



**Probiotec Limited**

**ACN 075 170 151**

**Notice of Extraordinary General Meeting of the Company**

**to be held at:**

**Date: Tuesday 23 January 2018**

**Time: 10.00am (AEDT)**

**Place: 83 Cherry Lane  
Laverton North Victoria 3026**

**This is an important document**

If you are in any doubt about how to deal with this document, please consult your legal, financial or other professional adviser.

## **NOTICE OF EXTRAORDINARY GENERAL MEETING**

**Notice** is given that an Extraordinary General Meeting of shareholders of **Probiotec Limited (Company)** will be held at **83 Cherry Lane, Laverton North, Victoria 3026 on Tuesday 23 January 2018 at 10.00am (AEDT)**

### **Items of Business**

#### **1. RESOLUTION 1: APPROVAL OF PROBIOTEC EXECUTIVE OPTION PLAN**

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

*“That, for the purpose of Exception 9 to ASX Listing Rule 7.2 and for all other purposes, approval be given for the Company under the Probiotec Executive Option Plan (as summarised in Annexure 1 to this Notice of Meeting) to grant options and issue fully paid ordinary shares on the exercise of those options to eligible participants.”*

#### **2. RESOLUTION 2: GRANT OF OPTIONS TO THE CHIEF EXECUTIVE OFFICER, MR WESLEY STRINGER**

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

*“That, for the purposes of ASX Listing Rule 10.14 and all other purposes, approval be given for the grant of 3,600,000 options to acquire fully paid ordinary shares in the Company to the Chief Executive Officer, Mr Wesley Stringer, and the issue of fully paid ordinary shares in the Company on exercise of those options, under the Probiotec Executive Option Plan (as summarised in the Annexure 1 to this Notice of Meeting).”*

#### **3. RESOLUTION 3: SHARE BUY-BACK PROGRAM**

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

*“That, for the purposes of section 257C of the Corporations Act 2001 (Cth) and for all other purposes, approval be given for the Company to conduct an on-market share buy-back of up to 15,207,339 of the Company’s issued ordinary shares on the terms described in the Explanatory Statement included with this Notice of Meeting.”*

**BY ORDER OF THE BOARD**  
**Dated 19 December 2017**

**Jared Stringer**  
**Company Secretary**

## **Explanatory Statement**

### **Introduction**

This Explanatory Statement has been prepared for the information of Shareholders of the Company in connection with the Extraordinary General Meeting (EGM) of the Company to be held at **83 Cherry Lane, Laverton North, Victoria 3026 on Tuesday 23 January 2018 at 10.00am (AEDT)**. It forms part of the Notice of Meeting and must be read together with the Agenda items.

### **Purpose of EGM**

Further to the Company's ASX announcement on 19 December 2017 the directors of Probiotec in assessing the strategic position of the Company have identified a number of potential initiatives which have the ability to unlock value and continue to improve Shareholder returns.

These initiatives have the ability to generate excess capital (albeit that this is not certain) and as a result, the directors consider it prudent to put in place a share buy-back program. It is preferable to have the flexibility to conduct a buy-back as a means of returning excess capital to Shareholders in the event this is determined by the board to be the most prudent form of capital management.

Such strategic plans will require significant input and effort from management. Accordingly, resolutions 1 and 2 are being proposed in order to assist in aligning management interests with those of Shareholders, to ensure a successful outcome for the strategic plans for the Company and its Shareholders. Resolution 3 is seeking the flexibility to conduct a buy-back as a means of returning excess capital to Shareholders which may be derived from the Company's strategic plans.

### **1 RESOLUTION 1: APPROVAL OF PROBIOTEC EXECUTIVE OPTION PLAN**

Resolution 1 seeks Shareholder approval for the Company under the Probiotec Executive Option Plan to grant options and issue Shares on exercise of those options to eligible participants.

The Plan was most recently approved by the Company's Shareholders at its Annual General Meeting on 23 November 2017. The Plan has since been slightly amended in order to provide the Company with greater flexibility to facilitate adjustments to the exercise price of options in circumstances in which funds have been returned to Shareholders, subject to ASX permitting such adjustments.

