



NOTICE OF ANNUAL MEETING

NOTICE is hereby given that the Annual Meeting of shareholders of The a2 Milk Company Limited (the "Company") for the year ended 30 June 2016 will be held on Tuesday, 22 November 2016 at 11:00am Sydney time (1:00pm New Zealand time) in the Aerial UTS Function Centre, UTS Building 10, Level 7, 235 Jones Street, Ultimo NSW, Australia.

Shareholders will be able to:

- attend the meeting in person; or
- attend and participate at the meeting virtually via an online platform provided by the Company's share registrar, Link Market Services at www.virtualmeeting.co.nz/a2MC2016; or
- attend and participate in the meeting through a proxy.

Further details on how to do so are set out in this Notice of Meeting and the Virtual Annual Meeting Online Portal Guide filed on the market announcement platforms of the NZX and ASX and available on the Company's website (<https://thea2milkcompany.com/newsroom/market-announcements/>).

To view the latest financial statements for the year ended 30 June 2016, please visit <http://thea2milkcompany.com/investor-centre/results/> and select the 2016 Annual Report within the Results section of the website.

The Explanatory Notes, which accompany this Notice of Meeting, provide more information on the resolutions which will be put before shareholders.

BUSINESS

The business of the meeting is comprised of ordinary business, being:

1. Financial Statements and Reports

To receive and consider the Company's financial statements for the year ended 30 June 2016, together with the Directors' and Auditor's reports.

2. Considering the Re-appointment of Auditors (Resolution 1)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:

"That Ernst & Young be re-appointed as Auditors of the Company and that the Directors of the Company be authorised to fix the Auditor's remuneration for the ensuing year."

3. Re-election of Director - David Hearn (Resolution 2)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:

"That David Hearn, who will retire at the meeting by rotation in accordance with the Company's constitution, be re-elected as a Director of the Company."



4. Election of Director - Peter Hinton (Resolution 3)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:

"That Peter Hinton, who was appointed a Director of the Company by the Board with effect from 16 February 2016, and who will retire at the meeting in accordance with the Company's constitution, be elected as a Director of the Company."

5. Election of Director - Warwick Every-Burns (Resolution 4)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:

"That Warwick Every-Burns, who was appointed a Director of the Company by the Board with effect from 23 August 2016, and who will retire at the meeting in accordance with the Company's constitution, be elected as a Director of the Company."

6. Increase in Non-Executive Director Remuneration (Resolution 5)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:

"That the total amount of remuneration payable per annum to Non-Executive Directors of the Company be increased by NZ\$350,000 from NZ\$600,000 to NZ\$950,000, to be paid and allocated amongst the Non-Executive Directors as the Board considers appropriate."

Note: A voting exclusion applies to this resolution. See Item 6 of the Explanatory Notes to this notice of meeting.

7. General Business

To consider any other matters that may properly be brought before the meeting.



SHAREHOLDERS ELIGIBLE TO VOTE

Only shareholders who hold ordinary shares in the Company as at 7:00pm Sydney time (9:00pm New Zealand time) on Sunday, 20 November 2016 will be eligible to vote at the meeting (subject to voting exclusions for specific resolutions, as set out in this notice of meeting).

VIRTUAL ANNUAL MEETING

Shareholders (and appointed proxies) will be able to attend the meeting in person, or, alternatively, will be able to attend and participate at the meeting virtually via an online platform provided by the Company's share registrar, Link Market Services Limited at www.virtualmeeting.co.nz/a2MC2016. Shareholders attending and participating in the meeting virtually via the online platform will be able to watch the meeting live, and vote and ask questions online, during the meeting.

The Company's New Zealand domiciled shareholders will be able to attend and participate in the meeting virtually. The Company would encourage shareholders unable to attend the meeting in person, to make use of this technology.

More information regarding virtual attendance at the meeting (including how to vote and ask questions virtually during the meeting) is available below and in the Virtual Annual Meeting Online Portal Guide filed on the market announcement platforms of the NZX and ASX and also available on the Company's website (<https://thea2milkcompany.com/newsroom/market-announcements/>).

ATTENDING AND PARTICIPATING IN THE MEETING

Attending the virtual meeting

The virtual meeting will be viewable from desktops and laptops.

Shareholders wishing to attend and participate in the virtual annual meeting should, in advance of the meeting, ensure they have access to a compatible web browser. Details of the browsers that the platform supports are available in the Virtual Annual Meeting Online Portal Guide. Shareholders can check the current version of their web browser by going to www.whatismybrowser.com.

