

JAPARA
HEALTHCARE

JAPARA HEALTHCARE LIMITED

ABN 54 168 631 052

**NOTICE OF ANNUAL GENERAL MEETING
2014**

to be held on

Wednesday 5 November 2014
at 2.00pm

The Westin Melbourne
205 Collins Street
Melbourne
Victoria

JAPARA HEALTHCARE LIMITED

ABN 54 168 631 052

Dear Shareholder

On behalf of the Board I am pleased to invite you to attend the first Annual General Meeting (**AGM**) of Japara Healthcare Limited. The following information is enclosed:

- Notice of Annual General Meeting
- Explanatory Memorandum
- Proxy form
- Shareholder Question form; and
- Reply paid envelope for lodging your proxy form and/or sending any written questions to the Share Registry before the AGM.

AGM

The AGM will be held on Wednesday 5 November 2014 at 2pm Australian Eastern Daylight Time (**AEDT**) at The Westin Melbourne, 205 Collins Street, Melbourne, Victoria. You are invited to join the Board and senior management for refreshments after the meeting.

Business of the AGM

The business of the AGM is set out in the Notice of Annual General Meeting. The Explanatory Memorandum sets out important information in relation to the matters to be considered by Shareholders at the Meeting and I encourage you to read those materials carefully.

Attendance

If you are attending the AGM, please bring your personalised proxy form to allow the Share Registry to register your attendance at the meeting. The registration desk will be open from 1.30 pm.

If you are unable to attend in person, you may wish to appoint a proxy to attend and vote at the meeting in your place. Please refer to the Notice of Annual General Meeting and proxy form regarding the appointment of a proxy.

Shareholder questions

Shareholders may direct questions about the operations and management of Japara to the Chairman or, if in relation to the content or the conduct of the audit report, to Japara's auditor. Please submit your written query using the accompanying Shareholder Question form to the Share Registry prior to 5pm AEDT on Monday 27 October 2014. Alternatively you may complete the Shareholder Question form online before 5pm AEDT on Monday 27 October 2014 by logging on to your holding at www.linkmarketservices.com.au and selecting "Voting".

We will respond to as many of the more frequently asked questions as possible at the meeting.

I look forward to seeing as many Shareholders as possible at the AGM.

Yours sincerely

Linda Bardo Nicholls AO
Chairman, Japara Healthcare Limited

NOTICE OF 2014 ANNUAL GENERAL MEETING

Notice is hereby given that the first Annual General Meeting of members of Japara Healthcare Limited (**Japara** or the **Company**) will be held:

Date: 5 November 2014

Time: 2pm AEDT

Venue: The Westin Melbourne, 205 Collins Street, Melbourne, Victoria, 3000.

The Explanatory Memorandum accompanying this Notice of Annual General Meeting provides additional information on matters to be considered at the AGM. The Explanatory Memorandum and proxy form are part of this Notice of Annual General Meeting.

BUSINESS

A. CONSIDERATION OF REPORTS

To receive and consider the Financial Report, the Directors' Report and the Independent Auditor's Report of the Company for the period ended 30 June 2014.

Unless specifically requested, Shareholders have not been sent a hard copy of the Annual Report. Shareholders can view the Annual Report which contains the Financial Report for the period ended 30 June 2014 on Japara Healthcare Limited's website at www.japarahealthcare.com.au

B. QUESTIONS & COMMENTS

Following consideration of the Reports, Shareholders will have an opportunity to ask questions or comment about the management of the Company. The Chairman will also provide Shareholders with an opportunity to ask the Auditor questions relevant to:

- the conduct of the audit;
- the preparation and content of the Independent Auditor's Report;
- the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also provide the Auditor an opportunity to answer written questions submitted by Shareholders that are relevant to the content of the Independent Auditor's Report or the conduct of the audit. A list of written questions, if any, submitted by Shareholders will be made available at the start of the AGM and any written answer tabled by the Auditor at the AGM will be made available as soon as practicable after the AGM.

RESOLUTION 1: REMUNERATION REPORT

To consider and, if thought fit, pass the following resolution as an advisory resolution of the Company:

That the Company's Remuneration Report for the period ended 30 June 2014 (as set out in the Director's Report) be adopted.

Voting exclusion

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of:

- a. a member of the Key Management Personnel (**KMP**) whose remuneration is included in the 2014 Remuneration Report; and
- b. a closely related party (such as close family members and any controlled companies) of such a KMP.

However, the Company will not disregard a vote cast on Resolution 1 as a proxy for a person who is entitled to vote and:

- a. the proxy appointment is in writing and specifies how the proxy is to vote (for, against, abstain); or
- b. the vote is cast by the person chairing the Meeting and:
 - i. the appointment does not specify how the proxy is to vote; and
 - ii. the appointment expressly authorises the Chairman of the Meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

RESOLUTION 2: RE-ELECTION OF DIRECTOR – TIM POOLE

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

That Tim Poole, who retires in accordance with Clause 8.1 of the Company's Constitution, offers himself for re-election and being eligible, is elected as a Director of the Company.

