NZX Regulation Decision

The a2 Milk Company Limited ("ATM")

Application for waiver from NZX Main Board Listing Rule 5.5.1(b)

12 September 2018

Waiver from NZX Main Board Listing Rule 5.5.1(b)

Decision

1. Subject to the conditions in paragraph 2 below, and on the basis that the information provided by ATM is complete and accurate in all material respects, NZXR grants ATM a waiver from Rule 5.5.1(b) to the extent that this Rule requires ATM to hold its 2018 Meeting in New Zealand.

2. The waiver in paragraph 1 above is provided on the conditions that:

    a. the 2018 Meeting held by ATM is a hybrid meeting held physically in Melbourne, Australia and virtually using the Link Platform;

    b. ATM is Listed on both the ASX and NZX Main Board at the date of the 2018 Meeting;

    c. the Meeting Materials are released to the market via the NZX market announcement platform and the ASX market announcement platform, and are posted on ATM's website no later than a time shortly before the addresses are made at the 2018 Meeting;

    d. ATM provides NZXR with the Notice of Meeting for NZXR's review and comment, at least ten Business Days before the Notice of Meeting is due to be circulated to Shareholders. The Notice of Meeting must include, in a prominent position:

        i. a clear explanation of how the 2018 Meeting is to be structured, including that there is to be a hybrid meeting;

        ii. a clear explanation of the impact of the 2018 Meeting on New Zealand domiciled Shareholders;

        iii. a statement that Shareholders are able to attend and participate in the 2018 Meeting physically, virtually or through a proxy; and

        iv. a clear explanation of how Shareholders can attend and participate in the 2018 Meeting virtually, including;

            A. a statement that Shareholders will be able to submit questions and vote online during the 2018 Meeting;

            B. a clear explanation of how Shareholders will be able to submit questions to ATM's Board, senior management and auditors, and vote online during the 2018 Meeting;

            C. a statement that Shareholders are permitted to submit questions to ATM's Board, senior management and auditors in advance of the 2018 Meeting and that all appropriate questions will be answered at the 2018 Meeting; and

D. a clear explanation of how Shareholders can submit questions for ATM's Board, senior management and auditors in advance of the 2018 Meeting using email, or by mail using the section on their proxy form;

e. Shareholders must be able to submit questions to be answered by the ATM's Board, senior management and auditors, in advance of the 2018 Meeting via a proxy form and email, and during the 2018 Meeting through the Link Platform; and

f. Shareholders must be able to vote virtually during the 2018 Meeting.

3. The information on which this decision is based is set out in Appendix One. This waiver will not apply if that information is not or ceases to be full and accurate in all material respects.

4. The Rules to which this decision relates are set out in Appendix Two.

5. Capitalised terms that are not defined in this decision have the meanings given to them in the Rules.

Reasons

6. In coming to the decision to provide the waiver set out in paragraph 1 above, NZXR has considered that:

a. the policy behind Rule 5.5.1(b) is to ensure that holders of Quoted Securities are able to participate in meetings of holders of securities for a NZX Listed Issuer. The footnote to Rule 5.5.1(b) provides that NZXR may waive the requirement of Rule 5.5.1(b) if NZXR is satisfied that Quoted Security holders generally are not likely to be prejudiced by the holding of a meeting outside of New Zealand. NZXR is satisfied the granting of this waiver will not offend the policy of Rule 5.5.1(b);

b. ATM has advised that its 2018 Meeting will be a hybrid meeting, using the Link Platform. ATM has submitted, and NZXR has no reason not to agree, that the use of the Link Platform will mean Shareholders residing in New Zealand are not prejudiced from attending and participating in the 2018 Meeting. The conditions of this waiver require ATM to provide sufficient information to Shareholders about how Shareholders can participate in the virtual meeting using the Link Platform, as well as other means;

c. ATM has a substantial portion of its Shareholders domiciled in Australia and is also listed on the ASX. Holding the meeting in Australia as a part of a hybrid meeting, will allow Shareholders domiciled in Australia to attend the meeting, while not prejudicing New Zealand domiciled Shareholders; and

d. there is precedent for this decision.

