURE A	

**Signature**

print name	JOHN THOMAS EMERY KENNEDY	capacity	DIRECTOR/TRUSTEE
sign here		date	31 / 10 / 16

**DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant issues (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:
- any relevant agreement or other circumstances by which the relevant interest was acquired. 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
  - any qualification of the power of a person to exercise, control 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.

## FORM 604 NOTICE OF CHANGE OF INTERESTS OF SUBSTANTIAL HOLDER

**1. Details of substantial holder**

<b>Name and ACN (if applicable)</b>
John Emery Kennedy atf the John Emery Kennedy Testamentary Trust
Thomas Emery Kennedy atf the Thomas Kennedy Testamentary Trust
Bundarra Trading Company Pty Ltd ACN 611 072 676
Lestom Pty Ltd ACN 001 398 009 atf the Tom Kennedy Superannuation Fund
Kennbros Pty Limited ACN 095 220 750
John Emery Kennedy and Thomas Emery Kennedy atf Daniel Morris Kennedy Testamentary Trust
Mark Edward Kennedy atf Mark Kennedy Family Trust
Mark Edward Kennedy atf the Mark Edward Kennedy Testamentary Trust
Daniel Morris Kennedy atf the Daniel Morris Kennedy Testamentary Trust
Halifax & General Pty Limited ACN 113 715 763

**3. Change 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 notice to the company or scheme as follows:

<b>Date of Change</b>	<b>Person whose relevant interest changed</b>	<b>Nature of change (6)</b>	<b>Consideration given in relation to the change (7)</b>	<b>Class and number of securities affected</b>	<b>Person's votes affected</b>
12 October 2016	Halifax & General Pty Limited ACN 113 715 763	Acquisition pursuant to contracts entered into in the ordinary course of business on a stock market of a stock exchange, containing no terms and conditions other than standard terms and conditions	\$181,250.00	62,500 Ordinary	\$62,500
13 October 2016	Halifax & General Pty Limited ACN 113 715 763	Acquisition pursuant to contracts entered into in the ordinary course of business on a stock market of a stock exchange, containing no terms and conditions other than standard terms and conditions	\$175,000.00	62,500 Ordinary	\$62,500

18 October 2016	Daniel Morris Kennedy atf Daniel Morris Kennedy Testamentary Trust	Acquisition pursuant to contracts entered into in the ordinary course of business on a stock market of a stock exchange, containing no terms and conditions other than standard terms and conditions	\$187,449.01	70,000 Ordinary	70,000
31 October 2016	John Emery Kennedy atf the John Emery Kennedy Testamentary Trust	Acquisition pursuant to a Subscription Agreement dated 6 October 2016 (copy attached)	\$6,375,000.00	2,335,165 Ordinary	2,335,165
31 October 2016	Bundarra Trading Company Pty Ltd ACN 611 072 676	Acquisition pursuant to a Subscription Agreement dated 6 October 2016 (copy attached)	\$6,375,000.00	2,335,165 Ordinary	2,335,165
31 October 2016	Mark Edward Kennedy atf Mark Kennedy Family Trust	Acquisition pursuant to a Subscription Agreement dated 6 October 2016 (copy attached)	\$2,250,000.00	824,176 Ordinary	824,176
<b>Total</b>					<b>5,689,506</b>

#### 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
John Emery Kennedy atf the John Emery Kennedy Testamentary Trust	John Emery Kennedy Testamentary Trust	John Emery Kennedy atf the John Emery Kennedy Testamentary Trust	This person holds a relevant interest in these shares pursuant to: <ul style="list-style-type: none"> <li>the sale of the Kennedy Health Care Group as disclosed by Estia Health to the ASX on 7 December 2015.</li> <li>contracts entered into in the ordinary course of business on a stock market of a stock exchange, containing no terms and conditions other than standard terms and conditions.</li> <li>Subscription Agreement dated 6 October 2016</li> </ul>	4,356,207 Ordinary	4,356,207