To attend (and vote) at the Virtual Annual Meeting, shareholders will need to have their shareholder number before proceeding. Appointed proxies will need their proxy number, which will be provided by Link Market Services prior to the meeting.

Shareholders can register on Tuesday, 22 November 2016 from 10:00am Sydney time (midday New Zealand time). This is 1 hour prior to the meeting.

To access the online platform, shareholders will need to take the following steps:

1. Open web browser www.virtualmeeting.co.nz/a2MC2016.
2. Login to the portal using their full name, email address, and company name (if applicable).
3. Read and accept the terms and conditions before clicking on the blue 'Register and Watch Annual General Meeting' button.
4. Once logged in, a live video webcast of the meeting will appear on the left-hand side of the screen, with the meeting presentation slides appearing on the right-hand side of the screen. Keep the browser open for the duration of the meeting.
5. If the browser is closed, the session will expire. If the shareholder (or appointed proxy) attempts to log in again, they will be sent a recovery link via email for security purposes.



Asking Questions

Shareholders physically present at the meeting or attending virtually via the online platform will have the opportunity to submit questions to the Board, the Company's senior management, and the Company's auditors during the meeting.

Shareholders attending virtually via the online platform may ask questions after they have registered to vote by clicking on the 'Ask a Question' box. Shareholders will need to select the category to which the question relates (either General Business or a specific resolution), type the question in the 'Question' section, and clicking on the blue 'Submit Question' button. This will send the question to the Management/Board.

Shareholders wanting to ask a question prior to the meeting, to be addressed at the meeting, should email meetings@linkmarketservices.co.nz, or complete the question section on the accompanying proxy form, or submit the question online by going to vote.linkmarketservices.com/ATM, in each case by 5.00pm Sydney time (7:00pm New Zealand time) on Friday, 18 November 2016.

The Board will endeavour to address all appropriate questions at the meeting.

Voting

To vote via the online platform during the meeting, shareholders (or appointed proxies) will need to first register to vote by clicking on the 'Get a Voting Card' box at the bottom of the webpage or below the video, and entering their details in the top section of the Voting Card box. Once registered, the shareholder's voting card will appear with all of the resolutions to be voted on by the shareholders at the meeting (as set out in this Notice of Meeting). Shareholders may need to use the scroll bar on the right hand side of the voting card to scroll up or down to view all resolutions.

Shareholders and proxies can either submit a full vote or a partial vote on each resolution by moving between the 'Full Vote' and 'Partial Vote' tabs at the top of the voting card. To submit a full vote, a shareholder may click on the 'For', 'Against' or 'Abstain' voting buttons under the 'Full Vote' tab.

To submit a partial vote, a shareholder may enter the number of votes they would like to vote for any or all resolutions under the 'Partial Vote' tab. The total number of the votes that a shareholder is entitled to vote will be displayed under each resolution. When the shareholder enters the number of votes in a certain box, it will automatically calculate the total number of votes left.

Once finished entering the votes on the resolutions, shareholders will need to scroll down and click on the 'Cast Vote' or 'Cast Partial Vote' button. Shareholders may edit their voting cards by clicking the 'Edit Card' button at any time before the voting is closed, which will be 5 minutes after the close of the meeting. At the close of the meeting, any placed but not submitted votes will be automatically submitted. The un-voted portion of the shareholders' votes (if any) will be submitted as 'No Instruction' and therefore will not be counted.

The Virtual Annual Meeting Online Portal Guide provides a separate detailed overview on how to vote and ask questions virtually during the meeting. The Virtual Annual Meeting Online Portal Guide will be filed on the market announcement platforms of the NZX and ASX and will also be able to be viewed on the Company's website (<https://thea2milkcompany.com/newsroom/market-announcements/>)

Shareholders who are attending the meeting in person should bring the enclosed proxy form with them to assist with shareholder registration.

Shareholders can also download the LinkVote App from the Apple App Store or Google Play Store if they would like to vote during the meeting using their mobile phone. The LinkVote App will be available for download prior to the meeting.

Shareholders can also vote prior to the meeting either by post or online, as described below under "Postal Voting" and "Online Voting".



PROXIES

A shareholder entitled to attend and vote but who cannot attend the meeting (whether in person or via the online platform) are encouraged to appoint a proxy to attend and vote on that shareholder's behalf. The proxy need not be a shareholder of the Company.

