PRIMARY HEALTH CARE LIMITED
(ACN 064 530 516)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the annual general meeting of shareholders of Primary Health Care Limited ("**the Company**") will be held at 30-38 Short St, Leichhardt, Sydney NSW 2040 on Friday, 28 November 2003 at 11.00 am (Sydney time).

BUSINESS

The business of the meeting will consist of the following:

1. Receipt of Annual Financial Report

Receipt of the Company's Financial Report, the Directors' Report and the Auditor's Report for the year ended 30 June 2003.

2. Re-election of Mr John Crawford as a director

Mr John Crawford retires by rotation in accordance with the Constitution of the Company, and being eligible, offers himself for re-election.

3. Re-election of Mr John Joseph as a director

Mr John Joseph retires by rotation in accordance with the Constitution of the Company, and being eligible, offers himself for re-election.

4. Grant of options to Mr James Bateman

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

> "That approval is given for the grant to Mr James Bateman of 100,000 options which was made on 28 February 2003 pursuant to the Employees Option Plan of the Primary Health Care Ltd Group on the terms set out in that plan and in the Explanatory Statement accompanying the notice of this meeting, such approval being for the purposes of Listing Rules 7.4 and 10.14 of Australian Stock Exchange Limited."

Voting Exclusion

The Company will disregard any votes cast on this resolution by:

- any director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company); and
- Mr James Bateman; and
- an associate of Mr James Bateman or any such director.

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.

5. Grant of options to Mr Henry Bateman

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

> "That approval is given for the grant to Mr Henry Bateman of 50,000 options which was made on 28 February 2003 pursuant to the Employees Option Plan of the Primary Health Care Ltd Group on the terms set out in that plan and in the Explanatory Statement accompanying the notice of this meeting, such approval being for the purposes of Listing Rules 7.4 and 10.14 of Australian Stock Exchange Limited."

Voting Exclusion

The Company will disregard any votes cast on this resolution by:

- any director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company); and
- Mr Henry Bateman; and
- an associate of Mr Henry Bateman or any such director.

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.

By order of the Board

Andrew Duff, Secretary
26 September 2003

VOTING BY PROXY

(a) (right to appoint): Each shareholder has the right to appoint a proxy to attend and vote for the shareholder at this meeting.

(b) (two proxies): To enable a shareholder to divide their voting rights, a shareholder may appoint 2 proxies. Where 2 proxies are appointed:

(i) a separate Proxy Form should be used to appoint each proxy;

(ii) the Proxy Form may specify the proportion, or the number, of votes that the proxy may exercise, and if it does not do so the proxy may exercise half of the votes.

(c) (who may be a proxy): A shareholder can appoint any other person to be their proxy. A proxy need not be a shareholder of the Company. The proxy appointed can be described in the Proxy Form by an office held, for example, "the Chair of the Meeting".

(d) (signature(s) of individuals): In the case of shareholders who are individuals, the Proxy Form must be signed:

(i) if the shares are held by one individual, by that shareholder;

(ii) if the shares are held in joint names, by any one of them.

(e) (signatures on behalf of companies): In the case of shareholders who are companies, the Proxy Form must be signed:

(i) if it has a sole director who is also sole company secretary, by that director (and stating that fact next to, or under, the signature on the Proxy Form);

(ii) in the case of any other company, by either 2 directors or a director and company secretary.

The use of the common seal of the company, in addition to those required signatures, is optional.

(f) (other authorised persons): If the person signing the Proxy Form is doing so under power of attorney, or is an officer of a company outside of (e) above but authorised to sign the Proxy Form, the power of attorney or other authorisation (or a certified copy of it), as well as the Proxy Form, must be received by the Company by the time and at the place in (g) below.

(g) (lodgment place and deadline): A Proxy Form accompanies this notice. To be effective, Proxy Forms (duly completed and signed) must be received by the Company at its registered office:

(i) at 30-38 Short St, Leichhardt NSW 2040; or

(ii) by facsimile on (02) 9561 3301,

(marked to the attention of the Company Secretary) no later than 24 hours before the time for the holding of the meeting.

SHAREHOLDERS WHO ARE ENTITLED TO VOTE

In accordance with the Corporations Act, the directors have determined that a person's entitlement to vote at the meeting will be the entitlement of that person set out in the register of members as at 7.00 pm (Sydney time) on Wednesday, 26 November 2003.

EXPLANATORY STATEMENT

Definitions

1. In this Explanatory Statement:

"**ASX**" means Australian Stock Exchange Ltd;

"**the Company**" means Primary Health Care Ltd;

"**the Grants**" means the grants of Options to the Option Holders referred to in paragraph 3 below;

"**Option**" means an option granted under the Plan by the Company to subscribe for and be allotted a fully paid ordinary share in the capital of the Company;

"**the Option Holders**" means:

(a) Mr James Bateman, the Chief Operations Officer of the Company; and

(b) Mr Henry Bateman, the in-house solicitor for the Company;

"**the Plan**" means "the Employees Option Plan of the Primary Health Care Ltd Group" adopted by the directors of the Company on 11 February 2003.

Information relevant to both resolutions (items 4 and 5)

2. The information in this Explanatory Statement applies to both the resolution in Item 4 and the resolution in item 5 of the Notice of Annual General Meeting.

3. The resolutions in Items 4 and 5 seek approval for the grant ("the Grants") of:

(a) 100,000 Options to Mr James Bateman (Item 4); and

(b) 50,000 Options to Mr Henry Bateman (Item 5).

4. The Grants each took place on 28 February 2003 pursuant to the Plan. If shareholder approval is not obtained for either Grant, the Grant in question will be cancelled as soon as practicable after the completion of the Annual General Meeting.