			(copy attached)		
Thomas Emery Kennedy atf the Thomas Kennedy Testamentary Trust	Thomas Kennedy Testamentary Trust	Thomas Emery Kennedy atf the Thomas Kennedy Testamentary Trust	This person holds a relevant interest in these shares pursuant to the sale of the Kennedy Health Care Group as disclosed by Estia Health to the ASX on 7 December 2015.	1,806,463 Ordinary	1,806,463
Bundarra Trading Company Pty Ltd ACN 611 072 676	Bundarra Trading Company Pty Ltd ACN 611 072 676	Bundarra Trading Company Pty Ltd ACN 611 072 676	This person holds a relevant interest in these shares pursuant to: <ul style="list-style-type: none"> <li>contracts entered into in the ordinary course of business on a stock market of a stock exchange, containing no terms and conditions other than standard terms and conditions.</li> <li>Subscription Agreement dated 6 October 2016 (copy attached)</li> </ul>	4,910,165 Ordinary	4,910,165
Lestom Pty Ltd ACN 001 398 009 atf the Tom Kennedy Superannuation Fund	Lestom Pty Ltd ACN 001 398 009	Lestom Pty Ltd ACN 001 398 009 atf the Tom Kennedy Superannuation Fund	This person holds a relevant interest in these shares pursuant to contracts entered into in the ordinary course of business on a stock market of a stock exchange, containing no terms and conditions other than standard terms and conditions.	5,920 Ordinary	5,920
Kennbros Pty Limited ACN 095 220 750	Kennbros Pty Limited ACN 095 220 750	Kennbros Pty Limited ACN 095 220 750	This person holds a relevant interest in these shares pursuant to a Share Sale Agreement dated 7 December 2015 (copy attached).	1,416,834 Ordinary	1,416,834
John Emery Kennedy and Thomas Emery Kennedy atf Daniel Morris Kennedy Testamentary Trust	Daniel Morris Kennedy Testamentary Trust	John Emery Kennedy and Thomas Emery Kennedy atf Daniel Morris Kennedy Testamentary Trust	This person holds a relevant interest in these shares pursuant to the sale of the Kennedy Health Care Group as disclosed by Estia Health to the ASX on 7 December 2015.	425,051 Ordinary	425,051
Mark Edward Kennedy atf Mark Kennedy Family Trust	Mark Kennedy Family Trust	Mark Edward Kennedy atf Mark Kennedy Family Trust	This person holds a relevant interest in these shares pursuant to the sale of the Kennedy Health Care Group as disclosed by Estia Health to the ASX on 7 December 2015.	1,133,467 Ordinary	1,133,467
Mark Edward Kennedy atf the Mark Edward Kennedy Testamentary Trust	Mark Edward Kennedy Testamentary Trust	Mark Edward Kennedy atf the Mark Edward Kennedy Testamentary Trust	This person holds a relevant interest in these shares pursuant to: <ul style="list-style-type: none"> <li>the sale of the Kennedy Health Care Group as disclosed by Estia Health to the ASX on 7 December 2015.</li> <li>contracts entered into in the ordinary course of</li> </ul>	952,619 Ordinary	952,619

			business on a stock market of a stock exchange, containing no terms and conditions other than standard terms and conditions. <ul style="list-style-type: none"> <li>Subscription Agreement dated 6 October 2016 (copy attached)</li> </ul>		
Daniel Morris Kennedy atf the Daniel Morris Kennedy Testamentary Trust	Daniel Morris Kennedy atf the Daniel Morris Kennedy Testamentary Trust	Daniel Morris Kennedy atf the Daniel Morris Kennedy Testamentary Trust	This person holds a relevant interest in these shares pursuant to contracts entered into in the ordinary course of business on a stock market of a stock exchange, containing no terms and conditions other than standard terms and conditions.	70,000 Ordinary	70,000
Halifax & General Pty Limited ACN 113 715 763	Halifax & General Pty Limited ACN 113 715 763	Halifax & General Pty Limited ACN 113 715 763	This person holds a relevant interest in these shares pursuant to contracts entered into in the ordinary course of business on a stock market of a stock exchange, containing no terms and conditions other than standard terms and conditions.	125,000 Ordinary	125,000
<b>Total</b>					<b>15,201,726</b>

## 6. 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:

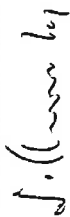
<b>Name and ACN/ARSN (if applicable)</b>	<b>Nature of Association</b>
Daniel Morris Kennedy atf the Daniel Morris Kennedy Testamentary Trust	This person is an associate of the other persons within the meaning of section 12(2)(b) and 12(2)(c) of the <i>Corporations Act 2001</i> .
Halifax & General Pty Limited ACN 113 715 763	This person is an associate of the other persons within the meaning of section 12(2)(b) and 12(2)(c) of the <i>Corporations Act 2001</i> .

