

30 April 2014

DIVIDEND REINVESTMENT PLAN RULES (DRP RULES)

The Board of Sonic Healthcare Limited (SHL.AX) has used its discretion under DRP Rule 15: Variation of Plan to make the following minor amendments to the DRP Rules:

1. A change to the DRP Election Date to reflect the new Listing Rule requirement;
2. A change to clause 9.1 of the DRP Rules so that the pricing period commences on the third trading day after the record date in respect of the dividend;
3. Update to the web site address of SHL's Share Registry Computershare Investor Services Pty Limited.

In accordance with Listing Rule 3.10.8, attached is a copy of the amended DRP Rules.

Operation of the DRP remains suspended until further notice.

For further information regarding this announcement, please contact:

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DIVIDEND REINVESTMENT PLAN

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SUMMARY OF RULES

The Sonic Healthcare Limited ("Sonic") Dividend Reinvestment Plan (the 'DRP') allows you to automatically reinvest some or all of your cash dividend in exchange for additional ordinary shares.

This booklet has been prepared to assist you in deciding whether you wish to receive a cash dividend or increase your shareholding in Sonic by reinvestment of your dividend. A copy of the DRP Rules is contained in this booklet, which you should read carefully before deciding whether to participate in the DRP, or vary or withdraw from your participation where you have previously elected to participate. That decision should be taken after considering your particular financial and taxation position.

It is stressed that while this summary provides an outline of the Plan's operation, nothing in this booklet is intended to constitute financial product advice (and Sonic is not licensed to provide such advice). This booklet provides general comments only and does not take into account your personal objectives, financial situation or needs and should not be relied on as the basis for any decision you make in relation to participating in the DRP. You should obtain independent financial, legal and taxation advice in relation to your personal circumstances and how the participation in the DRP will affect you before making any decision to participate.

If you are not already a DRP participant, it is not necessary for you to take any action if you wish to continue to receive your dividends in the form of cash only.

Key Points

Your participation and where to find the DRP form

If you wish to take advantage of the DRP, you should submit a DRP Election Form online at www.computershare.com.au/easyupdate/shl. Holders will be taken to have signed the Election Notice if lodged online in accordance with the instructions on the website. Alternatively, you can request a DRP Election Form by contacting Sonic's Share Registry (noted at the back of this booklet) and completing and returning it to Sonic's Share Registry.

You may nominate some or all of your shareholding for participation in the DRP. **A DRP Election Form must be received by the Election Date for a dividend to be effective for that dividend.** The nominated participation will apply to all subsequent dividends for which the DRP is in operation, until altered by you through the lodgement of a new DRP Election Form or a Withdrawal Form or until the DRP is terminated by Sonic.

Who the DRP is available to

Subject to any further determination by the Board, the DRP is available to all Sonic shareholders with a registered address in Australia, New Zealand or the United Kingdom, but not to shareholders with a registered address in any other country (other than to certain eligible shareholders in the United States, as determined by the Board in its discretion).

Participation in the DRP is made available to shareholders resident in the United Kingdom, the United States and New Zealand in reliance on various exceptions or no action positions. Sonic is not required to prepare or register a prospectus or similar document in respect of the DRP in those jurisdictions.

This DRP information booklet has not been registered, filed with or approved by any regulatory authority in Australia, the United Kingdom, the United States or New Zealand.



The way your DRP entitlement is calculated

Ordinary shares issued or transferred under this DRP are issued or transferred by reference to the market price less a discount (if any) as determined by the Board from time to time. Please see the DRP Rules for full details of how the market price under the Sonic DRP is determined.

Your entitlement is calculated by multiplying the cash dividend (in cents per share) which you would otherwise have received on the shares participating in the DRP (after allowing for any taxes) by the number of shares you have participating in the DRP plus any cash balance you may have remaining from prior dividends and dividing that amount by the market price calculated pursuant to the DRP Rules less any discount determined by the Board.

Applicable discount

The Board will announce any discount applicable to the DRP. The Board also has the power to change the discount, and will inform ASX of any change if it does so.

Residual amounts are carried forward

You will only receive a whole number of shares under the DRP. Where the allocation calculation would otherwise result in a fraction of a share being allocated to you, the cash amount attributable to that fraction will be retained (without interest) and held in an account on your behalf for application to future DRP issues or transfers. The cash balance will be paid to you within 6 months if you cease to be a shareholder.

