


23 November 2016

BY ELECTRONIC LODGEMENT

Estia Health confirms the appointment of Norah Barlow as Chief Executive Officer and Managing Director.

Please find attached announcement for release to the market.

By order of the Board



Company Secretary and Group General Counsel

SUMMARY OF KEY TERMS OF EMPLOYMENT

A summary of the material terms and conditions of the executive service agreement entered into with Norah Barlow are provided below.

Key Terms	Details
Position	Chief Executive Officer and Managing Director
Commencement date	The executive service agreement will commence on 17 January 2017 (" Effective Date ") upon the expiry of the interim agreement which currently applies to Ms Barlow's employment.
Term	Ms Barlow's appointment is for a period of 3 years from the Effective Date (" Term ") unless terminated earlier in accordance with the executive service agreement.
Fixed Remuneration	Fixed Remuneration of \$700,000 (including compulsory superannuation) (" Fixed Remuneration ") which will be reviewed annually by the Board.
At risk remuneration	<p>1 Short term incentive: Ms Barlow will be eligible to receive an annual short term incentive ("STI") with a maximum STI of 50% of her annual Fixed Remuneration, subject to the Board's assessment of her achievement of applicable operational and financial performance targets and a compliance standard gateway hurdle. Ms Barlow's STI for FY17 will be pro-rated to recognise her employment under the executive service agreement is commencing part way through the performance year. A portion of any STI payment awarded to Ms Barlow will be subject to mandatory deferral on terms determined by the Board from year to year.</p> <p>2 Long term incentive: Ms Barlow will be eligible to participate in the Company's Long Term Incentive Plan ("LTIP") on an annual basis. The vesting of these performance rights will be subject to achievement of performance conditions over a defined vesting period. The Company proposes to make an initial award of 261,495 performance rights under the LTIP to Ms Barlow the grant of which will be subject to shareholder approval at the Company's 2017 Annual General Meeting. These performance rights will be subject to a 3 year vesting period and the performance conditions for FY17 LTI grants as detailed in the FY16 remuneration report. Any performance rights granted to Ms Barlow under the LTIP will be subject to accelerated vesting in the event of a change of control.</p>
Leave entitlements	Ms Barlow is entitled to statutory leave entitlements.

Confidential information and IP	Ms Barlow's employment agreement contains customary provisions for the protection of the Company's confidential information and intellectual property.
Termination provisions	<p>Ms Barlow's employment will terminate on expiry of the Term.</p> <p>The Company may terminate Ms Barlow's employment (without cause) by providing six months' written notice. The Company may terminate Ms Barlow's employment summarily without notice if she engages in particular conduct (for example serious misconduct, she becomes disqualified from holding office and other specified grounds).</p> <p>Ms Barlow may terminate her employment by providing the Company with six months' written notice.</p> <p>The Company may elect to make a payment in lieu of all or part of any period of notice of termination given by either party with the payment to be based on Ms Barlow's Fixed Remuneration during the notice period. The Company may also direct Ms Barlow to take 'garden leave' during a period of notice.</p>
Post-employment restraint	<p>Ms Barlow must not engage in, or provide services to, any business that is the same or similar as the Company's business for a period of six months after ceasing employment.</p> <p>Further, Ms Barlow must not, for a period of six months after ceasing employment:</p> <ul style="list-style-type: none"> (i) solicit business or services from any person who was a customer or supplier of the Company; or (ii) entice away from the Company or the Group any person who was an officer, employee or consultant in a managerial role of the Company or the Group.

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