

Notice of Annual General Meeting

Notice is hereby given that the 2018 Annual General Meeting of Pacific Dairies Limited ACN 095 821 971 will be held at Seasons Botanic Gardens Melbourne, 348 St Kilda Road Melbourne Victoria on Friday, 30 November 2018 at 10:00 am AEDT.

The attached Explanatory Statement is provided to supply Shareholders with information to enable Shareholders to make an informed decision regarding the Resolutions set out in this Notice. The Explanatory Statement is to be read in conjunction with this Notice.

1. Agenda for the Meeting

Financial statements and reports

The Meeting will consider the financial statements and reports of the Company including the income statement, balance sheet, statement of changes in equity, cash flow statement, the notes to the financial statements, the Directors' declaration and the reports of the Directors and Auditors for the financial year ended 30 June 2018.

While no resolution is required in relation to this item, Shareholders will be given the opportunity to ask questions and make comments on the Company's financial statements and reports.

The Company's auditor, Walker Wayland Advantage Audit Partnership, will be present at the Meeting and Shareholders will have an opportunity to ask the auditor questions in relation to the conduct of the audit, the auditor's report, the Company's accounting policies, and the independence of the auditor.

The Pacific Dairies Limited 2018 Annual Report can be viewed online at www.asx.com.au (ASX code: "PDF").

Resolution 1 - Adoption of Remuneration Report

To consider and if thought fit, pass the following resolution as a non-binding resolution:

"That for the purposes of section 250R(2) of the Corporations Act 2001 and for all other purposes, the Remuneration Report for the year ended 30 June 2018 be adopted."

Voting Exclusion Statement: In accordance with the Corporations Act the Company will disregard any votes cast in relation to this resolution by or on behalf of the Key Management Personnel, which includes the Directors and executives in the consolidated group whose remuneration is included in the Remuneration Report and their closely related parties (Excluded Persons). However, the Company need not disregard a vote if:

- it is cast by an Excluded 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 person chairing the meeting 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.

Resolution 2 – Re-Election of Mr. Raymond Taylor as a Director

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary resolution:

"That, Mr. Raymond Taylor who retires in accordance with clause 13.2 of the Company's Constitution, be re-elected as a director of the Company."

Resolution 3 – Approve the issue of 1,500,000 Shares to Raymond Taylor on conversion of a Loan

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary resolution:

“That, for the purpose of Listing Rule 10.11 and all other purposes, the issue of 1,500,000 Shares to Raymond Taylor or his nominee on conversion of a loan of \$15,000 to Shares, as referred to in the Explanatory Statement, is approved.”

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 3 by or on behalf of:

- Raymond Taylor; and
- any associate of Raymond Taylor.

However, the Company need not disregard a vote cast on Resolution 3 if it is cast by:

- a person as proxy for a person who is entitled to vote, if the vote is cast in accordance with the directions on the proxy form; or
- the person chairing the Meeting 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.

Resolution 4 – Approve selective buy-back of Shares

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a special resolution:

“That, for the purpose of section 257D(1)(a) of the Corporations Act and for all other purposes, approval is given for the Company to buy-back 1,000,000 Shares held by the spouse of former Director Trevor Kelly and 2,000,000 Shares held by Madnek Pty Ltd, an entity associated with the spouse of Director Ray Taylor, on the terms and conditions and for the purpose set out in the Explanatory Statement accompanying this Notice.”

Voting Exclusion Statement: The Company will disregard any votes cast on Resolution 4 by or on behalf of:

- Trevor Kelly and Raymond Taylor; and
- any associate of Trevor Kelly and Raymond Taylor.

However, the Company need not disregard a vote cast on Resolution 4 if it is cast by:

- a person as proxy for a person who is entitled to vote, if the vote is cast in accordance with the directions on the proxy form; or
- the person chairing the Meeting 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.

Contingent Business

Resolution 5 – Conditional resolution to hold a spill meeting

The following Resolution is conditional on at least 25% of the votes on Resolution 1 being cast against the adoption of the Remuneration Report.