Shares rank equally

Ordinary shares will be issued or transferred under the DRP shortly after the close of the period during which the market price is calculated or, if later, shortly after the time the cash dividends are paid. Those shares will rank equally in all respects with existing issued ordinary shares and may be sold any time after you receive them.

No additional cost to participate

You pay no brokerage, commission or stamp duty on the issue or transfer of these shares under the DRP.

Plan statement

A statement is sent to you at the time of each issue or transfer giving details of your participation in the DRP.

Tax

For Australian income tax purposes, dividends reinvested under the DRP are treated as dividends received by you in the same way as cash dividends received on shares which are not participating. Sonic does not take responsibility for the taxation liabilities of shareholders and recommends you obtain professional taxation advice. Shareholders subject to foreign taxation laws are advised to make enquiries about their tax liabilities under those laws.



Automatic participation for future issues

If all of your ordinary shares participate in the DRP, then any further ordinary shares purchased by you or issued or transferred to you will automatically participate in the DRP unless you otherwise elect by submitting a DRP Election Form or Withdrawal Form by the Election Date for the relevant dividend, i.e. you will not be sent a cash dividend in respect of such shares, unless you so elect. If you have elected to partially participate in the DRP, any shares issued or transferred to you or purchased by you in addition to those you have nominated to participate, will not participate in the DRP.

Withdrawing from the DRP

If you wish to withdraw from the DRP or wish to change your election, please do so online at www.computershare.com.au/easyupdate/shl. Holders will be taken to have signed the Election Notice if lodged online in accordance with the instructions on the website. Alternatively, you can contact Sonic's Share Registry (noted at the back of this booklet), and request an Election Form or a Withdrawal Form to be sent to you and then forward the relevant form to Sonic's Share Registry. Unfortunately, no action will be recognised unless the Share Registry has received a properly completed and executed Election Form or Withdrawal Form.



COMMONLY ASKED QUESTIONS AND ANSWERS

Who can participate?

All holders of ordinary shares can participate in the DRP unless a holder is resident in, connected with or subject to the laws of any place outside Australia, New Zealand or the United Kingdom (provided that certain eligible shareholders in the United States, as determined by the Board in its discretion, may participate in the DRP).

Can I participate if I am a resident of the United States?

The Board may allow you to participate in the DRP, in its discretion, unless there is a requirement to register or qualify the ordinary shares in the DRP under the U.S. Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States, or the Board otherwise determines it is not lawful or practicable or desirable to allow you to participate.

Is participation optional?

Yes. The decision to participate or not is entirely yours. However, if you have previously elected to participate in the DRP your participation will automatically continue on the terms of the Plan from time to time unless you vary your participation or withdraw from participation by the Election Date for the relevant dividend by submitting a DRP Election Form or a DRP Withdrawal Form.

Can I participate partially?

Yes. You can elect to have fewer than all your shares participate. Your participation in the DRP will depend on the number of shares you have nominated in your DRP Election Form. Your entitlement to dividends on shares not participating in the DRP will be paid in cash in the normal way.

How to join the DRP?

You must complete a DRP Election Form by going online at www.computershare.com.au/easyupdate/shl. Holders will be taken to have signed the Election Notice if lodged online in accordance with the instructions on the website. Alternatively, you can request a copy of the DRP Election Form by contacting Sonic's Share Registry (noted at the back of this booklet). That election will only be effective for dividends whose Election Date occurs after the receipt of your form.

May I show my desired level of participation on the DRP Election Form as a percentage of my shareholding?

Unfortunately not. A DRP Election Form must state the number of shares elected to participate.

When will my participation begin?

It will begin with the first dividend payment occurring after receipt of your DRP Election Form, provided that it is received before the Election Date for that dividend and provided that the operation of the DRP is not suspended at that time. Participation will continue until altered or cancelled by you by submitting a DRP Election Form or a DRP Withdrawal Form or until the DRP is terminated by Sonic.

What happens if I have more than one shareholding?

You will need to lodge a separate DRP Election Form for each separate shareholding and you must correctly identify the shareholding on the form.



Can I change my participation at any time?

The DRP Election Form is used to vary your participation as well as to elect to initially participate. A DRP Withdrawal Form is used to withdraw from participation. Simply go online to www.computershare.com.au/easyupdate/shl. Holders will be taken to have signed the Election Notice if lodged online in accordance with the instructions on the website. Alternatively, you can request a DRP Election Form or a Withdrawal Form by contacting Sonic's Share Registry (noted at the back of this booklet). The notice will be effective from the next dividend payment, subject to it being received by Sonic's Share Registry before the Election Date in respect of that dividend.