As at the date of the Notice of Meeting the following persons are entitled to participate in the Plan:

- Mr Wesley Stringer (CEO)
- Mr Jared Stringer (Chief Financial Officer and Company Secretary)
- Ms Julie McIntosh (Chief Operating Officer)
- Mr Alan Hong (GM – Finance)
- Mr Disting Stringer (GM – Sales & Marketing)
- Mr David Petrie (GM – Quality)
- Mr Geordie Lukacs (Sales Manager)
- Mr Rudolf Ganter (Technical Manager)
- Mr Con Psalios (NPD & Technical Manager)

A total of 3,200,000 securities have been issued to any eligible participants since Shareholder approval was given to the Plan.

The Plan, as amended, is summarised in Annexure 1 to this Notice of Meeting.

Shareholder approval for the Plan is being sought under Exception 9 to ASX Listing Rule 7.2 so the Company is not required to seek Shareholder approval for the issue of Shares under the Plan for the purposes of ASX Listing Rule 7.1. Accordingly, if this resolution is approved by Shareholders, the issue of Shares under the Plan will be excluded from the calculation of the maximum number of new Shares that can be issued by the Company pursuant to ASX Listing Rule 7.1 in any 12 month period (currently 15% of Shares previously on issue) for a period of three years from the date of approval.

### **Recommendation**

The Directors (other than Directors eligible to participate in the Plan) recommend that you vote in favour of Resolution 1.

### **Voting exclusion statement**

In accordance with Exception 9 to ASX Listing Rule 7.2, the Company will disregard any votes cast on Resolution 1 by the Directors (except those Directors ineligible to participate in the Plan) and any of their associates. 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 Chairperson 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.

Additionally, in accordance with section 250BD of the Corporations Act, the Company will disregard any votes cast on Resolution 1 by a member of the Company's Key Management Personnel and their closely related parties unless the vote is cast:

- as a proxy for a person entitled to vote, in accordance with a direction on the Proxy Form; or
- by the Chairperson of the Meeting as proxy for a person entitled to vote, in accordance with an express authority to vote undirected proxies as the Chairperson sees fit even if the resolution is connected directly or indirectly with the remuneration of a KMP.

### **Proxies**

Subject to the above, the Chairperson of the Meeting intends to vote all available proxies in favour of Resolution 1.

## **2 RESOLUTION 2: GRANT OF OPTIONS TO THE CHIEF EXECUTIVE OFFICER, MR WESLEY STRINGER**

Resolution 2 seeks Shareholder approval for the grant of 3,600,000 options and the issue of 3,600,000 Shares on exercise of those options to the Chief Executive Officer, Mr Wesley Stringer, under the terms of the Probiotec Executive Option Plan.

The Plan, as amended, is summarised in Annexure 1 to this Notice of Meeting.

Pursuant to the Plan and subject to the Shareholder approval sought by this resolution, the Company proposes to issue Mr Wesley Stringer with 3,600,000 options. Each option, once

vested and exercised, entitles Mr Stringer to acquire one Share in the Company. Therefore, Mr Stringer could acquire a maximum of 3,600,000 Shares. No payment is required to be made by Mr Stringer for the issue of the options and no agreement, arrangement or understanding has been entered into by the Company with Mr Stringer in relation to any loan in connection with the issue of the options.

Mr Stringer has accepted the proposed grant of options such that, if Shareholders approve Resolution 2, the options will be issued to Mr Stringer shortly after the EGM and in any event no later than 12 months after the date of the EGM. The options will immediately vest and become capable of being exercised by Mr Stringer, provided that he remains employed as the CEO on the date of exercise. To exercise his options, Mr Stringer must pay the exercise price per option of \$1.20 to the Company. If Mr Stringer does not exercise his options by the second anniversary of the date of their grant, the options will expire and will not be capable of exercise.

