

MINUTES OF MEETING

Minutes of Annual Meeting of Unitholders 17 November 2020

Location:	Physically, at Makora Room of Generator Commercial Bay, Level 2, PwC Tower, 15 Customs Street, Auckland 1010, and virtually, by participation through the web platform web.lumiagm.com or the Lumi AGM app. Meeting ID 356-803-751.
Present (in person or virtually)	Bernard Crotty (BC) (as Chair of the meeting), Andrew Evans (AE), Graham Stuart (GS), Paul Dalla Lana (PDL) and Dr Michael Stanford (MS) – directors of the Manager. Justine Wealleans (JW) from Trustees Executors Limited, the Supervisor of Vital Healthcare Property Trust. Thomas Moeke (TM) from Deloitte as auditor of the Trust. Toby Sharpe (TS) from Bell Gully as legal advisor of the Manager.
In attendance:	Craig Mitchell (CM) Chief Executive Officer - Australia and New Zealand, Aaron Hockly (AH) Fund Manager, Michael Groth (MG) Chief Financial Officer, Vanessa Flax (VF) Regional General Counsel and Company Secretary, Chris Adams (CA) Executive Director - Developments, Richard Roos (RR) Executive Director - Portfolio. Registered Unitholders, Proxy holders and invitees.
Apologies:	None
Meeting opened:	10.00am

1. Welcome

BC welcomed all to the meeting and identified that he had been appointed Chair of the meeting in accordance with the Trust Deed by the Trust Supervisor. BC noted that the meeting was a hybrid meeting, meaning that it was being held both physically in Auckland and virtually via the Lumi platform.

BC noted that the Notice of Meeting had been circulated to unitholders prior to the meeting, which set out the scope of the meeting and the resolution to be put to the meeting. BC confirmed that a quorum was present and declared the 2020 Annual Meeting open. BC set out the agenda for the meeting.

BC introduced the directors physically present at the meeting, AE and GS. BC noted that MS and PDL were unable to attend the meeting in person due to COVID-19 travel restrictions, but were participating virtually. BC introduced AH, as well as JW (Supervisor of Trust), TM (auditor of the Trust) and TS (legal advisor of the Trust). BC noted that a number of the members of NorthWest's regional senior management team (CM, MG, CA, RR and VF) were also attending the meeting virtually due to the travel restrictions.

2. Chairman of the Manager's Address

BC's presentation and speech is attached to these minutes.

3. Fund Manager's presentation

AH's presentation and speech is attached to these minutes.

4. Questions:

BC asked GS, as a director physically present at the meeting, to take questions of unitholders. GS noted that questions could be asked in person or via the Lumi platform, and that AE would read out any questions received through the platform. GS noted that only unitholders and proxy holders were permitted to submit questions during the meeting.

John Clearwater

Q. There have been extraordinary fire disasters occurring in Australia and New Zealand recently. Has the Trust experienced any difficulty with obtaining fire insurance, and has there been any recent increase in fire insurance premiums?

AH. AH confirmed that insurance premiums were increasing and insurance was becoming more difficult to obtain. AH noted that there was currently a project under way to expand the Trust's existing insurers, as the market was relatively tight. AH confirmed that he did not expect this to impact the level of insurance cover held by the Trust although insurance costs are expected to increase.

Dr Vodanovich

Q. In light of the current pandemic and the likelihood of future pandemics, is the Trust's strategy and projects taking pandemics into account?

AH. AH explained that the Trust's current projects were significantly advanced, so the nature of these projects could not be changed. However, the aged care facilities in particular were all single room facilities with ensuites, which have significant advantages for our aged care operators in respect of both pandemics and normal illnesses. Future projects would take into account the need to be able to respond to pandemics, although this would likely be led by the Trust's tenants rather than the Trust itself. AH noted that the Trust works closely with its tenants to identify the evolving needs of the market.

Oliver Mander (NZ Shareholders' Association representative)

Q. Could you please outline the participation of NorthWest in the UPP, and confirm whether NorthWest will be releasing a modified substantial product holder notice?

AH. AH confirmed that NorthWest had voluntarily released a substantial product holder notice following the completion of the placement which disclosed that NorthWest's holding was 26.3%. NorthWest's holding had subsequently reduced following completion of the UPP to approximately 25.7%, up from about 25.5% prior to the capital raise. NorthWest was not required to release further substantial product holder notices.

Craig Tyson (ANZ)

Q1. ANZ participated in the placement, but did not receive its pro rata share, so its holding decreased following the capital raise. In contrast, NorthWest's holding increased following the capital raise. Please explain why the Manager allocated NorthWest more than its pro rata share, while it allocated ANZ less than its pro rata share. Please also explain how this can be reconciled with the Manager's duties under the FMCA, including the obligation to treat unitholders equitably.

GS. GS explained that there were three key principles to the Board's allocation policy:

Firstly, to support participation by existing institutional unitholders.

Secondly, to broaden the register by allocating to new investors or to existing unitholders whose holdings were significantly underweight.

Finally, to allocate units to those investors who were considered supportive, including being supportive of the Trust's strategic direction.

GS confirmed that the Board considered that the allocation was made on a pro rata basis, with all investors allocated units equivalent to their pro rata portion of the \$125m placement size.

NorthWest's participation in the placement was subject to regulatory constraints and was not treated differently to other unitholders. Like many other unitholders, NorthWest was allocated additional units over its pro rata allocation, but its allocation was seventh out of the nine institutions that were allocated above their pro rata share, and NorthWest received significantly less than these other institutions on a proportionate basis. On that basis, GS confirmed that the Board believes the Manager complied with the requirements of the FMCA and the Trust Deed.