To appoint a proxy a shareholder should complete and sign the proxy form enclosed with this notice and return it to the office of the Company's Share Registrar, Link Market Services Limited, by no later than 11:00am Sydney time (1:00pm New Zealand time) on Sunday, 20 November 2016. Any proxy form received after that time will not be valid for the meeting.

Shareholders can alternatively complete the enclosed proxy form online by following the instructions on the Proxy Form. To securely appoint a proxy online, NZX registered holders will need their CSN/Holder number and FIN, and ASX registered holders will need their Holder number and postcode or country of residence, in order to complete the online validation process. Please contact Link Market Services if you need to obtain these details. The contact details for Link Market Services can be found on the enclosed proxy form.

Please refer to the instructions on the enclosed proxy form as to the ways in which the proxy form can be sent to Link Market Services, including instructions on how to appoint your proxy and vote online.

The Chairman of the meeting may be appointed as a proxy and intends to vote any undirected/discretionary proxy in favour of each resolution.

CORPORATE REPRESENTATIVE AND ATTORNEY APPOINTMENTS

A corporation which is a shareholder, or an attorney of a shareholder, may appoint a representative to attend and vote at the meeting on its behalf. Any shareholder may appoint an attorney to attend and vote at the meeting on its behalf. Notice of any such appointment should be sent to the Company's Share Registrar, Link Market Services Limited, as soon as possible.

POSTAL VOTING

A shareholder is entitled to exercise his/her vote at the meeting by casting a postal vote. A postal voting form is incorporated in the proxy form.

To cast a postal vote a shareholder should complete and sign the postal voting form enclosed with this notice of meeting and return it to the office of the Company's Share Registrar, Link Market Services Limited by no later than 11:00am Sydney time (1:00pm New Zealand time) on Sunday, 20 November 2016. Any postal voting form received after that time will not be valid for the Meeting.

Please refer to the instructions on the enclosed postal voting form as to the ways in which the postal voting form can be sent to Link Market Services, including instructions on how to appoint your proxy and vote online.

ONLINE VOTING

Shareholders may elect to lodge their proxy appointment or postal vote online. You will need to go to the website of our share registrar, Link Market Services: vote.linkmarketservices.com/ATM



REQUISITE MAJORITIES

The resolutions are ordinary resolutions requiring the approval of a simple majority of the votes of those shareholders entitled to vote and voting (in person, by postal vote or by proxy) in order for them to be passed.

By order of the Board.

A handwritten signature in black ink, appearing to read 'David Hearn', with a horizontal line underneath.

Mr David Hearn
Chairman
2 November 2016



EXPLANATORY NOTES

Item 3 – Re-Election of Director

Under the Company's constitution, David Hearn will be required to retire by rotation at the Annual Meeting as a Director. David will offer himself for re-election as a Director at the Annual Meeting, and the Board (excluding David) unanimously supports David's re-election.

David Hearn

Chairman & Executive Director

David has been a Director since 5 February 2014 and Chairman of the Company since 30 March 2015. David is also a member of the Nomination and Remuneration Committees.

David has long experience and skills in executive management, sales and marketing and strategy development in fast moving consumer goods (FMCG) in international markets. He has held senior executive roles including Chief Executive Officer or Managing Director roles for FMCG companies including Goodman Fielder Limited, UB Snack Foods Europe/Asia, Del Monte UK and Smith's Crisps and for the marketing services group, Cordiant Communications Group.

In addition to his Company directorship, David is also the Executive Chairman of LifeCare Residences and a Director of Lovat Partners Limited, Robin Partington & Partners Limited and Committed Capital Limited.

Although he is not an employee of the Company, on account of his executive role in relation to the Group's business in the Northern Hemisphere, David is considered for governance purposes to be an Executive Director (and therefore, not an independent director).

David resides in the United Kingdom.

Items 4 and 5 - Election of Directors

Peter Hinton was appointed as a Director by the Board, under clause 17.3(a) of the Company's constitution, with effect from 16 February 2016.

Warwick Every-Burns was appointed as a Director by the Board, under clause 17.3(a) of the Company's constitution, with effect from 23 August 2016.

Peter and Warwick will retire from office at the Annual Meeting, and offer themselves for election as required by the Company's constitution and NZX Main Board Listing Rule 3.3.6. The Board (excluding Peter and Warwick respectively, in respect of his own election) unanimously supports Peter's and Warwick's election.

Peter Hinton

Independent, Non-Executive Director

Peter is a partner at law firm Simpson Grierson in New Zealand and is a highly regarded senior commercial lawyer with substantial experience in the New Zealand, Australia and other international markets.