RESOLUTION 3: APPOINTMENT OF AUDITOR

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

That KPMG, having:

- *been nominated by a member of the Company in accordance with section 328B(1) of the Corporations Act 2001 (Cth); and*
- *given its consent to act as Auditor in accordance with section 328A(1) of the Corporations Act,*

be appointed as the Auditor of Japara Healthcare Limited.

Proxy Voting by Chairman

The Chairman of the Meeting will vote undirected proxies in favour of all items. The voting exclusions on KMP in Resolution 1 do not apply to the Chairman of the Meeting acting as proxy, if their appointment expressly authorises the Chairman of the Meeting to exercise the proxy even if that item is connected directly or indirectly with the remuneration of a KMP of Japara Healthcare Limited.

By Order of the Board
John McKenna
Company Secretary
2 October 2014

ENTITLEMENT TO VOTE

In accordance with Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that persons who are registered holders of shares of the Company as at 7:00pm AEDT on 3 November 2014 will be entitled to attend and vote at the AGM as a Shareholder.

If more than one joint holder of shares is present at the AGM (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Voting by Proxy

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

A proxy need not be a Shareholder of the Company.

A Shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the Shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the Shareholder's votes. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's Share Registry and return them both together.

To be effective, the proxy must be received at the Share Registry of the Company no later than 2pm AEDT on 3 November 2014, being 48 hours before the AGM. Proxies must be received by one of the following methods:

By Post: Japara Healthcare Limited
c/- Link Market Services, Locked Bag A14
Sydney South NSW 1235 Australia

Online: www.linkmarketservices.com.au

By Facsimile: +61 2 9287 0309

By Hand: Level 12, 680 George St
(within business hours) Sydney NSW 2000

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

Voting by Attorney

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 2pm AEDT on 3 November 2014, being 48 hours before the AGM.

Corporate Representatives

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

Voting at the Meeting

It is intended that voting on each of the proposed resolutions at this meeting will be conducted by a show of hands.

Explanatory Memorandum

INTRODUCTION

This Explanatory Memorandum has been prepared for the information of shareholders in Japara Healthcare Limited in relation to the business to be conducted at the Company's AGM to be held on 5 November 2014.

The purpose of this Explanatory Memorandum is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the resolutions.

Resolution 1 is an advisory resolution.

Resolutions 2 and 3 are ordinary resolutions requiring a simple majority of votes cast in favour by Shareholders entitled to vote on the resolution.

ITEMS A & B: FINANCIAL STATEMENTS AND REPORTS – QUESTIONS & COMMENTS

As required by section 317 of the Corporations Act, the Financial Report, Directors' Report and Independent Auditor's Report of Japara Healthcare Limited for the period ended 30 June 2014 will be presented for consideration by Shareholders.

The 2014 Annual Report is available on the Company's website at www.japarahealthcare.com.au.

Shareholders will be provided with the opportunity to ask questions about or make comments on the reports, management or about Japara generally, but there will be no formal resolution put to the meeting. KPMG, the Company's Auditor, will attend the AGM and Shareholders will be given the opportunity to ask questions relating to the audit.

RESOLUTION 1: ADOPTION OF THE REMUNERATION REPORT

Section 250R of the Corporations Act requires that the section of the Directors' Report dealing with the remuneration of Directors and other Key Management Personnel (**Remuneration Report**) be put to Shareholders for adoption by way of a non-binding vote.

The Remuneration Report sets out the remuneration arrangements of the Company for Directors and other Key Management Personnel (**KMP**) of Japara.

The Remuneration Report is set out in the Company's 2014 Annual Report, available on the Company's website www.japarahealthcare.com.au.

The Chairman of the Meeting will give Shareholders a reasonable opportunity to ask questions about or make comments on the Remuneration Report.

As a matter of best practice corporate governance, the Directors abstain from making a recommendation in relation to Resolution 1.

RESOLUTION 2: RE-ELECTION OF TIM POOLE

In accordance with Clause 8.1 of the Constitution, Tim Poole retires, and being eligible, offers himself for re-election as a Director of Japara.

Mr Tim Poole was appointed as a Director of Japara in 19 March 2014. He is a member of both the Audit and Remuneration Committees.

Tim has more than 15 years' experience as a director and chairman of ASX listed and unlisted companies across the financial services, infrastructure and natural resources industries.

He is currently a non-executive director of Newcrest Mining, McMillan Shakespeare and AustralianSuper. He is also non-executive chairman of Lifestyle Communities and a director of several private unlisted companies. He was formerly managing director of Hastings Funds Management and chairman of Asciano.