Do I receive certificates for shares issued or transferred under the DRP?

No. Sonic operates an uncertificated share register. Share certificates will not be despatched unless you are a certificated holder. Your increased holding will however appear on the next holding statement you receive.

At what price will the shares be issued or transferred?

They will be issued or transferred at the market price for Sonic shares calculated pursuant to the DRP Rules. The Board will announce to the ASX any discount applicable to the DRP. The Board may announce that a different discount (not exceeding 10%) will apply from time to time.

What will it cost me to participate?

It will cost you nothing. You will not be charged brokerage fees, commission, stamp duty or administrative costs for any issue or transfer of ordinary shares under the DRP.

Can I sell my shares when I choose?

You can sell any or all of your shares at any time. The shares will automatically be withdrawn from the DRP when Sonic registers a valid transfer document.

If you sell your shares shortly before the record date, you should inform your stockbroker that your shares are participating in the DRP. If you are a partial participant in the DRP, unless otherwise notified, any shares sold will be taken:

- in the first instance to be shares receiving a dividend in cash; and
- in the second instance, to be shares participating in this DRP.

When should I inform Sonic of any sale?

If you have sold all of your shares, it is not necessary to advise Sonic of the sale. However, if you have sold only some of your shares and you do not wish those shares sold to be deducted from the DRP in the order mentioned above, then you should notify Sonic's Share Registry in writing.

What happens to fractions and residual balances arising from application of the formula to determine the number of ordinary shares issued or transferred?

A fraction arising from the application of the formula to determine the number of ordinary shares you receive will be rounded down to the nearest whole number. Any residual balance of dividend entitlement arising from dividing the dividend by the relevant market price (less any discount) is held in a cash account on your behalf and will be applied towards future DRP share issues or transfers. Any amount standing in that account when you cease to be a shareholder will be paid to you within 6 months.



Do new ordinary shares issued or transferred under the DRP automatically participate?

The answer to this question will depend on the level of your participation. If all your ordinary shares participate, then new shares issued or transferred under the DRP will automatically participate. If you are a partial participant in the DRP, your new shares issued or transferred under the DRP will not participate. You must submit a DRP Election Form in respect of the new ordinary shares if you want them to participate.

If I buy more shares and I am a partial participant, do I need to lodge a new DRP Election Form?

Yes, if you want the newly purchased shares to participate in the DRP you will have to submit a new DRP Election Form. You do not need to do anything if you want dividends on the new shares to be paid in cash.

What about taxation?

For Australian income tax purposes dividends reinvested under the DRP are treated as dividends received by you in the same way as dividends received on shares which are not participating.

Sonic does not take responsibility for the taxation liabilities of shareholders and recommends you obtain professional taxation advice. Shareholders subject to foreign taxation laws are advised to make enquiries about their tax liabilities under those laws.

How do I keep track of my participation?

After each dividend payment, a statement will be issued showing:

- the number of DRP shares held at the record date;
- the amount of the dividend which the person would have received in cash if the DRP shares had not participated in the Plan;
- the effective price at which the reinvestment shares were issued or transferred;
- the number of those reinvestment shares issued or transferred;
- the number of DRP shares you hold after the issue or transfer of the reinvestment shares pursuant to the particular dividend;
- the amount of the residual cash balance following the dividend;
- such information, if any, as is required by law to be included in such a statement and given to you; and
- such other information as the Board considers necessary.

Can the DRP be modified, suspended or terminated?

Sonic may modify the DRP at any time. It may also suspend the operation of the DRP. If the DRP is to be terminated, DRP participants will receive one month's notice.

ENQUIRIES

If you have any enquiries (other than taxation) about how the DRP operates and how you can participate, contact Sonic's Share Registry noted at the back of this booklet.



DIVIDEND REINVESTMENT PLAN RULES

RULE 1: Preliminary

- 1.1 These Rules constitute the terms and conditions of the Plan established by the Board pursuant to the Company's Constitution and authority thereunder created by a resolution of the Company in general meeting.
- 1.2 The Plan will commence on the passing of the resolution specified in Rule 1.1 and will continue in operation until suspended or terminated by the Board pursuant to Rule 16 or by the Company in general meeting.

RULE 2: Interpretation

- 2.1 In these Rules, unless a contrary intention appears

ASX means ASX Limited or the financial market operated by ASX Limited, as the context requires.

