



17 December 2018

NOTIFICATION OF ISSUE OF SECURITIES – PERFORMANCE SHARE RIGHTS

For the purposes of Listing Rule 7.12.1 of the NZX Main Board/Debt Market Listing Rules, Synlait Milk Limited (**SML**) advises that the following securities, convertible into quoted ordinary shares, have been issued:

a	Class of security	Performance Share Rights (PSR)
	ISIN	N/A
b	Number issued	134,582
c	Issue price	PSRs are issued for nil consideration
d	Payment in cash	N/A
e	Amount paid up	N/A
f	Principal terms of PSRs	Each PSR converts on a 1:1 basis for nil consideration into fully paid ordinary shares, subject to the participant remaining employed and vesting of PSRs on a progressive scale dependent on SML's TSR and EPS growth over a 3 year vesting period. Vesting is also subject to pro-rata scaling if the total value of all PSRs vesting in a given calendar year exceeds 5% of the increase in market capitalisation over the vesting period. PSRs are non-transferable and have no voting or other share rights and are otherwise subject to the rules of the SML Employee Share Scheme and individual award agreements.
g	Percentage of class of securities	34.97%
h	Reason for issue	Issue of PSRs under the SML Employee Share Scheme as part of employee remuneration
i	Authority for issue	Resolution of the Board and Listing Rule 7.3.6.
j	Terms of issue	The grant of PSRs is made under the SML Employee Share Scheme as part of employee remuneration. No cash consideration is payable by the employee on the grant of PSRs or on the issue of fully paid ordinary shares following vesting of PSRs. As noted above, vesting of PSRs is subject to certain performance hurdles and pro-rata scaling.



k	Total number of securities of the class in existence after the issue	519,424
l	Treasury stock	N/A
m	Date of issue	17 December 2018

Yours faithfully,

Deborah Marris
Director, Legal, Risk & Governance