Confidentiality

7. ATM has requested that this application and any decision be kept confidential until ATM makes an announcement about the location and date of the 2018 Meeting.

8. In accordance with Footnote 1 to Rule 1.11.2 NZXR grants ATM's request.

Appendix One

1. The a2 Milk Company Limited (**ATM**) is a Listed Issuer with its ordinary shares Quoted on the NZX Main Board (**Main Board**). ATM is also Listed on the Australian Securities Exchange (**ASX**).

2. ATM intends to hold its general annual meeting for 2018 (**2018 Meeting**) on or about 20 November 2018.

3. ATM has a mixture of Australian and New Zealand based shareholders. As at 30 August 2018, the records of the Company's share registrar, Link Market Services Limited (**Link**), showed that approximately 85% of ATM's shareholders collectively holding approximately 51% of ATM's issued share capital are domiciled in Australia.

4. The 2018 Meeting will be a hybrid meeting. A hybrid meeting means that in addition to holding a physical meeting of shareholders, a meeting will also be held virtually. ATM wishes to hold the physical aspect of the 2018 Meeting in Melbourne, Australia.

5. ATM will conduct its 2018 Meeting using technology made available by Link (the **Link Platform**). The Link Platform will allow shareholders who cannot physically travel to the 2018 Meeting, to view the meeting online. The Link Platform will also allow shareholders to vote by virtual means and submit questions online during the 2018 Meeting.

6. ATM has had it confirmed from Link that the Link Platform is a robust system that has been built with high availability in mind. In the event of technological failure, Link captures the email addresses of virtual attendees allowing ATM to communicate with virtual attendees as to the status of any technology issues and the status of the 2018 Meeting.

7. A notice of the 2018 Meeting (**Notice of Meeting**) will be provided to holders of ATM ordinary shares (**Shareholders**) in advance of the meeting. The Notice of Meeting will provide information about how a Shareholder can participate in the virtual meeting using the Link Platform.

8. The Notice of Meeting will include with it a form to allow a proxy to be appointed for a Shareholder who is not able to attend the 2018 Meeting. Shareholders will be entitled to cast their votes at the 2018 Meeting via proxy.

9. Shareholders will be entitled to submit questions in advance of the 2018 Meeting. The ability to submit questions in advance of the 2018 Meeting will be through two methods:

    a. by mail through a section on the proxy form; and

    b. by email.

10. The Managing Director's slide presentation and all other material provided at the physical meeting (**Meeting Materials**) will be released to the market shortly before the time at which the address is made at that meeting. The Meeting Materials will be made available via an announcement on the NZX and ASX market announcement platforms and on ATM's website.

11. NZX Main Board Listing Rule (**Rule**) 5.5.1(b) requires that all meetings of holders of Quoted Securities of an Issuer are held in New Zealand.

12. The footnote to Rule 5.5.1(b) allows NZX Regulation (**NZXR**) to waive the requirement of Rule 5.5.1(b) if it is satisfied that shareholders are not likely to be prejudiced by the holding of meetings of holders of securities of an NZX Listed Issuer outside New Zealand.

13. ATM is seeking a waiver to allow it to hold the 2018 Meeting in Melbourne, Australia.

Appendix Two

Rule 5.5 General Obligation While Listed

5.5.1 An Issuer which has NZX as its Home Exchange shall at all times while it is Listed:

…

(b) hold all meetings of holders of Quoted Securities of the Issuer in New Zealand

Footnote to NZX Main Board Listing Rule 5.5.1(b)

NZX may waive the requirement in Rule 5.5.1(b) on application in respect of particular meetings if it is satisfied that Quoted Security holders generally are not likely to be prejudiced by the holding of the meeting outside New Zealand.