Board means the board of directors of the Company or a committee of the Board;

Company means Sonic Healthcare Limited;

DRP Account has the meaning given to that expression by Rule 8.2;

DRP Shares with respect to any person, means the shares held by that person in a securities account and which participate in the Plan;

Election Date means the date that is the business day after the record date or such other date as determined by the Board and notified to shareholders by announcement to the ASX;

Election Form means the application to either cause shares to participate in the Plan or to vary the basis of such participation in a form approved by the Company from time to time (which may be in electronic form or in writing);

Excluded Transaction means

- (a) any transaction defined or described in the ASX Operating Rules as "special", any crossing prior to the commencement of the open session state (as defined in the ASX Operating Rules), any crossing during overnight trading (as permitted by the ASX Operating Rules), any overseas trades or the exercise of options over shares;
- (b) where shares are traded on a Trading Platform of an Australian financial market operated by a person other than the ASX, any transaction on that Trading Platform having similar effect to any transaction defined or described in the ASX Operating Rules as "special", any crossing prior to the commencement of the open session state (as defined in the ASX Operating Rules), any crossing during overnight trading (as permitted by the ASX Operating Rules), any overseas trades or the exercise of options over shares;
- (c) any trades that the Board determines to exclude on the basis that the trades are not fairly reflective of supply and demand.

Plan means the Dividend Reinvestment Plan and **DRP** has a corresponding meaning;

Reinvestment Shares has the meaning given to that expression by Rule 8.1;



Rules means these Rules;

Withdrawal Form means a notice to cause all shares in a particular securities account which for the time being participate in the Plan to cease to participate (in writing or, where Sonic so permits, in electronic form).

- 2.2 References in these Rules to a **securities account** take account of the following circumstances:
- (a) that a holder of shares may hold different classes of shares; or
 - (b) that a holder of shares of any particular class (whether or not the holder holds shares of another class) may be recognised by the Company as holding them in more than one account or, because of some different particular (for example, a different address or an initial instead of a name) in relation to a person, it may seem from the register that a single holder of shares of that class is two or more different persons.
- 2.3 For the purposes of these Rules, an Election Form shall be taken to indicate **full participation** in respect of shares of a particular kind and class held by a person in a particular securities account when it indicates that all of those shares are to participate.
- 2.4 For the purposes of these Rules, an Election Form shall be taken to indicate **partial participation** in respect of shares of a particular kind and class held by a person in a particular securities account when that form nominates a specified number of those shares (being less than the total number held by the person in that securities account) for participation in the Plan.

RULE 3: Participation

- 3.1 Participation by shareholders in the Plan is optional.
- 3.2 Some or all of the ordinary shares (but in any event not less than a marketable parcel (if decided and announced by the Company) - excluding broker's entropot nominees) held from time to time by a person in a particular securities account may, subject to these Rules, participate in the Plan.
- 3.3 The DRP Shares held by a person in a particular securities account shall be determined or identified from time to time by reference to the Election Form received from that person in accordance with Rule 4 which is in force at the relevant time.

RULE 4: Application to Participate

- 4.1 An Election Form and a Withdrawal Form must be submitted in a form (including in electronic form or in writing) prescribed or approved by the Company.
- 4.2 Every Election Form or Withdrawal Form must:
- (a) contain sufficient details to enable the relevant securities account to which it relates and the shares to which it relates to be identified;
 - (b) be executed by or on behalf of the person by whom the relevant shares are held or in such other manner as the Board may from time to time prescribe or approve;
 - (c) be received by the Company; and
 - (d) comply with these Rules.



- 4.3 Subject to Rule 4.7, an Election Form or Withdrawal Form is effective when received and approved by the Company and, until then, creates no rights or liabilities. Approval of an Election Form may be withheld by the Company at the absolute discretion of the Board and the Board shall not be bound to give any reason for the withholding of approval.
- 4.4 Approval of a valid Withdrawal Form shall not be withheld by the Company.
- 4.5 Approval of an Election Form shall be withheld by the Company in any case where, in the opinion of the Board, approval of it would prejudice the effective operation of the Plan, would result in a breach of any law or would be contrary to the interests of the Company as determined by the Board.
- 4.6 Where approval of an Election Form is withheld, the Company shall so inform the person from whom the Election Form was received.
- 4.7 Unless an Election Form or Withdrawal Form is received by the Company's Share Registry by the Election Date for the dividend, the Election Form or Withdrawal Form shall not take effect in respect of that dividend.