Peter has provided legal advice to the Company over many years and this background together with his very strong commercial skills is highly relevant and complementary to the make-up of the Board. This is particularly so given the increasing complexity of the business and the breadth of activities in international markets.

Although Peter is a partner of Simpson Grierson, a New Zealand law firm which provides legal services to the Company and has himself participated in providing those legal services, the Board considers him to be independent. The terms of Peter's letter of appointment as a Director specifically address his role as a professional adviser of the Company for the purposes of ensuring that such role does not interfere with the exercise of his independent judgement on issues before the Board and his capacity to act in the best interests of the Company and its shareholders generally.



Accordingly, the Board is satisfied that Peter's role with Simpson Grierson does not materially interfere with his independence.

Peter resides in Auckland.

Warwick Every-Burns

Independent, Non-Executive Director

Warwick has been a career Consumer Packaged Goods (CPG) executive of global scale. His executive roles have included a successful career with The Clorox Company of the USA as Senior Vice President, International based in the USA and prior to that as VP Asia Pacific. His earlier roles included Managing Director of NationalPak Limited (the Glad Products Company ultimately acquired by Clorox) and an earlier long career with Unilever PLC where he was based in Australia. More recently Warwick has been, and continues to be, a Non-Executive Director of one of the leading international wine companies, the ASX-listed Treasury Wine Estates Limited.

Warwick is Chair of the Remuneration Committee and a member of the Nominations Committee.

Warwick brings a combination of international CPG Executive and Non-Executive Director experience in markets of particular relevance to a2MC in China, North America and also Europe. His strong skills and interest in business development in new and emerging markets, brand management and human resource management will be of significant value to the Company.

Warwick resides in Australia.

Item 6 – Increase in Non-Executive Director Remuneration

The Company's constitution requires any proposed increase in the aggregate annual remuneration payable to Non-Executive Directors to be approved by shareholders by ordinary resolution.

The current aggregate annual remuneration of NZ\$600,000 was approved on 19 November 2013. Resolution 5 proposes to increase this amount by NZ\$350,000 to NZ\$950,000.

Since that time, the size and complexity of the Company's business has grown and expanded significantly – specifically the Company's revenues have more than tripled and market capitalisation more than doubled. In addition, the business has developed from supplying a single product in a single country to the supply of multiple products in four countries across four different continents.

As a result of these dramatic changes, the Board has reviewed the skill sets that it considers necessary to serve as a Director of the Company in terms of both specific skills and relevant international experience.

As a part of this review, the Board has concluded that the current remuneration payable to Non-Executive Directors does not adequately recognise the volume of work and additional risks and responsibilities required to be undertaken by them. Further, it has proved to be difficult for the Company to attract high calibre individuals in a competitive international environment for quality, experienced directors.

Resolution 5 expresses the Directors' remuneration as a maximum aggregate annual amount which may be divided amongst the Chairman and the Non-Executive Directors, in proportions to be determined by them.

Under the ASX Listing Rules, the aggregate remuneration cap includes fees for attending and participating in any board and committee meetings, superannuation contributions for the benefit of those directors and any fees which a Non-Executive director agrees to sacrifice for other benefits. It is in addition to reimbursement of out of pocket expenses.



For governance purposes, the Company includes the Director-related remuneration payable to the current Chairman within the aggregate annual remuneration pool, even though Mr Hearn is regarded as an Executive Director on account of his executive role in relation to the Group's business in the Northern Hemisphere. Mr Hearn provides services to the Company in the Northern Hemisphere through Lovat Partners Limited, an entity controlled by him. However, Mr Hearn is not an employee of the Company and does not otherwise receive any remuneration from the Company.

The Company's Chief Executive Officer, Geoffrey Babidge, does not receive Directors' fees but is remunerated as an employee.

The table below sets out the current remuneration of the Chairman, Deputy Chairman and other Non-Executive Directors.

| Position | Current Total Remuneration (NZ\$ per annum) |
|--|--|
| Chairman | 120,000 ¹ |
| Deputy Chairman (also Chair of both the Audit & Risk Management Committee and the Nomination Committee) | 200,000 |
| Non-Executive Director (also Chair of Remuneration Committee) | 95,000 |
| Non-Executive Director (only a Committee member) | 85,000 |
| Non-Executive Director (only a committee member) | 85,000 |
| TOTAL | 585,000² |

¹ This excludes consultancy fees paid by the Company to Lovat Partners Limited

² The total value of the current aggregate annual remuneration of NZ\$600,000 is not presently utilised

