

Notice of annual general meeting and explanatory memorandum

Apium Animal Health Limited

ACN 604 961 024

Date: Thursday 23 November 2017

Time: 9.00 am (Melbourne time)

Place: All Seasons Hotel
171-183 McIvor Highway
Bendigo Victoria 3000

NOTICE OF 2017 ANNUAL GENERAL MEETING

NOTICE is given that the 2017 Annual General Meeting of Apiam Animal Health Limited ACN 604 961 024 (the Company) will be held at All Seasons Hotel, 171-183 Mclvor Highway, Bendigo Victoria 3000 on Thursday 23 November 2017 at 9.00 am (Melbourne time).

BUSINESS

Shareholders are invited to consider the following items of business at the Annual General Meeting:

Ordinary Business

1. FINANCIAL AND RELATED REPORTS

Agenda Item	Financial and Related Reports
Description	To receive and consider the Financial Report of the Company and its controlled entities and the related Directors' and Auditor's Reports in respect of the financial year ended 30 June 2017.

2. ADOPTION OF REMUNERATION REPORT (NON-BINDING VOTE)

Resolution 1	Adoption of Remuneration Report (non-binding resolution)
Description	Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is set out in the 2017 Annual Report and is available from the Company's website (www.apiam.com.au). In accordance with section 250R of the Corporations Act, the vote on this resolution will be advisory only and will not bind the directors or the Company.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution : <i>"THAT the Remuneration Report for the financial year ended 30 June 2017 included in the Directors' Report of the Annual Report as required under section 300A of the Corporations Act, be adopted by the Company."</i>
Voting Exclusion	The Company will disregard any votes cast on this resolution: <ul style="list-style-type: none">by or on behalf of a member of the KMP named in the remuneration report for the year ended 30 June 2017, or that KMP's Closely Related Party, regardless of the capacity in which the vote is cast;as a proxy by a member of the KMP at the date of the meeting, or that KMP's Closely Related Party, unless the vote is cast as a proxy for a person who is entitled to vote on this resolution:<ul style="list-style-type: none">in accordance with their directions of how to vote as set out in the proxy appointment; orby the Chairman of the Meeting pursuant to an express authorisation on the Proxy Form.

3. RE-ELECTION OF DIRECTORS

Resolution 2	Re-election of Mr Andrew Vizard as Director
Description	Mr Andrew Vizard retires as a director of the Company by rotation in accordance with rule 12.5 (a) of the Constitution, and, being eligible under rule 12.5 (e), offers himself for re-election.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution : <i>“THAT Mr Andrew Vizard, having retired from his office as a Director in accordance with rule 12.5 (a) of the Constitution and, being eligible under rule 12.5 (e) of the Constitution, having offered himself for re-election, be re-elected as a Director of the Company.”</i>

Resolution 3	Re-election of Mr Richard Dennis as Director
Description	Mr Richard Dennis retires as a director of the Company by rotation in accordance with rule 12.5 (a) of the Constitution and, being eligible under rule 12.5 (e), offers himself for re-election.
Resolution (Ordinary)	To consider and, if thought fit, pass the following resolution as an ordinary resolution : <i>“THAT Mr Richard Dennis, having retired from his office as a Director in accordance with rule 12.5 (a) of the Constitution and, being eligible under rule 12.5 (e) of the Constitution, having offered himself for re-election, be re-elected as a Director of the Company.”</i>

Dated: 24 October 2017

By order of the Board of Apiam Animal Health Limited



Sophie Karzis
Company Secretary

QUESTIONS FROM SHAREHOLDERS

In order to provide an equal opportunity for all shareholders to ask questions of the Board, we ask you to submit in writing any questions to the Company or to the Company's auditor, Grant Thornton, in relation to the conduct of the external audit for the year ended 30 June 2017, or the content of its audit report. Please send your questions to:

The Company Secretary, **Apiam Animal Health Limited**
Level 1, 61 Spring Street, Melbourne VIC 3000
T. 03 9286 7500
F. 03 9662 1472
E. sk@ccounsel.com.au

Written questions must be received by no later than **5.00 pm (Melbourne time) on Thursday 16 November 2017**.

Your questions should relate to matters that are relevant to the business of the Annual General Meeting, as outlined in this Notice of Meeting and Explanatory Memorandum.

In accordance with the *Corporations Act 2001* (Cth) and the Company's policy, a reasonable opportunity will also be provided to shareholders attending the Annual General Meeting to ask questions about, or make comments upon, matters in relation to the Company including Remuneration Report.

During the course of the Annual General Meeting, the Chairman will seek to address as many shareholder questions as reasonably practicable, and where appropriate, will give a representative of the Auditor the opportunity to answer written questions addressed to it. However, there may not be sufficient time to answer all questions at the Annual General Meeting. Please note that individual responses may not be sent to shareholders.