## 7. Addresses

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

Name	Address
John Emery Kennedy atf the John Emery Kennedy Testamentary Trust	c/- Argyle Lawyers, Level 18, 50 Bridge Street, Sydney NSW 2000
Thomas Emery Kennedy atf the Thomas Kennedy Testamentary Trust	c/- Argyle Lawyers, Level 18, 50 Bridge Street, Sydney NSW 2000
Bundarra Trading Company Pty Ltd ACN 611 072 676	c/- Argyle Lawyers, Level 18, 50 Bridge Street, Sydney NSW 2000
Lestom Pty Ltd ACN 001 398 009 atf the Tom Kennedy Superannuation Fund	c/- Argyle Lawyers, Level 18, 50 Bridge Street, Sydney NSW 2000
Kennbro Pty Limited ACN 095 220 750	c/- Argyle Lawyers, Level 18, 50 Bridge Street, Sydney NSW 2000
John Emery Kennedy and Thomas Emery Kennedy atf Daniel Morris Kennedy Testamentary Trust	c/- Argyle Lawyers, Level 18, 50 Bridge Street, Sydney NSW 2000
Mark Edward Kennedy atf Mark Kennedy Family Trust	c/- Argyle Lawyers, Level 18, 50 Bridge Street, Sydney NSW 2000
Mark Edward Kennedy atf the Mark Edward Kennedy Testamentary Trust	c/- Argyle Lawyers, Level 18, 50 Bridge Street, Sydney NSW 2000
Daniel Morris Kennedy atf the Daniel Morris Kennedy Testamentary Trust	c/- Argyle Lawyers, Level 18, 50 Bridge Street, Sydney NSW 2000
Halifax & General Pty Limited ACN 113 715 763	c/- Argyle Lawyers, Level 18, 50 Bridge Street, Sydney NSW 2000

Signature: \_\_\_\_\_



John Emery Kennedy, Director/Trustee

Dated: 3<sup>rd</sup> October 2016

# Subscription Agreement

Dated *6* October 2016

Each of the persons listed in Schedule 1 ("Subscribers")  
Estia Health Limited (ABN 37 160 986 201) ("Company")

**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](http://www.kwm.com)

# Subscription Agreement

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# Subscription Agreement

## Details

Parties	Subscribers and Company	
Subscribers	Name	<b>Mark Edward Kennedy (as trustee for the Mark Edward Kennedy Testamentary Trust)</b>
	Address	Unit 1, 34 Dover Road, Rose Bay NSW 2029
	Name	Bundarra Trading Company Pty Limited
	ACN	611 072 676
	Address	27 Bundarra Road, Bellevue Hill NSW 2023
	Name	John Emery Kennedy (as trustee for the John Kennedy Testamentary Trust)
Company	Address	149 Darling Point Road, Darling Point NSW 2027
	Name	<b>Estia Health Limited</b>
	ABN	37 160 986 201
	Address	356-361 Camberwell Road, Camberwell Victoria 3124
	Attention	Company Secretary
Recital	A	The Company has agreed to issue the Subscription Shares to the Subscribers and the Subscribers have agreed to subscribe for the Subscription Shares and pay the Subscription Price to the Company on the terms of this agreement.
Governing law	Victoria	
Date of agreement	See signing page	

# Subscription Agreement

## General terms

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### 1 Interpretation

#### 1.1 Definitions

These meanings apply unless the contrary intention appears:

**ASX** means ASX Limited (ABN 98 008 624 691).

**ASX Listing Rules** means the listing rules of ASX.

**Authorised Officer** means a director or secretary of a party or any other person appointed by a party to act as an Authorised Officer for the purposes of this agreement.

**Business Day** means a day other than a Saturday, Sunday or public holiday in Victoria.

**Completion** means the completion of the issue and allotment of the Subscription Shares in accordance with this agreement and **Complete** has a corresponding meaning.