As approval from Shareholders is being sought under ASX Listing Rule 10.14, under Exception 14 to ASX Listing Rule 7.2 the Company is not required to seek Shareholder approval for the issue of Shares for the purposes of ASX Listing Rule 7.1. Accordingly, if this resolution is approved by Shareholders, the issue of Shares to Mr Stringer pursuant to his exercise of the options will be excluded from the calculation of the maximum number of new Shares that can be issued by the Company pursuant to ASX Listing Rule 7.1 in any 12 month period (currently 15% of Shares previously on issue).

### **Recommendation**

The Directors, other than Mr Wesley Stringer (who has abstained from making a recommendation because of his interest in this resolution) recommend that you vote in favour of Resolution 2.

### **Voting exclusion statement**

In accordance with ASX Listing Rule 10.14, the Company will disregard any votes cast on Resolution 2 by Mr Wesley Stringer and any of his associates. 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 Chairperson 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.

Additionally, in accordance with section 250BD of the Corporations Act, the Company will disregard any votes cast on Resolution 2 by a member of the Company's Key Management Personnel and their closely related parties unless the vote is cast:

- as a proxy for a person entitled to vote, in accordance with a direction on the Proxy Form; or
- by the Chairperson of the Meeting as proxy for a person entitled to vote, in accordance with an express authority to vote undirected proxies as the Chairperson sees fit even if the resolution is connected directly or indirectly with the remuneration of a KMP.

### **Proxies**

Subject to the above, the Chairperson of the Meeting intends to vote all available proxies in favour of Resolution 2.

### 3 RESOLUTION 3: SHARE BUY-BACK PROGRAM

Resolution 3 seeks Shareholder approval for an on-market Share buy-back of up to 15,207,339 of the Company's Shares (**Proposed Share Buy-back**).

#### Requirements for on-market Share buy-back

The Corporations Act authorises a listed company to buy back its own shares on market if:

- the buy-back does not materially prejudice the company's ability to pay its creditors; and
- it follows the procedures set out in the Corporations Act.

Shareholder approval is required for an on-market share buy-back if all of the voting shares bought back during the last 12 months, and the voting shares proposed to be bought back, exceed 10% of the minimum number of shares on issue at any time during the last 12 months (known as the 10/12 limit).

As the Proposed Share Buy-back would exceed the 10/12 limit, the buy-back requires Shareholder approval as an ordinary resolution.

There is no guarantee that the Company will buy back the full number of Shares. The Company reserves the right to suspend or terminate the buy-back at any time, and to buy back fewer than 15,207,339 Shares, or no Shares at all. The implementation and timing of the Proposed Share Buy-back will depend on market conditions.

#### Details of the Proposed Share Buy-back

- Maximum number of Shares to be bought back:** up to 15,207,339 Shares, which represents approximately 25% of the Company's total issued Share capital of 60,829,356 Shares at the date of this Notice of Meeting.
- Timing:** If this resolution is passed, the Proposed Share Buy-back will commence by no later than the date that is two months from the date of this Notice of Meeting, and will remain open until the earlier of:
  - when 15,207,339 Shares have been bought back; and
  - the date that is twelve months from the date of this Extraordinary General Meeting.
- Price:** The Company will in its discretion offer to buy back Shares on market at a price determined by the Company subject to the ASX Listing Rules, which impose a moving cap on the price the Company may pay for the Shares of 5% above the average market price per Share for the 5 days on which trades were recorded before the day on which the purchase under the buy-back was made.

#### Reasons for the Proposed Share Buy-back

The Company is seeking the flexibility to conduct a buy-back as a means of returning excess capital to Shareholders.

Whilst other alternative means of returning excess capital to Shareholders will continue to be evaluated, the Company believes that the Proposed Share Buy-back will potentially best support the Company in efficient management of capital at this time.

#### Advantages of the Proposed Share Buy-back

The key advantages of the Proposed Share Buy-back are:

- Provide liquidity for Shareholders. There is a limited market for the Company's Shares on ASX. The Proposed Share Buy-back gives Shareholders an increased ability to exit their investment in the Company should they wish to do so;
- An efficient use of surplus capital by the Company; and
- Increased price competition for the Company's Shares.