Q2. New unitholders and investors can buy units on market whenever they like. Please explain why these investors should be given preferential treatment to existing unitholders.

GS. GS explained that the Board's objective to broaden the register was in the interests of reducing the cost of capital and increasing depth for future capital raisings. The Board would like to bring more investors from Asia and Australia onto the register, to reduce the cost of capital and improve the Trust's ability to compete when pursuing potential acquisitions.

Michael Dowden

Q. Given that the UPP was three times oversubscribed, there seems to be no reason to involve new unitholders. The rationale for broadening the register does not make sense.

GS. GS explained that the rationale for broadening the register was to increase liquidity and bring unitholders onto the register who might have more depth, as these unitholders could provide capital to the Trust in future if required.

Craig Tyson (ANZ)

Q. The Manager benefited from the capital raise by receiving an allocation over and above its pro rata entitlement. GS mentioned that the Board's allocation policy included the principle to allocate units to investors that were supportive of the Trust. What criteria qualified the Manager as supportive to receive an over allocation?

GS. There were a number of areas in which the Board saw NorthWest as being supportive. The capital raise was launched in the context of an upcoming North American election and a global pandemic, so there was significant market uncertainty. NorthWest provided a pre-commitment in that environment, which meant that the Trust did not need that portion of the capital raise to be underwritten. This gave the Manager confidence to launch the capital raise and saved underwriting costs.

GS asked for any further questions. None were raised in the room and AE confirmed that no questions had been submitted via the Lumi platform.

5. Election of Independent Director

Resolution: Election of Independent Director

That Graham Stuart be re-elected as an Independent Director of NorthWest Healthcare Properties Management Limited, the manager of the Vital Healthcare Property Trust.

BC confirmed that voting on the resolution would be conducted by poll, with votes being collected in the physical meeting room and through the Lumi platform. BC invited GS to address the meeting in relation to the resolution.

GS addressed the meeting and noted that his biography was provided in the Notice of Meeting. GS was first appointed to the Board of the Manager almost two years ago. GS summarised his experience as a director of the Manager during this time. GS noted his other board appointments, and confirmed his ability to meet the time commitments involved with being a director and the Chair of the Manager.

Voting on Resolution

BC confirmed that voting on the resolution was now open, both in the physical meeting room and via the Lumi platform.

Once it was confirmed that voting in person was complete, BC paused to allow for any final virtual voting to be completed. After a short pause, BC confirmed that voting had now closed.

6. General Business

BC asked for any further questions or comments. BC noted that only unitholders and proxy holders were permitted to submit questions during the meeting.

Craig Tyson

Q1. Independence is an important part of the role of an independent chair. GS, could you please clarify how you regard that role as an independent chair, and is part of that role to keep any potential conflicts of interest between the Manager and other unitholders at the forefront of your mind? In regards to the restructuring proposal in March, ANZ voted against this as we considered there was no net financial benefit to its investors. Did the Manager stand to substantially benefit from the restructuring proposal? If so, why was this conflict not fully disclosed in the restructuring materials?

GS. GS advised that he had no incentives that would otherwise cause a conflict of interest, so was able to act in the interests of all unitholders. On those criteria, GS confirmed that he regarded himself as being independent.

Q2. Should the Manager or Board have made it more obvious to investors that the Manager stood to benefit from the restructuring proposal? Why was that not made more clear so investors could vote appropriately?

GS. GS explained that NorthWest, by virtue of its Canadian residency, would have benefited because of the tax benefits associated with the proposed restructure. However, the Board evaluated whether the restructuring proposal was in best interests of all unitholders as a whole and, at that time determined it was. There was a spectrum of benefits depending on a unitholder's own tax profile - some unitholders would receive very little benefit, others would receive large benefit. It was correct that NorthWest was at the upper end of that spectrum. However, from Board's point of view, the intention was to implement a structure that would not be to the detriment of any unitholders, but would unlock the significant amount of value trapped in Australia and pass this on to unitholders.

BC. BC explained that the restructuring proposal was fully disclosed to investors, and NorthWest's position in terms of tax consequences was no different than the benefits that would be passed on to all other international investors. It would be inaccurate to say that the restructuring proposal would benefit the Manager significantly more than other unitholders. The proposal received majority support from unitholders but, unfortunately, did not reach the threshold required for approval.

Q3. A Macquarie broker report from March 2020 noted that the restructure would have resulted in a greater increase in distributions to Canadian investors than Australian investors.

BC. BC stated that he would not comment on individual broker reports, and asked if Craig had any further questions. Craig confirmed that he did not.

BC asked for any further questions. None were raised in the room and AE confirmed there were no questions had been raised online.

7. Results and conclusion of meeting

BC advised that once the votes had been counted and the result of the poll was available, the outcome would be notified to the Supervisor and Manager of the Trust, and a market release would be made to the NZX setting out the results.

There being no further business the Meeting closed at 10.51 am

Signed by the Chair, Bernard Crotty:

A handwritten signature in black ink, appearing to read 'Bernard Crotty', is centered on the page. The signature is written in a cursive style with a large initial 'B'.

Dated: 15 December 2020

Matters Arising Following Meeting:-

Update: Market Release

17 November 2020

Vital Annual Meeting Voting Results

NorthWest Healthcare Properties Management Limited (**NWM**), the Manager of Vital Healthcare Property Trust, reports the following results from voting at the Annual Meeting of Vital unitholders in Auckland on 17 November 2020.

All votes were conducted by poll.

Resolution One – Graham Stuart re-elected as an Independent Director

The re-election of Graham Stuart was approved, with 179,993,693 (74.36%) voting for his re-election and 62,067,916 (25.64%) voting against.

– ENDS –