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary resolution:

“That subject to and conditional on at least 25% of the votes cast on Resolution 1 being cast against the adoption of the Remuneration Report:

- (a) a meeting of the Company’s members be held within 90 days after the passing of this resolution (the **Spill Meeting**);*
- (b) all the Company’s Directors who were Directors when the resolution to approve the Directors’ Remuneration Report for the financial year ended 30 June 2018 was passed and who remain Directors of the Company at the time of the Spill Meeting, ceases to hold office immediately before the end of the Spill Meeting; and*
- (c) resolutions to appoint persons to office that will be vacated immediately before the end of the Spill Meeting be put to the vote at the Spill Meeting.”*

Voting Exclusion Statement: In accordance with the Corporations Act the Company will disregard any votes cast in relation to this resolution by or on behalf of the Key Management Personnel, which includes the Directors and executives in the consolidated group whose remuneration is included in the Remuneration Report and their closely related parties (Excluded Persons). However, the Company need not disregard a vote if:

- it is cast by an Excluded 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 person chairing the meeting 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.

2. Determination of voting entitlement

For the purpose of determining a person's entitlement to vote at the Meeting, a person will be recognised as a shareholder and the holder of Shares if that person is registered as a holder of those Shares at 7:00 p.m. AEDT on Wednesday 28 November 2018.

3. Votes

Unless a poll is demanded in advance of voting on a resolution, voting on each resolution will initially be by way of a show of hands. On a show of hands, each member present in person or by proxy or, in the case of a body corporate, by a representative, shall have one vote.

On a poll, every member present in person or by attorney or by proxy or, in the case of a body corporate, by a representative, shall have one vote for each share held by him, her or it.

4. Proxies

A Shareholder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of the Shareholder.

Where the Shareholder is entitled to cast two or more votes, the Shareholder may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, each proxy may exercise half of the votes. A proxy need not be a Shareholder.

To be effective, the instrument of appointment of a proxy (and power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority) must be received by the Company by mail at Boardroom Pty Limited, GPO Box 3993 Sydney NSW 2001 Australia, in person at Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW, by facsimile on +61 2 9290 9655 or online at www.votingonline.com.au/pdfagm2018 by 10:00 a.m. AEDT on Wednesday 28 November 2018.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on Resolutions 1 and 5 by marking either "For", "Against" or "Abstain" on the form of proxy for that item of business.

Subject to the voting restrictions set out in the Voting Exclusion Statements, the Chairperson will vote undirected proxies on, and in favour of Resolutions 1 to 4 and against Resolution 5.

If the proxy is the Chairman, the Chairman can vote undirected proxies on Resolutions 1 and 5, even though the Resolutions 1 and 5 are connected with the remuneration of the key management personnel, only if the proxy form expressly authorizes the Chairman to vote undirected proxies on Resolutions 1 and 5.

A form of proxy accompanies this Notice of Meeting.

5. Questions and Comments by Shareholders at the Meeting

A reasonable opportunity will be given to Shareholders to ask questions and/or make comments on the management of the Company at the Meeting.

A reasonable opportunity will be given for Shareholders to ask questions of the Company's external auditor, Walker Wayland Advantage Audit Partnership. These questions should be relevant to:

- a) the conduct of the audit;

- b) the preparation and contents of the audit report;
- c) the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- d) the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to Walker Wayland Advantage Audit Partnership if the question is relevant to the content of the audit report or the conduct of its audit of the Company's financial report for the year ended 30 June 2018. Relevant written questions for the auditor must be received by the Company no later than 10:00 a.m. AEDT on Friday 23 November 2018. A representative of Walker Wayland Advantage Audit Partnership will provide answers to relevant questions at the Meeting.

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in this Notice.

The Directors recommend that Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions.

Resolution 1- Adoption of remuneration report

In accordance with Section 300A(1) of the Corporations Act the Remuneration Report is included in the Directors Report for the financial year ended 30 June 2018. The Remuneration Report sets out details of the remuneration received by the Directors and key Company executives.

Resolution 1 seeks Shareholder approval of the adoption of the Remuneration Report by the Company.

