

RAMSAY HEALTH CARE LIMITED
A.B.N 57 001 288 768

NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of members of Ramsay Health Care Limited will be held on Tuesday, 8 February 2005 at 9.30 a.m. at Mercure Hotel, 194 Pacific Highway, St Leonards NSW 2065 .

BUSINESS

Approval of the issue of shares to Paul Ramsay Holdings Pty Limited (ASX Listing Rule 10.11)

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

“**THAT**, for the purposes of Rule 10.11 of the Listing Rules of Australian Stock Exchange Limited and for all other purposes, approval is given for the Company to issue **5,442,177** fully paid ordinary shares in the Company to Paul Ramsay Holdings Pty Limited at an issue price of **\$7.35** per share on the terms and conditions described in the Explanatory Notes to this Notice of General Meeting.”

Summary of the Resolution

- Under the Listing Rules of Australian Stock Exchange Limited (**ASX Listing Rules**), shareholders must approve any issue of equity securities to a "related party", unless an exception applies.
- The Resolution seeks shareholder approval for the issue of shares in the Company to Paul Ramsay Holdings Pty Limited, a "related party" of the Company.

Voting Exclusion

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on the Resolution by:

- Paul Ramsay Holdings Pty Limited; and
- an associate of Paul Ramsay Holdings Pty Limited.

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 General 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.

By Order of the Board



L R Ransley
Company Secretary

St Leonards, 6 January 2005

1. **Proxies**

- a) *A member entitled to attend and vote 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.*
- c) *A proxy form (and the power of attorney (if any) under which it is signed or satisfactory proof of that power) must be received 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:*
 - *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 Australia
Share Registry: Computershare Investor Services Pty Limited, GPO Box 242 Melbourne Vic 8060 Australia.*
 - *By facsimile: (02) 8235 8220.*

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**

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 9.30am (Sydney time) on Sunday, 6 February 2005. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

EXPLANATORY NOTES

These notes explain or otherwise relate to the resolution set out in the Notice of General Meeting and should be read in conjunction with the Notice of General Meeting.

APPROVAL OF THE ISSUE OF SHARES TO PAUL RAMSAY HOLDINGS PTY LIMITED (ASX LISTING RULE 10.11)

Background

On 2 December 2004, the Company announced to ASX that it had undertaken a placement to domestic and international institutions of 10.9 million shares at \$7.35 per share to raise a total of \$80 million (**Placement**). The Company also announced that it intends to offer up to an additional \$10 million of shares under a share purchase plan to existing shareholders.

Paul Ramsay Holdings Pty Limited (**PRH**), a company controlled by the Company's Chairman, Mr Paul Ramsay, agreed to subscribe for **5,442,177** fully paid ordinary shares (**Shares**) under the Placement to raise a total of \$40 million of the \$80 million to be raised under the Placement, subject to approval of the Company's shareholders or the Australian Stock Exchange Limited (**ASX**) otherwise granting relief so that shareholder approval is not required.

ASX has not granted that relief and, accordingly, shareholder approval is sought to permit the Company to issue the Shares to PRH.

ASX Listing Rule Requirements

ASX Listing Rule 10.11 states that unless one of the exceptions in ASX Listing Rule 10.12 applies, an entity must not issue equity securities (including shares) to any of the following persons without the approval of holders of ordinary securities by ordinary resolution:

- a) a related party; or
- b) a person whose relationship with the entity or a related party is, in the ASX's opinion, such that approval should be obtained.

Accordingly, in order for PRH to subscribe for Shares, it is necessary to obtain the approval of shareholders by way of ordinary resolution.

In accordance with ASX Listing Rule 10.11, the following information is provided to shareholders:

- a) The allottee of the Shares is PRH.
- b) The number of shares to be issued to PRH is **5,442,177** fully paid ordinary shares in the Company.
- c) The Company will issue the Shares as soon as practicable after the date of this General Meeting and in any event by no later than 1 month (or later to the extent permitted by any ASX waiver of the Listing Rules) after the date of this General Meeting.
- d) PRH is controlled by the Company's Chairman, Mr Paul Ramsay. PRH in turn controls the Company (prior to the Placement, PRH held 51.45% of the shares on issue – after the Shares are issued, PRH will hold 51.34% of the shares on issue, prior to any dilution by the aforementioned share purchase plan). Subject to shareholder approval, PRH will receive the Shares under the Placement.
- e) The issue price of the Shares is \$7.35 per Share. The closing price of the Company's shares on 4 January 2005 [*ie the last trading day prior to this Notice being despatched for printing*] was \$7.28. The Shares will rank equally with other fully paid ordinary shares in the Company.
- f) The proceeds of the Placement (including the \$40 million raised in respect of the issue of the Shares to PRH if shareholders approve the issue) will be used to provide the Company with additional flexibility

and financial capacity to pursue its strategy of acquisitions and greenfield developments in aged care and further investment in enhancements and additional capacity at existing hospital facilities.

The Directors (with Paul Ramsay absent and not voting) recommend you vote in favour of the Resolution.