RULE 5: Variation and Termination of Participation

- 5.1 Variation of participation may only be effected by lodgement of a new Election Form in substitution for the Election Form in force at the time of lodgement.
- 5.2 A person who has lodged an Election Form in relation to a particular securities account may terminate that person's participation in the Plan in relation to that securities account by lodging a Withdrawal Form and when that Withdrawal Form comes into force, all of the shares held by the person in that securities account shall cease to be DRP Shares.

RULE 6: Securities Subject to Change

- 6.1 If at the time of lodgement of any Election Form, the Company has a lien on or charge over any of the shares to which the Election Form relates or is entitled to withhold dividends thereon, the Election Form is incapable of coming into force and shall not be eligible for approval by the Company.
- 6.2 If there arises in relation to any DRP Shares any lien, charge or entitlement as mentioned in Rule 6.1, a Withdrawal Form in relation to the relevant securities account shall be deemed to have come into force and Rule 5.2 shall take effect accordingly (subject, however, to that lien, charge or entitlement).

RULE 7: Effect of Transfer of Securities

- 7.1 On transfer of all the shares in a particular securities account, such of those securities as are DRP Shares will, on registration of the transfer, automatically cease to participate in the DRP.
- 7.2 On transfer of only some of the shares in a particular securities account, unless the holder otherwise notifies the Company's Share Registry, the securities comprised in the transfer shall be taken to be:
 - (a) first, shares receiving a dividend in cash; and
 - (b) second, DRP Shares;and such of the shares comprised in the transfer as are taken to be DRP Shares will, on registration of the transfer, automatically cease to participate in the DRP.
- 7.3 For the purposes of this Rule 7, transfer includes a valid application for registration by transmission.



RULE 8: Operation of the Plan

8.1 Dividends declared or otherwise to be paid in respect of DRP Shares shall be deemed received by the holder of them and applied as subscription or other acquisition moneys for ordinary shares (referred to as **Reinvestment Shares**) in accordance with Rule 10 at or about the dividend payment date.

DRP Account

8.2 In order to calculate from time to time the number of Reinvestment Shares to which a person is entitled in respect of a particular securities account, the Company shall for record purposes only keep a separate account (referred to as a **DRP Account**) in respect of that securities account which:

- (a) records every amount of dividend which the person would have received in cash from time to time in respect of the person's DRP Shares in that securities account had such securities not participated in the Plan and accordingly had dividends been paid in respect of or on them (see (VxW) - T in Rule 9.1 below);
- (b) reflects each application of every such amount; and
- (c) records such other matters as these Rules require.

Deemed direction

8.3 A shareholder who applies to participate in the Plan will, in making his or her application, be deemed to have directed the Company to apply such monies towards subscription for or other acquisition of the number of shares as is determined by the application of the formula in Rule 9.1.

Issue New Shares or Transfer Existing Shares

8.4 The Board in its absolute discretion will determine, with respect to the operation of the Plan for any dividend, whether to issue new shares or to cause the transfer of existing shares, or to apply a combination of both options, to satisfy the Company's obligations under the Plan.

8.5 If the Board determines to cause the transfer of shares to participants, Rule 18 will apply.

RULE 9: Calculation of Entitlements

9.1 In relation to each securities account in which a person holds DRP Shares at the record date in respect of a dividend on shares of the same class, the person shall be issued or transferred that number of Reinvestment Shares which is ascertained by applying the formula:

$$Q = \frac{(VxW) - T + R}{Z}$$

where:

Q = the number of the Reinvestment Shares, rounded down to the nearest whole number;

V = the number of the DRP Shares of the relevant class held by the person in the particular securities account on the record date for the dividend;

W = the amount of the dividend that would have been paid to the person in respect of each of those DRP Shares had such securities not participated in the Plan;



- T = the amount of withholding tax or income tax required to be deducted and withheld by the Company in respect of dividends attributable to those DRP Shares;
- R = the residual positive balance (if any) carried forward in respect of the DRP Shares from a previous issue or transfer of Reinvestment Shares, as determined in accordance with Rule 9.2, and
- Z = the arithmetic average (rounded to the nearest whole cent) of the daily volume weighted average market price per Sonic ordinary share (rounded to four decimal places) of:
- all shares traded on ASX's Trading Platform, excluding any Excluded Transaction; and
 - where shares are traded on Trading Platforms of Australian financial markets operated by persons other than ASX, all shares traded on such of those Trading Platforms determined by the Board from time to time, excluding any Excluded Transaction,

on each of the 10 consecutive trading days commencing on the third trading day after the record date in respect of the dividend (or such other period as the Board determines and announces to the ASX), less such discount (not exceeding 10%) as is determined by the Board from time to time. If the Board determines to cause the transfer of shares to participants under Rule 8.4 then, for the calculation of "Z", there will be no applicable discount unless the Board determines that a discount applies having first satisfied themselves that any such discount will not materially prejudice the interests of the Company or its shareholders or the Company's ability to pay its creditors.