Tim holds a Bachelor of Commerce from the University of Melbourne and is a Chartered Accountant.

The Directors (with Mr Tim Poole abstaining) recommend that Shareholders vote in favour of Resolution 2.

RESOLUTION 3: APPOINTMENT OF AUDITOR

KPMG was appointed as auditor of the Company by resolution of the Directors pursuant to section 327A(1) of the Corporations Act. Under section 327A(2) of the Corporations Act, an auditor appointed under section 327A(1) holds office until the Company holds its first AGM, when the ongoing appointment of the auditor must be approved by Shareholders.

In accordance with section 328B of the Corporations Act, notice in writing nominating KPMG has been given to the Company by a Shareholder. A copy of this nomination is attached to this Notice of Annual General Meeting as Appendix 1.

The Directors recommend that Shareholders vote in favour of Resolution 3.

DEFINITIONS

Terms used in the Notice of Annual General Meeting including the Explanatory Memorandum have the following meanings:

AEDT means Australian Eastern Daylight Time

ASX means ASX Limited ACN 008 624 691

Board means the Board of Directors of the Company

Company or **Japara** means Japara Healthcare Limited ACN 168 631 052

Constitution means the Company's constitution

Corporations Act means the *Corporations Act 2001* (Cth) as amended from time to time

Director means a director of the Company

Explanatory Memorandum means this explanatory memorandum

Listing Rules means the listing rules of ASX as amended from time to time

Key Management Personnel or **KMP** has the meaning given to that term in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise)

Meeting means the Annual General Meeting of the Company to be held on 5 November 2014 at The Westin Melbourne, 205 Collins Street, Melbourne, Victoria at 2pm AEDT.

Notice of Annual General Meeting means this notice of annual general meeting including the Explanatory Memorandum and the proxy form

Resolutions means the resolutions set out in the Notice of Annual General Meeting, or any one of them, as the context requires

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

Shareholder (or **member**) means a registered member of the Company

Share Registry means Link Market Services Limited.

APPENDIX 1

16 September 2014

Mr John McKenna
Company Secretary
Japara Healthcare Limited
Q1 Building
Level 4
1 Southbank Boulevard
Southbank VIC 3006

Dear Sir

Nomination for Appointment of Auditor

I am a member of the company.

I hereby nominate KPMG for appointment as auditor of the company. This letter serves as a notice of nomination pursuant to section 328(B) of the Corporations Act 2001 (Cth).

In accordance with section 328(B)(3), please forward a copy of this nomination to the auditor and any person entitled to receive notices of general meeting of the company.

Yours faithfully

Russell Cook



By mail:
Japara Healthcare Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



By fax: +61 2 9287 0309



All enquiries to: Telephone: +61 1300 554 474

PROXY FORM

I/We being a member(s) of Japara Healthcare Limited and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

the Chairman
of the Meeting
(mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered shareholder) you are appointing as your proxy.

Failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to vote on my/our behalf (including in accordance with the directions set out below or, if no directions have been given, to vote as the proxy sees fit, to the extent permitted by the law) at the Annual General Meeting of the Company to be held at **2:00pm on Wednesday, 5 November 2014 at The Westin Melbourne, 205 Collins Street, Melbourne, Victoria** (the Meeting) and at any postponement or adjournment of the Meeting.

Where the Chairman of the Meeting is appointed as my/our proxy, or may be appointed by default, I/we expressly authorise the Chairman of the Meeting to exercise my/our proxy (except where I/we have given a different voting direction below) even though the resolutions may be connected directly or indirectly with the remuneration of a member of the key management personnel.

The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an

STEP 2

VOTING DIRECTIONS

	For	Against	Abstain*
Resolution 1 Adopt the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-Election of Director - Tim Poole	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Sole Director and Sole Company Secretary

Joint Shareholder 2 (Individual)

Director/Company Secretary (Delete one)

Joint Shareholder 3 (Individual)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).



HOW TO COMPLETE THIS PROXY FORM

Your Name and Address

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in Step 1. If you appoint someone other than the Chairman of the Meeting as your proxy, you will also be appointing the Chairman of the Meeting as your alternate proxy to act as your proxy in the event the named proxy does not attend the Meeting.

Votes on Items of Business - Proxy Appointment

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses.

Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

Corporate Representatives

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

Lodgement of a Proxy Form

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:00pm on Monday, 3 November 2014**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE > www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



by mail:

Japara Healthcare Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



by fax:

+61 2 9287 0309



by hand:

delivering it to Link Market Services Limited, Level 12, 680 George Street, Sydney NSW 2000.

**If you would like to attend and vote at the Annual General Meeting, please bring this form with you.
This will assist in registering your attendance.**