The outcome of this Resolution is not binding on the Company or the Board. However, sections 250U to 250Y of Corporations Act require a 'two strikes and re-election' process in relation to the shareholder vote on the Remuneration Report and provide that:

- A 'first strike' will occur if this Remuneration Report resolution receives a 'no' vote of 25% or more. If this occurs, the Company's subsequent remuneration report will contain an explanation of the Board's proposed action in response to the 'no' vote or an explanation of why no action has been taken by the Board.
- A 'second strike' will occur if the resolution to adopt the Remuneration Report at the 2018 Company Annual General Meeting also receives a 'no' vote of 25% or more. If this occurs, shareholders will vote at that Annual General Meeting to determine whether the Directors will need to stand for re-election at a separate, subsequent meeting (the 'spill resolution'). If the spill resolution passes with 50% or more of eligible votes cast, the spill meeting must take place within 90 days.

At the 2017 annual general meeting, more than 25% of the votes cast on the resolution to adopt the 2017 remuneration report were cast against the resolution representing a 'first strike'. The Board believes the Remuneration of the Company's key management personnel (KMP) is appropriate and in line with market rates.

Members should note that, whilst the vote on this resolution is advisory only, if at least 25% of the votes cast are against Resolution 1, the Company will receive a 'second strike'. If the Company receives two 'strikes', it is required to put a resolution to the meeting to determine whether the Company's Directors who were in office at the time the resolution to approve the Directors' Report for the year ended 30 June 2018 was passed will need to stand for re-election at a further general meeting.

As a result, this Notice of meeting includes a conditional resolution in Resolution 5. The operation and consequences of Resolution 5 are set out below in the Explanatory notes to Resolution 5.

The Remuneration Report is set out in the Company's 2018 Annual Report. The Company's 2018 Annual Report can be viewed at www.asx.com.au (ASX code: "PDF").

In accordance with section 250SA of the Corporations Act, Shareholders will be given a reasonable opportunity to ask questions about or make comments on the Remuneration Report at the Meeting.

Resolution 2 – Re-Election of Mr. Raymond Taylor as a Director

Resolution 2 seeks the re-election of Mr. Raymond Taylor, who retires and seeks re-election as a director.

Ray has over 35 years of extensive experience in resources financing, corporate planning and management. He was formerly Finance Director of Golden Shamrock Mines Limited and Managing Director of Ausdrill Limited.

Resolution 3 - Approve the issue of 1,500,000 Shares to Raymond Taylor on conversion of a Loan

Purpose of Resolution 3

The Company seeks to issue 1,500,000 Shares to Raymond Taylor, a Director of the Company, upon conversion of a Loan of \$15,000.

Approval for the issue of securities is sought for the purpose of Listing Rule 10.11 and all other purposes.

Corporations Act

Pursuant to Chapter 2E of the Corporations Act, a public company cannot give a 'financial benefit' to a 'related party' unless one of the specified exceptions apply or shareholders have in a general meeting approved the giving of that financial benefit to the related party.

Section 210 of the Corporations Act provides that one of the exceptions to the requirement to obtain shareholder approval for giving a financial benefit to a related party is where the benefit is given on arm's length terms, that is on terms that:

- would be reasonable in the circumstances if the public company and the related party were dealing at arm's length; or
- are less favourable to the related party than the terms referred to in the previous point.

The Company considers that the proposed issue of securities the subject of Resolution 3 will be on arm's length terms and, as such, fall within the exception set out in section 210 of the Corporations Act. The Company has reached this view as the Shares are to be issued on identical terms to those previously offered on conversion of Loans (which were issued to non-related arm's length investors in the Company).

The Listing Rules do not contain a similar exception. Therefore, the Company is seeking approval under Listing Rule 10.11 notwithstanding the proposed issue being on arm's length terms.

Listing Rule 10.11 & 10.13

Listing Rule 10.11 states that an entity must not issue or agree to issue equity securities (including options) to a related party without the approval of holders of ordinary securities.