- 9.2 If the calculation of "Q" in Rule 9.1 involves a rounding down to the nearest whole number, then the amount of cash remaining and not applied to the issue or transfer of Reinvestment Shares after that calculation, shall be recorded as a positive balance in the DRP Account kept by the Company in respect of the relevant participating securities account, and that positive balance shall be carried forward to the determination of the Reinvestment Shares entitlement (if any) next arising in respect of that participating securities account. No interest will accrue in respect of any positive balances.
- 9.3 Within six months of the termination of the participation of a securities account in the Plan, an amount of money equal to any residual positive balance remaining in respect of that securities account as at the time of termination will be paid by cheque to the shareholder concerned (or, when applicable, the trustee or personal representative of the deceased shareholder's estate).
- 9.4 The calculations of "Q" or "Z" in Rule 9.1 must be determined by the Company or another suitable person or persons nominated by the Company, by reference to information the Company approves for that purpose from time to time, and in the absence of manifest error is binding on the Company's shareholders participating in the Plan.



RULE 10: Issue or transfer of Reinvestment Shares

An issue or transfer of Reinvestment Shares to which a person becomes entitled under Rule 9 in respect of a particular securities account by reason of a particular dividend payment shall be effected as follows:

- (a) there shall be recorded in the DRP Account of the person in respect of that securities account the number of Reinvestment Shares (calculated under Rule 9) required to be issued or transferred to the person;
- (b) the number of Reinvestment Shares recorded pursuant to the preceding paragraph shall be issued or transferred to the person following the later of the conclusion of the period referred to in the calculation of 'Z' in Rule 9.1 and the time of payment of the dividend in question; and
- (c) the residual positive balance (if any) arising in respect of each particular securities account shall be retained in the relevant DRP Account.

RULE 11: Plan Statements

11.1 Holding statements will be issued to you in accordance with the relevant rules of ASX.

11.2 Promptly after issue or transfer of any Reinvestment Shares pursuant to the Plan, a statement will be sent in respect of each participating securities account to which those Reinvestment Shares relate, and every such statement shall set out:

- (a) the number of DRP Shares at the record date;
- (b) the amount of the dividend which the person would have received in cash if the DRP Shares had not participated in the Plan;
- (c) the effective price at which the Reinvestment Shares were issued or transferred;
- (d) the number of those Reinvestment Shares issued or transferred;
- (e) the number of DRP Shares after the issue or transfer of the Reinvestment Shares;
- (f) the amount of the residual positive balance following the dividend;
- (g) such information, if any, as is required by law to be included in such a statement or to be given to the recipient of the statement; and
- (h) such other information as the Board considers necessary.

11.3 All Reinvestment Shares issued or transferred under the DRP will be registered on a register, including a subregister, of shareholders selected by the Company, being a register on which the participant already holds shares.

RULE 12: Ranking and Listing

12.1 All Reinvestment Shares shall, from the date of their issue, rank pari passu with all other ordinary shares of the same class in the capital of the Company.

12.2 Promptly after issue, the Company will make application for official quotation of all Reinvestment Shares issued under the DRP on the ASX.



RULE 13: Death of a Participant

- 13.1 Where the holder of any shares in respect of which an Election Form is for the time being in force dies, participation of any shares held by that holder in the Plan shall:
- (a) where such holder is the sole holder, terminate on receipt by the Company of notice of death;
 - (b) where the holder is a joint holder, not be affected by the death.
- 13.2 In the case of such death, the Company will recognise as competent to lodge an Election Form or Withdrawal Form in relation to the shares in question any person whom it is bound to recognise as competent to transfer the shares.
- 13.3 Nothing in this rule 13 affects the operation of Rule 7.3.

