

RAMSAY HEALTH CARE LIMITED

A.B.N 57 001 288 768

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of members of Ramsay Health Care Limited (the **Company**) will be held on **Tuesday, 24 November 2009 at 10.30 a.m.** at the Four Seasons Hotel Sydney, Ballroom 1, 199 George Street, Sydney NSW 2000.

BUSINESS

1. Consideration of Reports

To receive and consider the financial report of the Company and its controlled entities and the reports of the Directors and Auditor for the year ended 30 June 2009.

2. Adoption of the Remuneration Report

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

“**That** the Remuneration Report, which forms part of the Directors’ Report for the year ended 30 June 2009, be adopted.”

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

3. Re-election of Directors

3.1 Mr Paul Joseph Ramsay AO

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

“**That** Paul Joseph Ramsay, a Non-Executive Director of the Company retiring in accordance with clause 44 of the Constitution, being eligible, offers himself for re-election as a Non-Executive Director of the Company.”

Note: Information about Mr Ramsay appears in Item 3.1 of the Explanatory Notes to this Notice of Meeting.

3.2 Mr Michael Stanley Siddle

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

“**That** Michael Stanley Siddle, a Non-Executive Director of the Company retiring in accordance with clause 44 of the Constitution, being eligible, offers himself for re-election as a Non-Executive Director of the Company.”

Note: Information about Mr Siddle appears in Item 3.2 of the Explanatory Notes to this Notice of Meeting.

SPECIAL BUSINESS

4. Non Executive Directors' Fee Pool

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

“**That**, for the purposes of clause 49.1 of the Constitution and ASX Rule 10.17, the maximum aggregate amount available for the remuneration of Non-Executive Directors for their services as directors be increased by \$200,000, from \$1,400,000 to \$1,600,000 per annum (including the superannuation guarantee contributions payable by the Company to Non-Executive Directors).”

Note: Information about the proposed resolution appears in Item 4 of the Explanatory Notes to this Notice of Meeting.

A voting exclusion statement applies to this resolution (see Item 4 of the Explanatory Notes).

5. Approval of Shares Issued Under Institutional Placement

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

“**That** approval is given for all purposes, including ASX Listing Rule 7.4, for the issue of 22 million fully paid ordinary shares in the Company under an institutional placement for a total consideration of \$221,100,000 million, as detailed in the Explanatory Notes accompanying this Notice of Meeting.”

A voting exclusion statement applies to this resolution (see Item 5 of the Explanatory Notes).

By Order of the Board



John D C O'Grady
General Counsel & Company Secretary

St Leonards, 20 October 2009

NOTES

1. Proxies

- a) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on the member's behalf. A member entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no proportion or number is specified, each proxy may exercise half the member's votes.
- b) A proxy need not be a member of the Company. A body corporate appointed as a member's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the Annual General Meeting in accordance with section 250D of the Corporations Act 2001 (Cth). The representative should bring to the meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.
- c) For an appointment of a proxy for the meeting to be effective:
- the proxy's appointment; and
 - the power of attorney (if any) under which it is signed or satisfactory proof of that power or a certified copy of it,

must be received by the Company at the registered office or at the office of the Company's share registry, Computershare Investor Services Pty Limited, not less than 48 hours before the time for holding the meeting, that is, not later than 10.30am on Sunday 22 November 2009.

- By hand:	Registered Office:	Level 9, 154 Pacific Highway St Leonards NSW 2065
	Share Registry:	Level 2, 60 Carrington Street Sydney NSW 2000
- By mail:	Registered Office:	Level 9, 154 Pacific Highway St Leonards NSW 2065
	Share Registry:	Level 2, 60 Carrington Street Sydney NSW 2000 GPO Box 242 Melbourne Vic 3001 Australia.
- By facsimile:		+61 3 9473 2555
- Custodian Voting:		For Intermediary online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

2. Corporate representatives

Corporate members must either:

- Appoint a proxy, as set out above;
- Appoint a representative; or
- Appoint an attorney.

The instrument of appointment of a representative or attorney must be produced at the meeting.