**Completion Date** means the date which is 5 Business Days after the announcement to ASX of the DRP Price or any other date agreed by the Company and the Subscribers.

**Constitution** means the constitution of the Company.

**Controller** has the meaning it has in the Corporations Act.

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

**Dividend** means the dividend of A\$0.128 per Share payable by the Company on 7 November 2016.

**Details** means the section of this agreement headed "Details".

**DRP** means the Company's dividend reinvestment plan constituted by the DRP Rules.

**DRP Price** means the price determined under the DRP Rules as the "Offer Price" for Shares to be issued under the DRP in respect of the Dividend.

**DRP Rules** means the rules of the DRP contained in the "Reinvestment Plan Booklet" available at [www.estiahealth.com.au/investor-centre/helpful-information](http://www.estiahealth.com.au/investor-centre/helpful-information).

**Encumbrance** means:

- (a) security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power, title retention or flawed deposit arrangement; or

- (b) right, interest or arrangement which has the effect of giving another person a preference, priority or advantage over creditors including any right of set-off; or
- (c) right that a person (other than the owner) has to remove something from land (known as a profit à prendre), easement, public right of way, restrictive or positive covenant, lease or licence to use or occupy; or
- (d) third party right or interest or any right arising as consequence of the enforcement of a judgment,

or any agreement to create any of them or allow them to exist.

**Government Agency** means any government, governmental, semi-governmental, administrative, fiscal, judicial or quasi judicial body, department, commission, authority, tribunal, agency or entity.

A person is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act); or
- (b) is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to its property; or
- (c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this agreement); or
- (d) an application or order has been made (and in the case of an application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of (a), (b) or (c) above; or
- (e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand; or
- (f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to this agreement reasonably deduces it is so subject); or
- (g) it is otherwise unable to pay its debts when they fall due; or
- (h) something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

**Official Quotation** means quotation by ASX.

**Shares** means fully paid ordinary shares in the capital of the Company.

**Subscription Price** means an amount payable for each Subscription Share which is equal to the DRP Price.

**Subscription Shares** means in relation to each Subscriber, the number of Shares determined in accordance with Schedule 1 for that Subscriber.

**Warranties** means the warranties, undertakings and representations set out in schedule 3 and **Warranty** has a corresponding meaning.

## 1.2 References to certain general terms

Unless the contrary intention appears, a reference in this agreement to:

- (a) **(variations or replacement)** a document (including this agreement) includes any variation or replacement of it;
- (b) **(clauses, annexures and schedules)** a clause, annexure or schedule is a reference to a clause in or annexure or schedule to this agreement;
- (c) **(reference to statutes)** a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (d) **(law)** law means common law, principles of equity, and laws made by parliament (and laws made by parliament include State, Territory and Commonwealth laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (e) **(singular includes plural)** the singular includes the plural and vice versa;
- (f) **(person)** the word "person" includes an individual, a firm, a body corporate, a partnership, joint venture, an unincorporated body or association or any Government Agency;
- (g) **(executors, administrators, successors)** a particular person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (h) **(two or more persons)** an agreement, representation or warranty in favour of two or more persons is for the benefit of them jointly and each of them individually;
- (i) **(jointly and individually)** an agreement, representation or warranty by two or more persons binds the relevant party individually only;
- (j) **(calculation of time)** a period of time dating from a given day or the day of an act or event, is to be calculated exclusive of that day;
- (k) **(reference to a day)** a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (l) **(reference to a group of persons)** a group of persons or things is a reference to any two or more of them jointly and to each of them individually;
- (m) **(meaning not limited)** the words "include", "including", "for example" or "such as" when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.
- (n) **(time of day)** to time is a reference to Melbourne time;
- (o) **(reference to any thing)** any thing (including any amount) is a reference to the whole and each part of it.
- (p) **(dollars)** Australian dollars, dollars, \$, A\$ or AUD is a reference to the lawful currency of Australia.

### **1.3 Next day**

If an act under this agreement to be done by a party on or by a given day is done after 5.30pm on that day, it is taken to be done on the next day.