#### Disadvantages of the Proposed Share Buy-back

The key disadvantage of the Proposed Share Buy-back is that it will reduce the Company's cash balance by the aggregate amount paid to buy back Shares on market. If the maximum number of Shares is bought back by the Company, the cash balance would be reduced by approximately \$10,493,064 (using the 13 December 2017 closing Share price of \$0.69 as an indication of the average price at which Shares may be bought back).

#### Funding for the Proposed Share Buy-back

The Proposed Share Buy-back will be funded by the Company's cash reserves. The directors do not believe that the Proposed Share Buy-back will materially prejudice the Company's ability to repay its creditors.

#### Financial Effect of the Proposed Share Buy-back on the Company

As any on-market Share buy-back will be funded by the Company's cash reserves, this will reduce the Company's cash balance by the aggregate amount paid to buy back Shares on market.

No adverse tax consequences are expected to arise for the Company and the level of the Company's franking credits will remain unchanged.

The precise effect of the Proposed Share Buy-back on the capital structure of the Company will depend on whether this resolution is passed, and the extent to which Shareholders participate in the Proposed Share Buy-Back. However, the directors do not anticipate that the Proposed Share Buy-back will have any material effect on the ownership spread of Shares or result in any party gaining control of the Company.

#### Interests of directors who may participate

As at 13 December 2017, the following directors had the following interests in Shares of the Company (directly and indirectly):

Geoffrey Pearce    2,927,900

Alexander Beard    179,547

Greg Lan            100,135

Wesley Stringer    931,415

Directors' notifiable interests in Shares of the Company and changes to their notifiable interests are released on ASX (Appendix 3X and Appendix 3Y).

#### Information about the current Share price

To provide an indication of the recent market price of the Company's Shares, the closing price on 13 December 2017 was \$0.69. The highest and lowest market sale prices for the Company's Shares on the ASX during the previous 3 full months were as follows:

	High	Low
September 2017	\$0.56	\$0.48
October 2017	\$0.65	\$0.56
November 2017	\$0.71	\$0.59

No other material information

Other than as set out in this Notice of Meeting, including the Explanatory Statement, and any other information previously disclosed to Shareholders, there is no other information that the Directors consider is material to the decision on how to vote on Resolution 3.

Consequence if this Resolution is not passed

If this Resolution is not passed, the Company intends to evaluate the buy back on market of the maximum number of Shares permitted under the 10/12 limit without Shareholder approval, in the event excess capital is available.

**Recommendation**

The Directors recommend that you vote in favour of Resolution 3. Other than as Shareholders, none of the Directors have an interest in the outcome of this Resolution.

**Voting exclusion statement**

No voting exclusion applies to this Resolution.

**Proxies**

The Chairperson of the Meeting intends to vote all available proxies in favour of Resolution 3.

**Voting and proxies**

**Voting**

Each resolution is proposed as an ordinary resolution, which requires a simple majority of the votes cast.

**Persons entitled to vote**

Under regulation 7.11.37 of the Corporations Regulations 2001, the Directors have determined that the shareholding of each member for the purposes of ascertaining their voting entitlements at the Meeting will be as it appears in the Company's register of members at 7.00pm (AEDT) on Sunday 21 January 2018.

**Corporate representatives**

A member that is a body corporate, may appoint an individual as its representative to exercise all or any of the powers the body corporate may exercise at the Meeting. The appointment may be a standing one.

**Necessary information**

Information relevant to each resolution is set out in the attached explanatory statement which forms part of this notice to members.



### **Appointment of proxy**

A proxy form is enclosed for your use if required. Please note the following in relation to the appointment of a proxy:

- A member who is entitled to attend and vote at this Meeting may appoint any person as his or her proxy to attend and vote for the member at the Meeting.
- A proxy need not be a member of the Company.
- If a member is entitled to cast two or more votes at the Meeting, the member may appoint two proxies to attend the same Meeting. If two proxies are appointed and the appointment does not specify the proportion or number of the member's votes, each proxy may exercise half of the member's votes.
- The appointment of the proxy may specify the proportion or number of votes that the proxy may exercise.
- If a proxy is given by a corporation, a form of proxy must be executed in writing under the common seal of the corporation or otherwise in accordance with section 127 of the Corporations Act or signed by an attorney.
- If a proxy is given by a natural person, a form of proxy must be executed under the hand of that person or that person's attorney.
- To be effective, the proxy form and the power of attorney or other authority (if any) under which it is signed or a certified copy, must be received by the Company at least 48 hours before the time for holding of the Meeting or any adjourned meeting; 10.00am (AEDT) on Sunday 21 January 2018:
  - By delivery to the Company's share registry: Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001;
  - By facsimile to the following fax number at the Company's share registry:  
+61 2 9290 9655.
  - Online: [www.votingonline.com.au/probiotecegm2018](http://www.votingonline.com.au/probiotecegm2018)
- Any proxy form received after this deadline including at the Meeting will be treated as invalid.
- A proxy may decide whether to vote on any motion, except where the proxy is required by law or the Constitution to vote or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may vote on that item only in accordance with the direction.
- If a Shareholder appoints the Chairman of the Meeting as the Shareholder's proxy and does not specify how the Chairman is to vote, the Chairman will vote, as proxy for that Shareholder, in favour of each resolution.

## Glossary of Terms

In the Notice and Explanatory Statement:

<b>10/12 limit</b>	means, in respect of a proposed buy-back, 10% of the smallest number, at any time during the last 12 months, of votes attaching to voting shares of the company.
<b>ASX</b>	means ASX Limited.
<b>Board</b>	means the board of Directors of the Company.
<b>CEO</b>	means the chief executive officer of the Company.
<b>Chairperson</b>	means the chairperson of the EGM.
<b>Company</b>	means Probiotec Limited.
<b>Constitution</b>	means the constitution of the Company.
<b>Corporations Act</b>	means the <i>Corporations Act 2001</i> (Cth).
<b>Corporations Regulations</b>	means the <i>Corporations Regulations 2001</i> (Cth).
<b>Director</b>	means a director of the Company.
<b>EGM</b>	means the Extraordinary General Meeting of the Company to be held at 10.00am (AEDT) on 23 January 2018 at 83 Cherry Lane, Laverton North VIC 3026.
<b>Explanatory Statement</b>	means this explanatory statement, which forms part of the Notice of Meeting.
<b>Key Management Personnel or KMP</b>	means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, whether directly or indirectly, who are listed in the 2017 remuneration report of the Company.
<b>Listing Rules</b>	means the listing rules of the ASX, as amended from time to time.
<b>Meeting</b>	means the EGM.
<b>Notice of Meeting</b>	means the notice of the EGM, including the Explanatory Statement and all annexures to those documents.
<b>Plan</b>	means the Probiotec Executive Option Plan.
<b>Proposed Share Buy-back</b>	means the on-market Share buy-back of up to 15,207,339 of the Company's Shares.
<b>Proxy Form</b>	means the proxy form accompanying this Notice of Meeting.
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means a holder of a Share.