RULE 14: Persons in Other Countries

- 14.1 Shareholders with a registered address in any country other than Australia (referred to as **Non-Australian Shareholders**) are not entitled to participate in the Plan; provided that the Board may, in its discretion, allow some or all Non-Australian Shareholders (including shareholders in the United States) to participate in the Plan, except where:
- (a) there is a requirement to register or qualify the DRP Shares, or issue a prospectus or similar document, under the laws of any jurisdiction, including under the U.S. Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States (but this restriction does not apply if the requirement has, in the Board's opinion, been satisfied); or
 - (b) the Board otherwise determines it is not lawful or practicable or desirable to allow such shareholders to participate.
- 14.2 Nothing in these Rules requires the Company to take any action under any laws in force in any place outside Australia which affect or regulate the issue or transfer of shares pursuant to the Plan or the right or entitlement of a person subject to those laws to participate in the Plan.
- 14.3 Responsibility to comply with any laws of the kind mentioned in Rule 14.2 is not accepted by the Company which, if it considers that it is impracticable or undesirable to meet the requirements of any such law that must be met to enable particular persons to participate, shall be entitled to decline to accept any Election Form lodged by any such person and, if an Election Form lodged by any such person has previously been accepted, to execute on the person's behalf a Withdrawal Form.
- 14.4 Without limiting the generality of Rule 15.1 (but subject to Rule 15.3) the Board may alter or add to these Rules in any way which causes:
- (a) provisions different from those generally operating to apply in relation to participation in the Plan by persons resident in, connected with or subject to the laws of any place outside Australia where the Board is of the opinion that to do so is necessary or desirable to enable participation by those persons; or
 - (b) shares held by or on behalf of persons resident in, connected with or subject to the laws of any place outside Australia to be incapable of participating in the Plan where the Board is of the opinion that it is not practicable or not desirable to extend participation to shares so held.



RULE 15: Variation of Plan

- 15.1 Subject to Rule 15.3, the Board may at any time alter or add to these Rules as it thinks fit.
- 15.2 Without limitation to Rule 15.1 the Board may under Rule 15.1 alter or add to these Rules so as:
- (a) to alter the source of sums applied pursuant to Rule 10; or
 - (b) to simplify the Plan or make more convenient the operation of the Plan.
- 15.3 No alteration of or addition to these Rules shall be made by the Board if the alteration or addition:
- (a) removes or varies a right to receive Reinvestment Shares that has already crystallised by reason of the payment of the relevant dividend; or
 - (b) imposes on a person who holds DRP Shares any obligation to pay money.
- 15.4 Subject to Rule 15.5, neither a determination by the Board of a rate of discount for the purposes of Rule 9, nor the period over which the relevant market price is calculated nor a suspension or termination (in whole or in part) of the Plan pursuant to Rule 16 amounts to an alteration of or addition to these Rules.
- 15.5 At the time that the Board announces a dividend and record date for the dividend to ASX it will also specify the discount (if any) for the purposes of Rule 9 of this Plan if such discount is to be different from the discount previously announced for the purposes of Rule 9 of this Plan. If no announcement specifying a new discount is made, the Board will be deemed to have determined that the previously announced discount (if any) applies to the next dividend payable.
- 15.6 If the DRP or these Rules are varied, a participant continues to participate under the DRP and these Rules in their varied form continue to apply unless the participant terminates its participation in the DRP by submitting a Withdrawal Form in accordance with these Rules.
- 15.7 Notwithstanding anything else contained in these Rules, the Company may at any time, without the need for any notice:
- (a) modify the Plan to comply with the Company's Constitution, the Listing Rules of ASX, or any law; and
 - (b) make minor amendments to the Plan where such amendments are of an administrative or procedural nature.

RULE 16: Suspension and Termination of Plan

- 16.1 The Board may at any time suspend the operation of the Plan either for a fixed period or until the suspension is terminated by the Board but inadvertent failure to give notice to any person shall not invalidate such a suspension.
- 16.2 The Board may at any time terminate the Plan by giving one month's notice to every person by whom securities participating in the Plan are held but inadvertent failure to give notice to any person shall not invalidate such a termination.
- 16.3 On termination of the Plan the securities held by the person in a particular securities account which are DRP Shares shall automatically cease to have that character.



RULE 17: Notices and Governing Law

- 17.1 (a) Any application or notice to the Company referred to in these Rules must be in the form prescribed by the Company from time to time. The Company may determine that applications and notices to the Company may be lodged electronically either through the Company's website or that of an authorised third party. Any application or notice lodged electronically must comply with the applicable terms and conditions of the electronic lodgement facility.
- (b) Applications and notices are effective upon receipt by the Company or the Share Registry (as appropriate) subject to:
- (i) these Rules;
 - (ii) notwithstanding anything else in these Rules, acceptance by the Company or in accordance with policy set by the Company from time to time; and
 - (iii) receipt by the Company or the Share Registry (as appropriate) before the Election Date for the relevant dividend.