The table below sets out the proposed remuneration of the Chairman, Deputy Chairman and other Non-Executive Directors, Committee Chairs and Committee Members.

| Position | Proposed Total Remuneration (NZ\$ per annum) | Proposed Remuneration Breakdown (NZ\$ per annum) | | |
|--|---|---|------------------------|-------------------------|
| | | Director fee | Committee Chair fee | Committee Member fee |
| Chairman | 120,000 | 120,000 | - | - |
| Deputy Chairman (also Chair of the Audit & Risk Management Committee) | 214,162 | 164,740 | 32,948 | 16,474 |
| Non-Executive Director (also Chair of Remuneration Committee) | 170,231 | 120,809 | 32,948 | 16,474 |
| Non-Executive Director (also Chair of Nomination Committee) | 159,249 | 120,809 | 21,966 ¹ | 16,474 |
| Non-Executive Director (only a Committee member) | 131,792 | 120,809 | - | 10,983 ² |
| TOTAL | 795,434³ | 647,167 | 87,862 | 60,405 |

¹ Chair of Nomination Committee attracts lower fee than Chair of Audit & Risk Management Committee and Remuneration Committee due to more restricted workload

² Member of Nomination Committee attracts lower fee than member of Audit & Risk Management Committee and Remuneration Committee due to more restricted workload

³ The total value of the proposed aggregate annual remuneration of NZ\$950,000 will not immediately be fully utilised, noting that no change to Mr Hearn's remuneration as Chairman is planned



With respect to the above proposed remuneration structure, committee memberships are intended to be re-allocated as follows:

| Committee | Members |
|-------------------------|---|
| Audit & Risk Management | Julia Hoare (Chair) Richard Le Grice Warwick Every-Burns |
| Remuneration | Warwick Every-Burns (Chair) Richard Le Grice Peter Hinton |
| Nomination | Peter Hinton (Chair) Julia Hoare David Hearn |

Although the proposed cap includes the potential for the Chairman's fee to rise significantly, it should be noted that no change to Mr Hearn's remuneration is planned. The proposed increase for the purpose of the cap is designed to cover the eventuality that a different Chairman might be appointed in future who would not necessarily be the recipient of share options, as Mr Hearn is, and who would therefore require a more 'normalised' fee. That said, it should be made clear that no such change is planned or foreseen at this point.

In proposing this resolution to shareholders, the Board has considered comparable market samples and sought independent external advice from Willis Towers Watson, a leading adviser in the field of board and executive compensation. The Board's recommendation accords with the advice received, and is broadly in line with the fee structures of a wide range of comparable companies in both Australia and New Zealand.

The Board believes that the proposed increase in the aggregate amount available as remuneration for Non-Executive Directors is essential to enable the Company to attract and retain Directors with the requisite qualities and experience, who can provide strong governance and leadership for the Company, as it navigates the risks associated with expanding into new and more complex territories.

In addition, in order to align the interests of Directors more closely with those of all shareholders, the Company will require each Director to purchase (in his or her own name, family trust or company) shares in the Company equivalent in value (at the time of purchase) to at least one year's pre-tax remuneration, to be held for the duration of his or her tenure on the Board. Each Director will have three years (from the date of the adoption of the policy or his or her appointment, as applicable) to achieve this position, although the Company anticipates that this will likely be achieved in a much shorter time than this.

In accordance with the ASX Listing Rules, the Company confirms that no securities have been issued to a Non-Executive Director under rule 10.11 or 10.14 with the approval of the holders of the Company's ordinary shares at any time within the preceding 3 years. Prior to the Company's admission to the Official List of the ASX, 5,000,000 options over unissued ordinary shares were issued to Lovat Partners Limited (a company controlled by David Hearn) under the Company's Long Term Incentive Plan. Each option has an exercise price of NZ\$0.63.

In accordance with the NZX Main Board Listing Rules and the ASX Listing Rules, the Company will disregard any votes cast on resolution 5 by:

- any Director of the Company; and
- any of their associated persons (as defined in the NZX Main Board Listing Rules) or associates (as defined in the ASX Listing Rules),

except where any such vote is cast by that Director (or one of their associated persons or associates) as proxy for a person who is entitled to vote, and that Director (or that associated person or associate) votes in accordance with express instructions to vote for or against a particular resolution on the proxy form or online proxy instructions. Alternatively, the vote may be 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.

Given the interests of the Non-Executive Directors, the Board does not consider it appropriate to make a recommendation in respect of voting on resolution 5.