3. Entitlement to vote

In accordance with Regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the board of directors of the Company has determined that for the purposes of the meeting, shares will be taken to be held by the persons who are the registered holders at 10.30am (Sydney time) on Sunday 22 November 2009. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

4. Questions and comments on management of the Company

In accordance with the Corporations Act 2001 (Cth), a reasonable opportunity will be given to shareholders - as a whole - to ask questions about or make comments on the management of the Company at the meeting.

EXPLANATORY NOTES

These notes explain or otherwise relate to the resolutions set out in the Notice of Annual General Meeting and should be read in conjunction with the Notice. This information forms part of the Notice of Annual General Meeting.

ITEM 1 – CONSIDERATION OF REPORTS

The financial report of the Company for year ended 30 June 2009 and the reports of the Directors and Auditor for the same period will be presented for consideration.

Following consideration of those documents, the Chairman will give shareholders a reasonable opportunity to ask questions about or make comments on the management of the Company.

The Chairman will also give shareholders a reasonable opportunity to ask the Company's Auditor, Ernst & Young, questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the Auditor's report;
- (c) the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

The Auditor will be given a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the audit report or the conduct of the audit. A list of written questions, if any, submitted by shareholders will be made available at the meeting and any written answers tabled by the Auditor at the meeting will be made available as soon as practicable after the meeting.

ITEM 2 – ADOPTION OF THE REMUNERATION REPORT

The Remuneration Report is contained in the Directors' Report for the year ended 30 June 2009, on pages 23 to 31 of the 2009 Annual Report. Broadly, the report:

- explains the structure of and rationale behind the Company's remuneration practices and the link between the remuneration of employees and the Company's performance;
- sets out remuneration details for each director and for each executive with authority and responsibility for directing the affairs of the Company; and
- makes clear that the basis for remunerating non-executive directors is distinct from the basis for remunerating executives, including executive directors.

Following consideration of the Remuneration Report, the Chairman will give shareholders a reasonable opportunity to ask questions about, or comment on, the report. An advisory resolution that the Remuneration Report be adopted will then be put to the vote.

The Directors recommend that you vote in favour of this advisory resolution.

ITEM 3 – RE-ELECTION OF DIRECTORS

3.1 Mr Paul Joseph Ramsay AO

Non-executive Chairman Appointed 26/05/75

Mr Paul Ramsay has been involved in health care since 1964 when he developed and managed one of the first private psychiatric hospitals in Sydney. As Chairman and major shareholder of Ramsay Health Care Limited, he has overseen the development of the Company into the largest Australian private hospital operator with extensive operations overseas. In 2002, Mr Ramsay was conferred an Officer of the Order of Australia for services to the community through the establishment of private health care facilities, expanding regional television services and as a benefactor to a range of educational, cultural, artistic and sporting organisations.

During the last three years Mr Ramsay has also served as a director on the following listed Companies:

- Prime Media Group Limited (Current Chairman)
- Becker Group Limited (Resigned May 2008)

The Board recognises the value of Mr Ramsay's extensive experience and in-depth knowledge of the private health care sector. The Directors believe that Mr Ramsay brings a significant and invaluable contribution to the role of Chairman.

The Directors (with Mr Ramsay abstaining) recommend that you vote in favour of this resolution.

3.2 Mr Michael Stanley Siddle

Non-executive Deputy Chairman Appointed 26/05/75

Mr Michael Siddle, has served in the role of Deputy Chairman since The Company's listing in September 1997. Mr Siddle, having formerly been Chief Executive Officer of Ramsay Health Care has extensive experience in the management of private hospitals and in property development. He has been closely involved in the company's expansion through construction, mergers and acquisitions.

During the last three years Mr Siddle has also served as a director on the following listed Companies:

- Prime Media Group Limited (Current Deputy Chairman)

The Board considers that Mr Siddle, through his business acumen, and through his considerable knowledge and experience in both the private health care sector and in property development, makes a significant and invaluable contribution to the Board.

The Directors (with Mr Siddle abstaining) recommend that you vote in favour of this resolution.

ITEM 4 – NON-EXECUTIVE DIRECTORS' FEE POOL

Broadly, the Company's Constitution provides that Non-Executive Directors may be paid out of the funds of the Company such remuneration not exceeding the maximum aggregate amount that is from time to time approved by the Company by resolution passed in general meeting. In accordance with ASX Listing Rule 10.17 and clause 49.1 of the Constitution of the Company, any proposed increase in the maximum aggregate amount available for the remuneration of Non-Executive Directors of the Company must be approved by ordinary resolution of the Company in general meeting.