Mr Taylor is a related party of the Company by virtue of his position as Directors of the Company.

In accordance with Listing Rule 7.2 (Exception 14) if approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1. Accordingly, the issuance of Shares under Resolution 3 will not be included in the 15% calculation of the Company's annual placement capacity pursuant to Listing Rule 7.1.

The following information is provided in accordance with Listing Rule 10.13:

Information required	Details
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The names of the persons that will be issued the securities	Raymond Taylor or his nominee
The maximum number of securities the Company will issue	1,500,000 Shares
The date by which the Company will issue the securities	The Company will issue the Shares within one month from the date of the Meeting (or such later date if permitted by the ASX).
The issue price of the securities	\$0.01 per Share
The terms of the securities	The Shares to be issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
The intended use of funds raised	Funds have been / will be used for working capital purposes and to fund costs associated with the proposed acquisition and financing of 5 dairy farms.

Directors' recommendation

The Directors (with Mr. Taylor abstaining from making a recommendation) recommend that the Shareholders vote in favour of Resolution 3 for the following reasons:

- the conversion of loans will reduce the debts of the Company; and
- the Directors consider the allotment of the Shares contemplated by Resolution 3 to be in the best interests of the Company.

Resolution 4 – Approve selective buy-back of Shares

On 7 February 2018, the Company issued 39,200,000 Shares upon conversion of Convertible Loan Notes. Of these Shares, 1,000,000 Shares were issued to Judith Kelly, the spouse of former Director Trevor Kelly, within 6 months of his resignation as a Director, and 2,000,000 Shares were issued to Madnek Pty Ltd, an entity associated with the spouse of Director Ray Taylor (Director associated entities).

The issue, in aggregate, of the 3,000,000 Shares occurred without prior Shareholder approval, resulting in an inadvertent breach of ASX Listing Rule 10.11 (Breach). This was the subject of the Company's announcement dated 25 September 2018.

Following consultations with ASX, the Company is addressing this issue by seeking Shareholder approval under Resolution 4 for the buy-back and cancellation of the 3,000,000 Shares at their issue price of \$0.01 per Share.

The purpose of Resolution 4 is to seek the requisite approval of Shareholders required under the Corporations Act for the buy-back of the Shares held by the Director associated entities (Share Buy-Back).

The effect of Resolution 4 will be a selective buy-back of 3,000,000 Shares held by Director associated entities. Immediately after the registration of the transfer to the Company of the Shares bought back, those Shares will be cancelled in accordance with the Corporations Act.

Resolution 4 is a special resolution, and therefore requires not less than 75% of all votes cast on the Resolution, by Shareholders entitled to vote, to be in favour of the Resolution for it to be passed.

Corporations Act

Given that the Share Buy-Back only applies selectively to Shares held by the Director associated entities, the Share Buy-Back must be approved by a special resolution with no votes being cast in favour by any person whose Shares are proposed to be brought back or by their associates under section 257D of the Corporations Act.

Section 257A of the Corporations Act provides that a company may buy-back its own shares if:

- (a) the buy-back does not materially prejudice the company's ability to pay its creditors; and
- (b) the company follows the procedures laid down in Part 2J.1 Division 2 of the Corporations Act.

The Share Buy-Back is a selective buy-back. Accordingly, section 257D(2) of the Corporations Act requires that the Company include with the Notice a statement setting out all information known to the Company that is material to the decision on how to vote on the Resolution. However, the Company does not have to disclose information if it would be unreasonable to require the Company to do so because the Company had previously disclosed the information to Shareholders.