VOTING INFORMATION

Voting by proxy

- (a) A shareholder entitled to attend and vote at the Annual General Meeting may appoint one proxy or, if the shareholder is entitled to cast two or more votes at the meeting, two proxies, to attend and vote instead of the shareholder.
- (b) Where two proxies are appointed to attend and vote at the meeting, each proxy may be appointed to represent a specified proportion or number of the shareholder's voting rights at the meeting.
- (c) A proxy need not be a shareholder of the Company.
- (d) A proxy may be an individual or a body corporate. If a body corporate is appointed, the proxy form must indicate the full name of the body corporate and the full name or title of the individual representative of the body corporate for the meeting.
- (e) A proxy form accompanies this notice. If a shareholder wishes to appoint more than one proxy, they may make a copy of the proxy form attached to this notice. For the proxy form to be valid it must be received together with the power of attorney or other authority (if any) under which the form is signed, or a

(notarially) certified copy of that power of authority by **9.00 am (Melbourne time) on Tuesday 21 November 2017**:

- online by going to www.votingonline.com.au/apiamagm2017
- by post at Boardroom Pty Limited; GPO Box 3993, Sydney NSW 2001 or
- by personal delivery at Boardroom Pty Limited, Level 12, Grosvenor Place, 225 George Street, Sydney NSW 2000; or
- by facsimile: Australia – +61 2 9290 9655.

Voting and other entitlements at the Annual General Meeting

A determination has been made by the Board of the Company under regulation 7.11.37 of the *Corporations Regulations 2001* that shares in the Company which are on issue at **7.00pm (Melbourne time) on Tuesday 21 November 2017** will be taken to be held by the persons who held them at that time for the purposes of the Annual General Meeting (including determining voting entitlements at the meeting).

Proxy voting by the Chair

The *Corporations Amendment (Improving Accountability on Director and Executive Remuneration) Act 2011* (Cth), imposes prohibitions on Key Management Personnel and their Closely Related Parties from voting their shares (or voting undirected proxies) on, amongst other things, remuneration matters.

However, the chair of a meeting may vote an undirected proxy (i.e. a proxy that does not specify how it is to be voted), provided the shareholder who has lodged the proxy has given an express voting direction to the chair to exercise the undirected proxy, even if the resolution is connected with the remuneration of a member of Key Management Personnel. If you complete a proxy form that authorises the Chair of the Meeting to vote on your behalf as proxy, and you do not mark any of the boxes so as to give him directions about how your vote should be cast, then you will be taken to have expressly authorised the Chair to exercise your proxy on Resolution 1. In accordance with this express authority provided by you, the Chairman will vote in favour of Resolution 1. If you wish to appoint the Chair of the Meeting as your proxy, and you wish to direct him how to vote, please tick the appropriate boxes on the form.

The Chairman of the Meeting intends to vote all available undirected proxies in favour of each item of business.

If you appoint as your proxy any Director of the Company, except the Chairman, or any other Key Management Personnel or any of their Closely Related Parties and you do not direct your proxy how to vote on Resolutions 1, he or she will not vote your proxy on that item of business.

EXPLANATORY MEMORANDUM TO NOTICE OF 2017 ANNUAL GENERAL MEETING

1. FINANCIAL AND RELATED REPORTS

Item	Financial and Related Reports
Explanation	<p>Section 317 of the Corporations Act requires the Company's financial report, directors' report and auditor's report for the financial year ended 30 June 2017 to be laid before the Company's 2017 Annual General Meeting. There is no requirement for a formal resolution on this item.</p> <p>The financial report contains the financial statements of the consolidated entity consisting of Apiam and its controlled entities.</p> <p>As permitted by the Corporations Act, a printed copy of the Company's 2017 Annual Report has been sent only to those shareholders who have elected to receive a printed copy. A copy of the 2017 Annual Report is available from the Company's website (www.apiam.com.au).</p> <p>The Chair of the meeting will allow a reasonable opportunity at the meeting for shareholders to ask questions. Shareholders will also be given a reasonable opportunity at the meeting to ask the Company's auditor Grant Thornton questions about its audit report, the conduct of its audit of the Company's financial report for the year ended 30 June 2017, the preparation and content of its audit report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of Grant Thornton in relation to the conduct of the audit.</p>

2. ADOPTION OF REMUNERATION REPORT (NON-BINDING RESOLUTION)

Resolution 1	Adoption of Remuneration Report (non-binding resolution)
Explanation	<p>Shareholders are asked to adopt the Company's Remuneration Report. The Remuneration Report is set out in the Company's 2017 Annual Report and is available from the Company's website (www.apiam.com.au).</p> <p>The Remuneration Report:</p> <ul style="list-style-type: none"> describes the policies behind, and the structure of, the remuneration arrangements of the Company and the link between the remuneration of executives and the Company's performance; sets out the remuneration arrangements in place for each director and for certain members of the senior management team; and explains the differences between the basis for remunerating non-executive directors and senior executives, including the Managing Director (or equivalent).

	The vote on this resolution is advisory only and does not bind the Directors. However, the Board will take into account any discussion on this resolution and the outcome of the vote when considering the future remuneration policies and practices of the Company.
Voting Exclusion	A voting exclusion statement applies to this resolution, as set out in the Notice.
Board Recommendation	The Directors unanimously recommend that shareholders vote in favour of adopting the Remuneration Report.
Chair's available proxies	The Chair of the Meeting intends to vote all available proxies in favour of this Resolution 1.