Applications or notices received after the Election Date for a dividend are not effective in respect of that dividend but are effective in respect of any subsequent dividends.

- 17.2 Unless these Rules otherwise require in a particular case, any notice or other communication to be given by the Company under or for the purposes of these Rules shall be in writing and may, at the Board's discretion, be effected by any of the following:
- (a) by notice to ASX, for release to the market;
 - (b) in any manner provided for in the Company's Constitution for the giving of notices by the Company to its members; or
 - (c) by sending it by post to the relevant person's address appearing in any register maintained by the Company or otherwise notified to the Company and shall be deemed to be given on the second business day after being so posted.
- 17.3 These Rules shall be governed by and construed in accordance with the laws of New South Wales and the Commonwealth of Australia.

RULE 18: Transfer of Shares

- 18.1 This rule applies if the Board determines to cause the transfer of shares to participants under Rule 8.4.
- 18.2 The Board may at any time (including after the record date for a relevant dividend) determine transfer administration rules ("Transfer Administration Rules") or amend any such rules.
- 18.3 The Board may determine the content of the Transfer Administration Rules in its absolute discretion, but to the extent the Transfer Administration Rules are from time to time inconsistent with these rules, these rules prevail.



18.4 Each participant, by completing and submitting an Election Form:

- (a) is bound by the Transfer Administration Rules;
- (b) agrees to undertake all actions, and refrain from any actions, as required by the Transfer Administration Rules;
- (c) for valuable consideration, irrevocably appoints the Company, and any person or persons determined by the Company from time to time, as the participant's agent and attorney ("Attorney") in the participant's or the Attorney's name to:
 - (i) do anything required to be done by the participant under these rules or the Transfer Administration Rules (including, without limitation, executing transfer forms for shares acquired under the Plan);
 - (ii) do anything which, in the opinion of the Attorney, is necessary or convenient for the operation of these rules or the Transfer Administration Rules;
 - (iii) delegate its powers to any person or persons determined by the Attorney from time to time.

18.5 The shares may be acquired in such manner as the Company considers appropriate, and if the Board so chooses, it may, without limitation, create a trust (of which participants are the beneficiaries) to acquire the shares and then transfer or sell such shares to the participants.



Sonic Healthcare Limited

ABN 24 004 196 909

Registered Address

14 Giffnock Avenue
Macquarie Park NSW 2113 Australia
Ph: 61 2 9855 5444
Fax: 61 2 9878 5066
Website: www.sonichealthcare.com

Where to send forms and who to contact if you have any questions

Your DRP Election Form or Withdrawal Form should be returned to the Company's Share Registry at the address below.

The Share Registry should also be your first point of contact if you have any questions about the operation of the Plan or the process by which dividends will be reinvested under the Plan.

Share Registry

Computershare Investor Services Pty Limited
GPO Box 1903, Adelaide
South Australia 5001, Australia
Ph: 1300 55 6161 (within Australia)
Ph: +61 3 9415 4000 (outside Australia)
Fax: 1300 534 987 (within Australia)
Fax: +61 3 9473 2408 (outside Australia)
Website: www.computershare.com.au/easyupdate/shl



ATTACHMENT:

WARNING STATEMENTS FOR NON-AUSTRALIAN JURISDICTIONS

New Zealand resident shareholders

Participation in the DRP is made available to New Zealand resident shareholders in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2002* (NZ). Accordingly, Sonic is not required to register a New Zealand prospectus or prepare and distribute a New Zealand investment statement to New Zealand resident shareholders in respect of the DRP.

This DRP information booklet has not been registered, filed with or approved by any New Zealand regulatory authority under the *Securities Act 1978* (NZ).

United Kingdom resident shareholders

This document does not constitute a prospectus for the purposes of European Union Regulation No 809/2004, or the legislation of any EU member state implementing the EU Prospectus Directive (2003/71/EC) as amended, including the Financial Services and Markets Act 2000 of the United Kingdom. No such prospectus will be issued in connection with this offer.

United States resident shareholders

The new ordinary shares in Sonic pursuant to the DRP described in this booklet have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended or the securities laws of any state or other jurisdiction of the United States.