In accordance with the requirements of section 257D(2) of the Corporations Act and ASIC Regulatory Guide 110, the following information is provided to Shareholders to assist them to make a decision on how to vote on Resolution 4:

- (a) as at the date of this Notice, the Company has 392,993,759 Shares on issue;
- (b) 3,000,000 Shares are proposed to be bought back. The percentage of Shares proposed to be bought back is 0.76% of the total Shares on issue immediately prior to the Share Buy-Back (assuming there is no change in the number of shares between the date of this Notice and completion of the Share Buy-Back (Completion));
- (c) the terms of the Share Buy-Back are described below (see section headed "Share Buy-Back Agreements");
- (d) the primary purpose of the Share Buy-Back is to cure the Breach (as described above);
- (e) the overall effect of the Share Buy-Back would be to reduce the number of Shares currently on issue from 392,993,759 to 389,993,759.
- (f) the purchase price for the Share Buy-Back will be funded from working capital or the issue of new Shares at a price not less than \$0.01 per Share.
- (g) the advantages and disadvantages of the Share Buy-Back are described below (see section headed "Advantages and disadvantages of the Share Buy-Back");
- (h) the Share Buy-back is not expected to have any effect on the control of the Company other than the effect on the holdings of each of the Director associated entities (or their associates). For the sake of clarity, the Director associated entities are not associated with each other.
- (i) the selling Shareholders (Judith Kelly and Madnek Pty Ltd) are the Director associated entities;

- (j) the Company will incur no liabilities or costs in respect of the proposed Share Buy-Back other than the purchase price for the Share Buy-Back and costs in connection with preparation of this Notice and the Meeting. Costs in connection with the Notice and the Meeting are expected to be incurred whether or not the Share Buy-Back is approved. If Resolution 4 is passed the Company's working capital will be reduced by the amount of the purchase price for the Share Buy-Back which may be offset by the issue of new Shares at an issue price of not less than \$0.01 per Share. The Share Buy-Back is not expected to have any other financial effect on the Company. The Company's most recent audited financial statements, which were for the year ended 30 June 2018 were released to ASX in October 2018; and
- (k) Shares in the Company have not traded during the last 12 months before the date of lodgement of this Notice with ASX and ASIC. The Company most recently raised funds at \$0.01 per Share during the previous 12 months.

Share Buy-Back Agreements

The Company and the Director associated will enter into Share Buy-Back Agreements under which, subject to Resolution 4 being approved (Shareholder Approval Condition), the Company will agree to buy back 1,000,000 Shares held by the spouse of former Director Trevor Kelly and 2,000,000 Shares held by Madnek Pty Ltd, an entity associated with the spouse of Director Ray Taylor, for \$0.01 per Share (or \$30,000 in total).

Completion under the Share Buy-Back Agreements is expected to occur within five business days following the passing of Resolution 4. If the Shareholder Approval Condition is not satisfied by the date that is three months from the date of execution of the Share Buy-Back Agreements, all rights and obligations under the Share Buy-Back Agreements will terminate, other than rights accrued before that date. In these circumstances, the Shares will not be bought back and the Company will remedy the Breach in consultation with ASX by arranging for the sale of the Shares.

Advantages and disadvantages of the Share Buy-Back

The Non-Associated Directors believe that the Share Buy-Back is in the best interests of Shareholders and the Company and recommends that Shareholders vote in favour of Resolution 4 for the following reasons:

- (a) the Share Buy-Back will only result in the cancellation of the Shares issued to the Director associated entities;
- (b) the Share Buy-Back will not materially prejudice the Company's ability to pay its creditors;
- (c) The Share Buy-Back will remedy the Breach.

However, the Share Buy-Back will have the consequence that the Company will be required to fund the purchase price for the Share Buy-Back. The purchase price is expected to be funded from working capital or the issue of additional Shares at an issue price not less than \$0.01 per Share. Shareholders may take the view that this consequence outweighs the advantages of the Share Buy-Back.

The Company does not consider that there are any other material disadvantages to the Company undertaking the Share Buy-Back.

Interests of Directors

Mr Taylor has an interest in the outcome of Resolution 4 as the spouse of a shareholder of Madnek Pty Ltd of. Mr Taylor does not wish to make any recommendation about Resolution 4 because he has an interest in the outcome of the Resolution.

The Non-Associated Directors believe that the Share Buy-Back will not materially prejudice the Company's ability to pay its creditors as additional Shares may be issued in accordance with the ASX Listing Rules at a price not less than \$0.01 per Share (if required). Accordingly, the Non-Associated Directors recommend that Shareholders vote in favour of Resolution 4 as they consider the proposed Share Buy-Back to be in the best interests of Shareholders.