3. RE-ELECTION OF DIRECTORS

Resolutions 2 & 3	Re-election of Mr Andrew Vizard and Mr Richard Dennis as Directors
Explanation	<p>Rule 12.5 (a) of the Constitution requires one third of the Directors (or if their number is not three or a multiple of three, then the number nearest one third) to retire at each Annual General Meeting of the Company. The Directors to retire under rule 12.5 (b) are those who have held office as Director the longest period of time since their last election to office, or in the event that two or more Directors have held office for the same period of time, those Directors determined by lot as per rule 12.5 (c).</p> <p>In this case Andrew Vizard, Charles Sitch, Michael Van Blommestein and Richard Dennis have held office as Directors for the same period of time since their last re-election at the 2016 Annual General Meeting on 24 November 2016. It has been determined by lot that the Directors to retire at the 2017 Annual General Meeting in accordance with rule 12.5 (c) of the Constitution shall be Andrew Vizard and Richard Dennis.</p> <p>Andrew Vizard and Richard Dennis, being eligible under rule 12.5(e) of the Constitution, offers themselves for re-election as Directors.</p>
About Mr Andrew Vizard	<p>Mr Vizard has served as a Non-Executive Director and Chairman of the Company since 5 November 2015 and is considered to be an independent Director.</p> <p>Mr Vizard is a Principal Fellow at the Faculty of Veterinary and Agricultural Sciences, University of Melbourne and previously Associate Professor of Veterinary Epidemiology and Director of The Mackinnon Project, a recognised leader in sheep and beef veterinary consultancy, at that University. He is an experienced company director and is currently a non-executive Director of Ridley Corporation, a trustee of the Australian Wool Education Trust, Chair of the Hermon Slade Research Committee and Chair of The Vizard Foundation. His previous board experience includes directorships of Animal Health Australia, the body responsible for coordinating Australia's animal health system, Primesafe, the statutory authority responsible for regulating the production of safe meat in Victoria and the Australian Wool Corporation, the body responsible for managing research and marketing of Australian wool. For ten years Mr Andrew Vizard also managed Roxby Park, his family's 3300 acre farm situated near Geelong</p> <p>Mr Vizard is the Chairman of the Board and a member of the Company's Audit & Risk Management and Remuneration Committees.</p>

About Mr Richard Dennis	<p>Mr Dennis has served as a Non-Executive Director of the Company since 5 November 2015 and is considered to be an independent Director.</p> <p>Mr Dennis was with Ernst & Young for 35 years and was the Managing Partner of EY's Queensland practice on two occasions from 2001-2007 and from 2014-2015. He also held a number of executive management roles at EY, including the roles of Deputy COO and CFO for the Asia-Pacific practice where he was responsible for overseeing the financial and operational integration of EY's Australian and Asian member firms. Mr Dennis is currently a non-executive director of Gold Coast Primary Health Network and Vesta Community Living Ltd; a member of Australian Super's Queensland Advisory Board and a member of the advisory board to EWM Group.</p> <p>Mr Dennis is the Chairman of Company's Audit and Risk Management Committee.</p>
Board Recommendation	<p>The Board, with Andrew Vizard and Richard Dennis abstaining respectively, recommends that shareholders vote in favour of their re-election.</p>
Chairman's available proxies	<p>The Chairman of the Meeting intends to vote all available proxies in favour of the Resolutions 2 & 3.</p>

DEFINITIONS

Company or Apiam	Means Apiam Animal Health Limited ACN 604 961 024.
Constitution	Means the constitution of Apiam Animal Health Limited.
Director	Means a director of the board of Apiam Animal Health Limited.
Closely Related Party (of a member of KMP of an entity)	Has the definition given to it by section 9 of the Corporations Act, and means: a) a spouse or child of the member; or b) a child of the member's spouse; or c) a dependant of the member or of the member's spouse; or d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or e) a company the member controls; or f) a person prescribed by the regulations for the purposes of this definition (nothing at this stage).
Key Management Personnel or KMP	means those people described as Key Management Personnel in the Remuneration Report and includes all directors.

-ENDS-



All Correspondence to:

✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

📠 **By Fax:** +61 2 9290 9655

💻 **Online:** www.boardroomlimited.com.au

☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 9:00am (AEDT) on Tuesday 21 November 2017.**

🖨 TO VOTE ONLINE

- STEP 1: VISIT** www.votingonline.com.au/apiamagm2017
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **9:00am (AEDT) on Tuesday 21 November 2017**. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 💻 **Online** www.votingonline.com.au/apiamagm2017
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

☐

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Apiam Animal Health Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the **All Seasons Hotel, 171-183 McIvor Highway, Bendigo Victoria 3000 on Thursday 23 November 2017 at 9:00am (AEDT)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolution 1, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of this Resolution even though Resolution 1 is connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolution 1). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report (non-binding resolution)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Andrew Lancelot Vizard as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Re-election of Mr Richard John Dennis as Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2017