### **1.4 Next Business Day**

If an event must occur on a stipulated day which is not a Business Day then the stipulated day will be taken to be the next Business Day.

### **1.5 Headings**

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of this agreement.

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## **2 Subscription**

### **2.1 Issue and subscription**

The Company agrees to issue and allot and each Subscriber agrees to subscribe for their Subscription Shares and pay the Company the aggregate Subscription Price for their Subscription Shares on the terms and conditions of this agreement.

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## **3 Completion**

### **3.1 Time and place of Completion**

Completion will take place at 10:00am on the Completion Date at the offices of King & Wood Mallesons, Solicitors, Level 61, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000, Australia or any other time and place agreed by the Company and the Subscribers.

### **3.2 Subscribers' obligations at Completion**

At Completion, each Subscriber will:

- (a) deliver to the Company an application for the Subscription Shares, duly completed and executed by the Subscriber, in the form set out in schedule 2; and
- (b) pay the aggregate Subscription Price for their Subscription Shares to the Company in immediately available funds.

### **3.3 Company's obligations at Completion**

At Completion, the Company will:

- (a) issue the Subscription Shares to each of the Subscribers; and
- (b) register each of the Subscribers as the holder of the Subscription Shares.

### **3.4 Company's obligations after Completion**

As soon as practicable after Completion, and in any event within 2 Business Days of Completion, the Company must:

- (a) **(quotation)** apply for and use its best endeavours to obtain Official Quotation of the Subscription Shares by ASX;

- (b) **(holding statement)** deliver to the Subscriber the holding statement for its Subscription Shares; and
- (c) **(re-sale notice)** provide ASX with a notice in relation to the Subscription Shares in accordance with section 708A(5)(e) of the Corporations Act which complies with section 708A(6) of the Corporations Act.

### 3.5 Simultaneous actions at Completion

In respect of Completion:

- (a) the obligations of the parties under this agreement are interdependent; and
- (b) all actions required to be performed will be taken to have occurred simultaneously on the Completion Date.

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## 4 Warranties

### 4.1 Accuracy

The Company represents and warrants to each Subscriber that each Warranty is correct and not misleading in any material respect on the date of this agreement and will be correct and not misleading in any material respect on the Completion Date as if made on and as of each of those dates.

### 4.2 Separate Warranties

Each Warranty is to be treated as a separate representation and warranty. The interpretation of any statement made may not be restricted by reference to or inference from any other statement.

### 4.3 Company's disclaimer

Subject to any law to the contrary and except as provided in the Warranties, all terms, conditions, warranties and statements, whether express, implied, written, oral, collateral, statutory or otherwise, are excluded and the Company disclaims all liability in relation to these to the maximum extent permitted by law.

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## 5 Subscribers' warranties

Each Subscriber represents and warrants to the Company that each of the following statements is correct and not misleading in any material respect on the date of this agreement and will be correct and not misleading in any material respect as at the Completion Date as if made on each of those dates:

- (a) **(power)** it has the power to enter into and perform this agreement and has obtained all necessary consents and authorisations to enable it to do so;
- (b) **(binding obligation)** this agreement constitutes valid and binding obligations upon it enforceable in accordance with its terms by appropriate legal remedy;
- (c) **(no breach)** this agreement and Completion do not conflict with or result in a breach of any obligation (including any statutory, contractual or fiduciary obligation) or constitute or result in any default under any provision of its constitution or any material provision of any agreement,

deed, writ, order, injunction, judgment, law, rule or regulation to which it is a party or is subject or by which it is bound; and

- (d) **(solvency)** it is not Insolvent.
- (e) **(sophisticated investor)** it is a sophisticated investor within the ambit of section 708(8) of the Corporations Act or a professional investor within the ambit of section 708(11) of the Corporations Act.

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## 6 Announcements

### 6.1 Public announcements

Subject to clause 6.2, neither party may, before or after Completion, make or send a public announcement, communication or circular concerning the transactions referred to in this agreement unless it has first obtained the written consent of the other party, which consent is not to be unreasonably withheld or delayed.

### 6.2 Public announcements required by law

Clause 6.1 does not apply to a public announcement, communication or circular required by law or a regulation of a stock exchange.