**Annexure 1 - Summary of Probiotec Executive Option Plan Key Terms**

<b>Eligibility</b>	The Board has the discretion to determine which executives are eligible to participate in the Plan. The definition of executive under the rules of the Plan includes Band 1 Executives (the Chief Executive Officer), Band 2 Executives (the Chief Operating Officer and the Chief Financial Officer) and Band 3 Executives (any individual who the Board determines to be an executive of a Group Company (including heads of department and the Company's chief accountant)). The Plan confers upon the Board the discretion to determine that a particular executive be included as a Band 1, Band 2 or Band 3 Executive.
<b>Maximum holding</b>	The Plan provides a restriction on the maximum number of unvested options that can be held at any point in time. A Band 1 Executive cannot hold more than 1,000,000 unvested options issued pursuant to the Plan. A Band 2 Executive cannot hold more than 600,000 unvested options issued pursuant to the Plan. A Band 3 Executive cannot hold more than 400,000 unvested options issued pursuant to the Plan.
<b>Vesting conditions</b>	The vesting of any securities issued under the Plan may be conditional on the satisfaction of performance and/or service conditions as determined by the Board and advised to the executive in their invitation.
<b>Exercise of securities</b>	Vested option issued under the Plan will not automatically trigger the exercise of the securities, but a participant will be entitled to exercise in accordance with the terms contained in the invitation to the individual.
<b>Price</b>	Options issued under the Plan will be issued at no cost to the participants. However, the options will be subject to payment of an exercise price by the participant which is determined by the Board and advised to the participant in their invitation.
<b>Lapse/forfeiture</b>	Unless the Board determines otherwise, options issued under the Plan will lapse upon the earliest of: <ul style="list-style-type: none"><li>• any expiry date applicable to the securities;</li><li>• any date which the Board determines that vesting conditions applicable to the securities are not met or cannot be met;</li><li>• the participant ceasing employment with the Company or ceasing to satisfy any other conditions imposed by the Board at the time of issue of the options;</li><li>• the participant having a judgment entered against them in respect of a contravention of their duties in their capacity as an executive;</li><li>• the date that the Company receives notice from the participant that they wish for the options to lapse;</li><li>• the date that is the 3<sup>rd</sup> anniversary of the date of issue of the options;</li><li>• the participant trading in respect of the securities in contravention of the Plan; and</li><li>• the Board determining that a participant has committed any fraudulent or dishonest actions, or that the participant is in breach of their duties owed to the company, has brought the Company into disrepute or otherwise committed any act of harassment or discrimination.</li></ul>

<b>Change of Control</b>	On the occurrence of a change of control event, the Board will determine, in its sole and absolute discretion, the manner in which vested and unvested securities issued under the Plan shall be dealt with.
<b>No trading</b>	Trading restrictions apply to options issued under the Plan in accordance with the rules of the Plan.
<b>Rights attaching to Shares</b>	Shares issued under the Plan will rank equally for dividends and other entitlements, be subject to any restrictions imposed under these rules and otherwise rank equally with the existing shares on issue at the time of allotment.
<b>Company may issue or transfer shares</b>	Company may, in its discretion, either issue new shares or procure the transfer of shares already on issue, or a combination of both, to satisfy the Company's obligations under the Plan.
<b>Adjustments</b>	Prior to the allocation of shares to a participant upon exercise of options issued under the Plan, the Board may make any adjustment it considers appropriate to the terms of securities in order to minimise or eliminate any material advantage or disadvantage to a participant resulting from a corporate action such as a capital raising or capital reconstruction, as well as a reorganisation of capital or other mechanism which returns funds to Shareholders (such as a special dividend), subject to ASX permitting such adjustment.
<b>Limits on securities issued</b>	The number of shares that may be issued under the Plan is limited to the number prescribed under ASIC Class Order 03/184 with respect to employee share scheme offers made without a prospectus. Currently these limits provide that the number of shares that may be issued, when aggregated with a number of shares issued during the previous five years from share issues under all employee share schemes established by the Company (including as a result of exercise of options to acquire shares granted to the previous five years under any such employee share scheme), must not exceed 5% of the total number of shares on issue, disregarding certain unregulated offers.
<b>Continued operation of the Plan</b>	The Plan may be suspended, terminated or amended at any time by the Board, subject to any resolution of the Company required by the Listing Rules.



#### 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](http://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 10.00am (AEDT) on Sunday 21 January 2018.**

### 🖨 TO VOTE ONLINE

**STEP 1: VISIT** [www.votingonline.com.au/probiotecegm2018](http://www.votingonline.com.au/probiotecegm2018)

**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 security holder 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:

- 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.
- 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 **10.00am (AEDT) on Sunday 21 January 2018**. 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/probiotecegm2018](http://www.votingonline.com.au/probiotecegm2018)
- 📠 **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.

# Probiotec Limited

ACN 075 170 151

☐

## 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 **Probiotec 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 shareholder) 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 Extraordinary General Meeting of the Company to be held at **83 Cherry Lane, Laverton North, Victoria 3026 on Tuesday 23 January 2018 at 10.00am (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.

The Chair of the Meeting intends to vote all undirected proxies in favour of all Items of business.

### 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	Approval of Probiotec Executive Option Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Grant of Options to the Chief Executive Officer, Mr Wesley Stringer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Share Buy-back Program	<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 / /