The Plan

5. Your directors introduced the Plan in February 2003. Shareholder approval for the introduction of the Plan was not required.

6. Your directors consider the Plan an important part of allowing long-term key employees to participate in the future growth of the Company.

7. Under the Plan:

(a) your directors may invite one or more full-time or permanent part-time employees of companies in the Primary Health Care Ltd Group to participate in the Plan;

(b) at any time the total of the number of shares the subject of unexercised Options and shares issued as a result of the exercise of Options, must not exceed 5% of the number of shares on issue at that time;

(c) no consideration is payable by an employee in respect of the grant of Options;

(d) your directors determine the exercise price, any performance hurdles, and the term of the Option;

(e) the Company does not make any loan in relation to the exercise of the Options;

(f) each Option is not transferable;

(g) each Option lapses if the holder ceases to be an employee.

8. A total of 585,000 Options have so far been granted by your directors under the Plan to a total of 14 employees. These numbers include the Option Holders referred to in paragraph 3 above.

Approval required under Listing Rule 10.14

9. ASX has confirmed that shareholder approval is required for the Grants in accordance with the provisions of Listing Rule 10.14.3, as in ASX's opinion, the relationship between each of the Option Holders and a director of the Company is such that approval should be obtained. This arises because each of the Option Holders is a son of Dr Edmund Bateman who is the Managing Director of the Company.

10. Your directors considered that each of the Option Holders has contributed, and will continue to contribute if they remain employees, to the successful growth of the Company. Dr Edmund Bateman did not participate in the decision to offer to make the Grants to the Option Holders or the terms of the Options in question.

11. Mr James Bateman commenced salaried employment with the Company as Chief Operations Officer in August 1999.

12. Mr Henry Bateman commenced salaried employment with the Company as Company Solicitor in February 2001.

13. The Grants are not part of the remuneration package of either of the Option Holders. The purpose of the Grants is to provide an incentive to each Option Holder to continue to provide his services to the Company.

14. The terms and conditions of the Options granted to each Option Holder are identical to those issued to other employees of the Company under the Plan.

15. No consideration was payable by the Option Holders for the Grants. The sum of $3.38 is payable on the exercise of each Option. The exercise price was calculated as the average weighted market price of an ordinary share in the issued capital of the Company for the five days preceding the grant of the Options to the Option Holders.

16. A hurdle that must be performed in order to entitle the Option Holders to exercise the Options is continued employment with the Primary Health Care Ltd Group for a period of three years subsequent to the issue date of the Options. The Options may only be exercised between 13 February 2006 and 12 February 2008 inclusive if the Option Holder is still in the employ of the Company.

Approval under Listing Rule 7.4

17. Under Listing Rule 7.1 your directors have the authority to make placements of up to 15% of the issued share capital of the Company without having to obtain shareholder approval. For this purpose, options are counted as if they were shares. The issue of the Options to the Option Holders was made by your directors in accordance with the general authority in Listing Rule 7.1.

18. For the purposes of Listing Rule 7.1, Listing Rules 7.4 and 7.5 permit an approval to be given after the issue of securities has been made. Those Listing Rules treat the issue as having been made with prior approval, thereby renewing or replenishing the authority of the directors to make placements of up to 15% of the issued share capital of the Company.

19. One of the effects of the resolutions in Items 4 and 5 being passed is that the Options granted to the Option Holders are excluded from the calculation of the general authority to make other placements under Listing Rule 7.1.

Recommendations

20. Your directors (other than Dr Edmund Bateman who refrains from making a recommendation) recommend that you:

    (a) vote in favour of the resolution in Item 4; and

    (b) vote in favour of the resolution in Item 5.

Voting restrictions

21. Items 4 and 5 in the Notice of Annual General Meeting are each proposed as an ordinary resolution, which means that, for each such resolution to be passed, more than half of the votes cast must be in favour.

22. There are voting restrictions in relation to each of resolutions in Items 4 and 5, the terms of which are set out immediately after the text of each such resolution in the Notice of Annual General Meeting.

PRIMARY HEALTH CARE LIMITED
(ACN 064 530 516)
PROXY FORM

Shareholder

____
(full name of shareholder - please print)

____
(address)

Appoints

____
(name, or office held, of Proxy - please print)

____
(address)

or failing such appointment or the absence of that person, **the Chair of the Meeting**, as my Proxy to vote for me on my behalf (with discretion as to any business not referred to below) at the Annual General Meeting of the Company to be held on 28 November 2003, and at any adjournment of that meeting.

(Voting instructions to be indicated by a **tick** ☑ in the appropriate box. If no instruction is given the Proxy may vote as that person thinks fit, or abstain.)

BUSINESS		FOR	AGAINST	ABSTAIN
1.	Receipt of Annual Financial Report	☐	☐	☐
2.	Re-election of John Crawford as a director	☐	☐	☐
3.	Re-election of John Joseph as a director	☐	☐	☐
4.	Grant of options to James Bateman	☐	☐	☐
5.	Grant of options to Henry Bateman	☐	☐	☐

If you do not wish to direct your Proxy how to vote, please place a mark in the following box:

☐

By marking this box, you acknowledge that the Chair of the Meeting may exercise your proxy vote even if he has an interest in the outcome of the resolution and votes cast by him other than as a Proxy will be disregarded because of that interest. The Chair of the Meeting intends to vote undirected Proxies in favour of all resolutions.

SIGNATURE(S) / EXECUTION

_______________________	_______________________
Individual	*Director*
_______________________	_______________________
Sole director and sole secretary	*Director/Secretary*

Note: *Please read under "VOTING BY PROXY", at the end of the Notice of Annual General Meeting, as to completion and lodgment of this Proxy Form.*