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## 7 Costs and expenses

The Company and the Subscriber agree to pay their own legal and other costs and expenses in connection with the negotiation, preparation, execution and completion of this agreement and of other related documentation.

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## 8 Notices and other communications

### 8.1 Form - all communications

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

- (a) in writing;
- (b) signed by the sender (if an individual) or an Authorised Officer of the sender; and
- (c) marked for the attention of the person identified in the Details or, if the recipient has notified otherwise, then marked for attention in the way last notified.

### 8.2 Form - communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 8.1. However, the email must state the first and last name of the sender.

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

### **8.3 Delivery**

Communications must be:

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

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

### **8.4 When effective**

Communications take effect from the time they are received or taken to be received under clause 8.5 (whichever happens first) unless a later time is specified.

### **8.5 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 fax, at the time shown in the transmission report as the time that the whole fax was sent; or
- (c) 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.

### **8.6 Receipt outside business hours**

Despite clauses 8.4 and 8.5, if communications are received or taken to be received under clause 8.5 after 5.30pm 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.

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## **9 Miscellaneous**

### **9.1 Discretion in exercising rights**

A party may exercise a right or remedy or give or refuse its consent in any way it considers appropriate (including by imposing conditions), unless this agreement expressly states otherwise.

## **9.2 Partial exercising of rights**

If a party does not exercise a right or remedy fully or at a given time, the party may still exercise it later.

## **9.3 No liability for loss**

A party is not liable for loss caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising a right or remedy under this agreement.

## **9.4 Approvals and consents**

By giving its approval or consent a party does not make or give any warranty or representation as to any circumstance relating to the subject matter of the consent or approval.

## **9.5 Conflict of interest**

The parties' rights and remedies under this agreement may be exercised even if it involves a conflict of duty or a party has a personal interest in their exercise.

## **9.6 Remedies cumulative**

The rights and remedies provided in this agreement are in addition to other rights and remedies given by law independently of this agreement.

## **9.7 Rights and obligations are unaffected**

Rights given to the parties under this agreement and the parties' liabilities under it are not affected by anything which might otherwise affect them by law.

## **9.8 Variation and waiver**

A provision of this agreement or a right created under it, may not be waived or varied except in writing, signed by the party or parties to be bound.

## **9.9 No merger**

The warranties, undertakings and indemnities in this agreement do not merge and are not extinguished on Completion and will survive after Completion.

## **9.10 Further steps**

Each party agrees, at its own expense, to do anything the other party asks (such as obtaining consents, signing and producing documents and getting documents completed and signed) as may be necessary or desirable to give full effect to the provisions of this agreement and the transactions contemplated by it.

## **9.11 Construction**

No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of, or seeks to rely on, this agreement or any part of it.

## **9.12 Party as trustee**

- (a) A party that enters into this agreement as trustee (**Trustee**) of a trust (**Trust**) is a party to this agreement only in its capacity as the trustee of that trust and in no other capacity. A liability arising under or in connection with this agreement is limited and can be enforced against

the Trustee only to the extent to which it can be satisfied out of the property of the Trust out of which the Trustee is actually indemnified for liability. This limitation of the Trustee's liability applies despite any other provision of this agreement and extends to all liabilities and obligations of the Trustee in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this agreement.

- (b) No other party may sue the Trustee in any capacity other than as the trustee of the Trust, including seeking the appointment of a receiver (except in relation to the property of the Trust), a liquidator, an administrator or any similar person to a Trustee or prove in the liquidation, administration or arrangement of or affecting the Trustee (except in relation to the property of the Trust).
- (c) The provisions of clause 9.12(a) will not apply to any obligation or liability of the Trustee to the extent that it is not satisfied because under the constitution governing the Trust or by operation of law there is a reduction in the extent of the Trustee's indemnification out of the assets of the Trust as a result of its fraud, negligence or breach of trust.
- (d) The Trustee is not obliged to do or refrain from doing anything under or in connection with this agreement (including incurring any liability) unless its liability is limited in the same manner as set out in clause 9.12(a).