The current maximum aggregate amount available for the remuneration of Non-Executive Directors (excluding superannuation guarantee contributions made by the Company in relation to the Non-Executive Directors) is \$1,400,000 per annum. Details of Non-Executive Director Remuneration for the year ended 30 June 2009 is disclosed in the Remuneration Report.

For the financial year ending 30 June 2010, the base fees for the Chairman, the Deputy Chairman, and Non-Executive Directors have increased by 4.5% per annum. The base fees for the Audit Committee Chairman and Audit Committee members have also been increased. The Company confirms that these increased fees for the financial year ending 30 June 2010 are within the scope of the current maximum of \$1,400,000 referred to above.

However, the current maximum of \$1,400,000 excludes superannuation guarantee contributions payable by the Company to Non-Executive Directors. Consistent with the proposed change to ASX Listing Rule 10.17, the Directors are seeking shareholder approval to increase the maximum aggregate amount available for the remuneration of Non-Executive Directors' for their services as directors by \$200,000 to \$1,600,000, inclusive of superannuation guarantee contributions payable by the Company (in accordance with legislation) to Non-Executive Directors.

As well as enabling superannuation guarantee contributions to be captured within the shareholder approved limit, the increase in maximum aggregate fees is proposed for the following reasons:

- to allow for some growth in Non-Executive Directors' remuneration in future years, to reflect market competitiveness for Non-Executive Directors with the skills and experience which are most relevant to the business strategy of the Company;
- to create flexibility to appoint additional Non-Executive Directors, as the Company continues to expand in Australia and overseas; and
- the workloads of Non-Executive Directors have increased significantly due to the scale and complexity of the Company's business since 2007, when the aggregate of Non-Executive Directors fees (\$1,400,000 per annum) was last approved by shareholders.

Voting Exclusion Statement

The Company will disregard any votes cast on resolution 4 by all the Directors and their associates.

However the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

ITEM 5 – APPROVAL OF SHARES ISSUED UNDER INSTITUTIONAL PLACEMENT

ASX Listing Rule 7.1 restricts listed entities in relation to the number of equity securities that they can issue or agree to issue without shareholder approval. Generally, a listed entity cannot, in any 12 month period, issue a number of equity securities which is more than 15% of their fully paid ordinary shares on issue without shareholder approval (**15% limit**). The Company has not exceeded this 15% limit.

ASX Listing Rule 7.4 allows the Company to seek retrospective approval for a prior issue of shares provided that the issue did not itself contravene the 15% limit. This effectively “refreshes” the Company's capacity to issue further capital over the next 12 months. Approving resolution 5 will ensure that the 22 million ordinary shares granted in connection with the institutional placement in August 2009 will not be counted in calculating the 15% limit (on the basis that shareholders will have approved the issue).

The Directors are putting this resolution to shareholders as an exercise of prudent management, to maximise funding flexibility and allow the Company to engage in further capital raisings over the next 12 months if appropriate.

Further information regarding the share issue for which approval is sought under resolution 5 is set out below.

Description	Shares were issued to institutions and sophisticated and professional investors under a placement in August 2009, details of which were announced to the market on 28 August 2009.
Number of shares allotted	22 million fully paid ordinary shares. As at the date of the allocation, the shares issued represented 12.6% of the Company's share capital.
Date allotted	3 September 2009
Issue consideration	\$221,100,000 million (at \$10.05 per share)
Terms of the shares	Shares issued rank equally with all other ordinary shares on issue and are entitled to the FY09 final dividend of 21.5 cents per share.
Basis on which allottees were determined	Shares were allotted to institutions and other sophisticated and professional investors.
Intended use of the funds raised	To further strengthen the Company's balance sheet and increase its financial flexibility to continue to pursue growth opportunities.

The Directors believe it is in the best interests of the Company to approve and ratify the issue of ordinary shares under the institutional placement by voting in favour of resolution 5.

Voting Exclusion Statement for Resolution 5

The Company will disregard any votes cast on resolution 5 by a person who received shares under the placement or an associate of a person who received shares under the placement.

However the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.