

ParagonCare

14th June 2011

Australian Securities Exchange
Company Announcements Office

SALE OF LIFE TIME PLANNING AND TENDER LIVING CARE

The Directors of Paragon Care Limited (ASX: PGC) are pleased to announce that the company's aged care services businesses, Lifetime Planning and Tender Living Care are to be sold to Equity Trustees Limited (ASX: EQT). The sale is subject to a number of final conditions including agreement on the price which will be in the range of \$1.5 million to \$1.6 million. The sale is expected to be completed by 31st July 2011.

These businesses have performed extremely well since being acquired by Paragon Care with each enjoying substantial growth in their respective key performance indicators. Equity Trustees is a long established trustee and financial services organisation providing a comprehensive range of financial services and is very well placed to enable Lifetime Planning and Tender Living Care to expand nationally and realise their growth potential.

These businesses have been sold to enable Paragon Care to continue to build its durable medical distribution businesses which now have annualised sales of approximately \$17 million.

Paragon Care CEO Mark Simari said

"Lifetime Planning and Tender Living Care are a team of highly dedicated professionals who have enormous empathy for their clients who are often concerned about their situation as they enter aged care. We are extremely proud of the concern they have shown and the support that they have consistently provided to their clients. We know that these businesses will continue to thrive under the ownership of Equity Trustees".

About Paragon Care:

Paragon Care Limited (ASX: PGC) has a vision to be one of Australia's leading providers of integrated services to Australia's health and aged care markets. These are high growth markets driven by the ageing of the population, continuously rising consumer expectations and increasing government spending.

Paragon Care has six operating businesses: Axishealth, Iona Medical, Volker Australia, and Rapini supply durable medical equipment to hospitals, medical centres and aged care facilities; Lifetime Planning provides financial planning services to the elderly; and Tender Living Care provides location services for aged care accommodation.

About Lifetime Planning and Tender Living Care

Lifetime Planning provides financial planning advice and services to the elderly. This is a highly specialised field where the principal objectives are to maximise pension and other entitlements and asset protection, particularly of the family home. Accordingly, the key working parameters are limits on income and assets (other than ownership of the family home) often against the requirement to finance bonds for aged care accommodation.

Tender Living Care is an aged care residential placement consultancy and is a recognised industry leader in matching the elderly with available accommodation in nursing homes and aged care centres. In addition to a "broking" service, the business handles all paperwork, transport logistics and often arranges furniture removal and other services.

For further information please contact Mark Simari, Managing Director (1300 369 559)

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