### 9.13 Party as executor

- (a) A party that enters into this agreement as executor (**Executor**) of an estate (**Estate**) is a party to this agreement only in its capacity as the executor of that estate and in no other capacity. A liability arising under or in connection with this agreement is limited and can be enforced against the Executor only to the extent to which it can be satisfied out of the property of the Estate out of which the Executor is actually indemnified for liability. This limitation of the Executor's liability applies despite any other provision of this agreement and extends to all liabilities and obligations of the Executor in any way connected with any representation, warranty, conduct, omission, agreement or transaction related to this agreement.
- (b) No other party may sue the Executor in any capacity other than as the executor of the Estate, including seeking the appointment of a receiver (except in relation to the property of the Estate), a liquidator, an administrator or any similar person to an Executor or prove in the liquidation, administration or arrangement of or affecting the Executor (except in relation to the property of the Estate).
- (c) The provisions of clause 9.13(a) will not apply to any obligation or liability of the Executor to the extent that it is not satisfied because under the will governing the Estate or by operation of law there is a reduction in the extent of the Executor's indemnification out of the assets of the Estate as a result of its actions.
- (d) The Executor is not obliged to do or refrain from doing anything under or in connection with this agreement (including incurring any liability) unless its liability is limited in the same manner as set out in clause 9.13(a).

---

## **10 Governing law and jurisdiction**

### **10.1 Governing law**

This agreement is governed by the law in force in the place specified in the Details.

### **10.2 Jurisdiction**

Each party submits to the non-exclusive jurisdiction of the courts of the place specified in the Details and courts of appeal from them. Each party waives any right it has to object to an action being brought in those courts including, without limitation, by claiming that the action has been brought in an inconvenient forum or that those courts do not have jurisdiction.

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## **11 Counterparts**

This agreement may be executed in counterparts. All counterparts when taken together are to be taken to constitute one instrument.

**EXECUTED** as an agreement

# Subscription Agreement

## Schedule 1 – Subscribers and Subscription Shares

Name of Subscriber	Number of Subscription Shares
Mark Edward Kennedy (as trustee for the Mark Edward Kennedy Testamentary Trust)	\$2,250,000/Subscription Price (rounded to the nearest whole number)
Bundarra Trading Company Pty Limited	\$6,375,000/Subscription Price (rounded to the nearest whole number)
John Emery Kennedy (as trustee for the John Kennedy Testamentary Trust)	\$6,375,000/Subscription Price (rounded to the nearest whole number)
<b>TOTAL</b>	<b>\$15,000,000/Subscription Price</b>

# Subscription Agreement

## Schedule 2 - Application for Subscription Shares (clause 3.2)

To: Estia Health Limited ("**Company**")

Attention: Company Secretary

#insert date#

Dear Sirs

**Application for shares pursuant to Subscription Agreement dated #insert date#**

#insert full name# ("**Subscriber**") (#ABN/ACN/ARBN# #insert number# of #insert address#;

- (a) hereby applies for the issue of #insert number ordinary shares in the capital of the Company ("**Subscription Shares**");
- (b) agrees to pay the Subscription Price upon Completion in accordance with the Subscription Agreement; and
- (c) agrees to be bound by the constitution of the Company.

Capitalised terms which are used but not defined in this application have the meaning given to them (if any) in the Subscription Agreement.

Yours faithfully

#insert execution clause#

# Subscription Agreement

## Schedule 3 - Warranties

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### **1 Incorporation and power**

#### **1.1 Incorporation**

The Company is validly incorporated, organised and subsisting in accordance with all applicable laws.

#### **1.2 Power**

The Company has the power to own its assets and to carry on its business as it is now being conducted.

---

### **2 Power and authority**

#### **2.1 Power**

The Company has the power to enter into and perform this agreement and has obtained all necessary consents and authorisations to enable it to do so.

#### **2.2 Binding obligations**

This agreement constitutes valid and binding obligations upon the Company enforceable in accordance with its terms by appropriate legal remedy.

#### **2.3 No breach**

This agreement and Completion do not conflict with or result in a breach of any obligation (including any statutory, contractual or fiduciary obligation) or constitute or result in any default under any provision of the Constitution or any material provision of any agreement, deed, writ, order, injunction, judgment, law, rule or regulation to which the Company is a party or is subject or by which it is bound.