Resolution 5 – Conditional resolution to hold a spill meeting

Note that this Resolution 5 is a conditional resolution. It will only be put to the meeting if at least 25% of the votes on Resolution 1 are cast against the adoption of the 2018 Remuneration Report. Shareholders voting by proxy should still register their votes on this item.

Resolution 5 will be considered as an ordinary resolution, which means that, to be passed, the resolution requires the approval of a simple majority of the votes cast by or on behalf of shareholders entitled to vote on the matter.

At the 2017 annual general meeting, more than 25% of the votes cast on the resolution to adopt the 2017 remuneration report were cast against the resolution. If at least 25% of the votes on Resolution 1 are against adopting the Remuneration Report at this year's Annual general meeting and this Resolution 5 is passed, then the Company must hold a further general meeting (**Spill Meeting**) within 90 days after the Annual General Meeting to consider the composition of the Board.

Specifically, if Resolution 5 is put to the meeting and passed, all the Company's Directors who were Directors when the resolution to approve the Directors' Remuneration Report for the financial year ended 30 June 2018 was passed, will need to stand for re-election at the Spill Meeting if they wish to continue as Directors. The relevant Directors include Raymond Taylor, Paul Duckett and Christ Egan. Following the Spill Meeting, those persons whose re-election as Directors is approved will be Directors of the Company.

Each relevant director is eligible, but not required, to seek re-election as a Director of the Company at the Spill Meeting. Consideration should also be given by shareholders that relevant Directors may choose not to offer themselves for re-election.

Holding a Spill Meeting would cause significant disruption to the running of the Company as a result of management distraction and the cost and time involved in organising such a meeting. A Spill Meeting may also have a negative impact on the market value of the Company.

Shareholders should note that if at least 25% of the votes cast on Resolution 1 are against adopting the Remuneration Report at this year's Annual General Meeting, but Resolution 5 does not pass with more than 50% of the votes cast by or on behalf of shareholders entitled to vote on the matter, the current Board will remain in place, subject to the outcome of Resolution 2.

If this Resolution is passed and a Spill Meeting is required, the date of the Spill Meeting will be confirmed to Shareholders in due course.

The Directors unanimously recommend that shareholders vote **against** this Resolution.

GLOSSARY

In the Notice of Meeting and Explanatory Statement the following terms have the following meanings:

AEDT means Australian Eastern Daylight Time.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the listing rules of ASX.

Board means the board of directors of the Company.

Company means Pacific Dairies Limited (ACN 095 821 971).

Corporations Act means Corporations Act 2001 (Cth).

Director means a current director of the Company.

Explanatory Statement means the explanatory statement to this Notice of Meeting.

Meeting means the Annual General Meeting of the Shareholders of the Company to be held on Friday 30 November 2018, to which the Notice of Meeting and Explanatory Statement relate.

Notice of Meeting means this notice of meeting of the Company dated 30 October 2018.

Resolution means a resolution referred to in the Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of Shares.

Words importing the singular include the plural and vice versa.

All references to currency are in Australian dollars.

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 10:00am (AEDT) on Wednesday, 28 November 2018.**

🖥 TO VOTE ONLINE

STEP 1: VISIT <https://www.votingonline.com.au/pdfagm2018>

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:

- 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 **10:00am (AEDT) on Wednesday, 28 November 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** <https://www.votingonline.com.au/pdfagm2018>

📠 **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 **Pacific Dairies 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 **Seasons Botanic Gardens Melbourne, 348 St Kilda Road, Melbourne, Victoria, 3004 on Friday, 30 November 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.

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 Resolutions 1 and 5, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1 and 5 are 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 Resolutions 1 - 4 and against Resolution 5. 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	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-Election of Mr. Raymond Taylor as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approve the issue of 1,500,000 Shares to Raymond Taylor on conversion of a Loan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approve selective buy-back of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Conditional resolution to hold a spill meeting	<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 / / 2018