---

### **3 Disclosure**

The Company has at all times been, and continues to be, in compliance with ASX Listing Rule 3.1 and is not withholding any information under ASX Listing Rule 3.1A except as disclosed to the Subscribers prior to entering into this agreement (other than the details of this agreement and related matters).

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### **4 Solvency**

#### **4.1 Solvency**

The Company is not Insolvent.

---

## **5 Subscription Shares**

### **5.1 Ranking**

The Subscription Shares will rank equally in all respects with existing issued fully paid ordinary shares in the Company, including the payment of any distributions following allotment.

### **5.2 Quotation**

The Shares are quoted on the ASX and have not been suspended from quotation and no suspension has been threatened by the ASX.

### **5.3 No Encumbrances**

The Subscription Shares will be free from all Encumbrances.

### **5.4 No restriction**

There is no restriction on issue of the Subscription Shares to the Subscriber.

### **5.5 No restriction of sale**

Following compliance by the Company with clause 3.4(c), an offer of the Subscription Shares for sale may be made without a disclosure document.

### **5.6 Consents**

The Company has obtained all consents necessary to enable it to issue the Subscription Shares.

### **5.7 No breach**

The offer, issue and Official Quotation of the Subscription Shares complies with:

- (a) the Corporations Act and the ASX Listing Rules; and
- (b) all other obligations and agreements binding on the Company or its members.

# Subscription Agreement

## Signing page

DATED: 5<sup>th</sup> October 2016

SIGNED by MARK EDWARD  
KENNEDY AS TRUSTEE OF THE  
MARK EDWARD KENNEDY  
TESTAMENTARY TRUST in the  
presence of:

.....  
Signature of witness

YOLANDA POWELL  
Name of witness (block letters)

.....  
Signature of MARK EDWARD  
KENNEDY AS TRUSTEE OF THE  
MARK EDWARD KENNEDY  
TESTAMENTARY TRUST

EXECUTED by BUNDARRA TRADING  
COMPANY 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 by JOHN EMERY KENNEDY  
AS TRUSTEE FOR THE JOHN  
KENNEDY TESTAMENTARY TRUST  
in the presence of:

.....  
Signature of witness

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

.....  
Signature of JOHN EMERY KENNEDY  
AS TRUSTEE FOR THE JOHN  
KENNEDY TESTAMENTARY TRUST

# Subscription Agreement

## Signing page

DATED: 6.10.16

SIGNED by MARK EDWARD  
KENNEDY AS TRUSTEE OF 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 OF THE  
MARK EDWARD KENNEDY  
TESTAMENTARY TRUST

EXECUTED by BUNDARRA TRADING  
COMPANY 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 by JOHN EMERY KENNEDY  
AS TRUSTEE FOR THE JOHN  
KENNEDY TESTAMENTARY TRUST  
in the presence of:

Signature of witness

Name of witness (block letters)

Signature of JOHN EMERY KENNEDY  
AS TRUSTEE FOR THE JOHN  
KENNEDY TESTAMENTARY TRUST

# Subscription Agreement

## Signing page

DATED: \_\_\_\_\_

SIGNED by MARK EDWARD  
KENNEDY AS TRUSTEE OF 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 OF THE  
MARK EDWARD KENNEDY  
TESTAMENTARY TRUST

EXECUTED by BUNDARRA TRADING  
COMPANY 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 by JOHN EMERY KENNEDY  
AS TRUSTEE FOR THE JOHN  
KENNEDY TESTAMENTARY TRUST  
in the presence of:

  
\_\_\_\_\_  
Signature of witness

  
\_\_\_\_\_  
Name of witness (block letters)

  
\_\_\_\_\_  
Signature of JOHN EMERY KENNEDY  
AS TRUSTEE FOR THE JOHN  
KENNEDY TESTAMENTARY TRUST

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

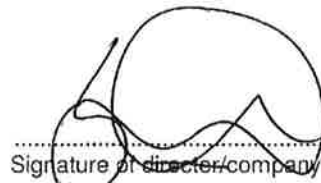
MURAT



Signature of director

~~Murat~~ **BARLOW**

Name of director (block letters)



Signature of director/company secretary

\*delete whichever is not applicable  
Suzy Watson

**General Counsel / Company Sec**

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

\*delete whichever is not applicable