



Australian Dairy Farms Group

ASX Code: AHF

Notice of Annual General Meeting - 2017 Australian Dairy Farms Group

The Annual General Meeting of the securityholders of **Australian Dairy Farms Limited** (ACN 057 046 607) and the Annual General Meeting of unit holders of the **Australian Dairy Farms Trust** (ARSN 600 601 689) will be held at:

Venue: **Vibe Savoy Hotel 630 Little Collins Street, Melbourne**

Date: **31 October 2017**

Time: **10.00AM (AEDT). (Melbourne time)**

Australian Dairy Farms Limited and Australian Dairy Farms Trust (together the “Group”)

Notice of Annual General Meeting

Notice is hereby given that the annual general meeting of the shareholders of Australian Dairy Farms Limited (**Company**) will be held in conjunction with the annual general meeting of unit holders of the Australian Dairy Farms Trust (together the Australian Dairy Farms Group). The Meeting will be held at **Vibe Savoy Hotel 630 Little Collins Street, Melbourne on 31 October 2017 at 10.00AM (AEDT). (Melbourne time) (Meeting).**

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and Proxy Form form part of this Notice of Meeting.

Security Holders are urged to vote by attending the Meeting in person or by returning a completed Proxy Form. Instructions on how to complete a Proxy Form are set out in the Explanatory Memorandum.

Proxy Forms must be received by no later than **10.00AM (AEDT) on 29 October 2017.**

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1 of the Explanatory Memorandum.

Agenda

ANNUAL REPORT

To receive and consider the financial statements of the Company and the reports of the Directors and Auditors for the financial year ended 30 June 2017.

RESOLUTION 1 REMUNERATION REPORT (NON-BINDING)

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

“That for the purposes of section 250R(2) of the Corporations Act 2001 (Cth) and for all other purposes, Security holders adopt the Remuneration Report set out in the Directors’ Report for the year ending 2016.”

A voting exclusion statement is set out below.

RESOLUTION 2 RE-ELECTION OF DIRECTOR - MICHAEL HACKETT

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

“That Mr Hackett, who retires by rotation in accordance with clause 49 of the Company’s Constitution and for all other purposes, and offers himself for re-election, be re-elected as a Director.”

RESOLUTION 3 APPROVAL OF 10% PLACEMENT FACILITY

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

“That, for the purposes of Listing Rule 7.1A and for all other purposes, Security holders approve the issue of Equity Securities up to 10% of the issued capital of the Group (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

A voting exclusion statement is set out below.

RESOLUTION 4 - SPILL RESOLUTION

Note: This resolution will be considered at the Meeting only if 25% or more of the votes that are cast on Resolution 1 are voted against the adoption of the Remuneration Report. Item 4 of the Explanatory Statement further explains the circumstances in which this resolution will be put to the Meeting.

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

“That, subject to and conditional on at least 25% of the votes cast on Resolution 1 (Remuneration Report) being cast against it, and in accordance with section 250V (1) of the Corporations Act:

- a general meeting of the company (the Spill Meeting) be held within 90 days of the passing of this resolution;*
- all of the Directors in office when the resolution to make the Directors' Report for the financial year ended 30 June 2016 was passed (being Michael Hackett, Adrian Rowley and Peter Skene, and who remain in office at the time of the Spill Meeting, cease to hold office immediately before the end of the Spill Meeting; and*
- resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting be put to a vote at the Spill Meeting.”*

This resolution is subject to voting exclusions as set out at the end of this Notice of Meeting.

Notice regarding Resolutions 1 and 4

Shareholders should consider carefully how they wish to vote on Resolutions 1 and 4 as they may wish to vote differently on each resolution. It is open to Shareholders to vote as they wish, however, the following guidance is offered.

If you wish to vote FOR Resolution 1 (Remuneration Report), then you may wish to vote AGAINST Resolution 4 (Spill Resolution), assuming you do not want a Spill Meeting to proceed if you are satisfied with the Remuneration Report. However, it is open to Shareholders to vote for Resolution 4 even if they vote for Resolution 1.

If you wish to vote AGAINST Resolution 1 (Remuneration Report), then you may wish to vote either FOR or AGAINST Resolution 4 (Spill Meeting), depending on whether or not you wish a Spill Meeting to be held.

If after reading the Explanatory Statement, you are in any doubt as to how you wish to vote, or the effect of your vote for or against Resolutions 1 or 4, please seek advice from your accountant, solicitor or other professional adviser before voting.

Directors' Recommendations on Resolutions 1 and 4

Your Directors recommend that you vote:

FOR Resolution 1 (Remuneration Report); and

AGAINST Resolution 4 (Spill Resolution).

Further information is set out in the Explanatory Statement accompanying this Notice of Meeting.

The Chairman has advised that he intends to vote all undirected proxies **FOR Resolutions 1,2 and 3** and **AGAINST Resolution 4**.

VOTING PROHIBITION AND EXCLUSION STATEMENTS

Corporations Act

The Corporations Act prohibits votes being cast (in any capacity) on the following resolutions by any of the following persons:

Resolution	Persons Excluded from Voting
Resolution 1 Remuneration Report (Non-Binding)	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of the following persons:</p> <ul style="list-style-type: none">(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or(b) a Closely Related Party of such member. <p>However, a person described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none">(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or(b) the voter is the chair of the meeting and the appointment of the chair as proxy:<ul style="list-style-type: none">(i) does not specify the way the proxy is to vote on this Resolution; and(ii) expressly authorises the chair to exercise the proxy

even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.

Resolution 3
Approval of 10% Placement facility

Persons who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity as a holder of ordinary securities, if the Resolution is passed, and an associate of that person.

Resolution 4
Spill Resolution

In accordance with the Corporations Act and the ASX Listing Rules, the Company will disregard any votes cast on Resolution 1 or 4 as proxy by any key management personnel for the consolidated Group, or a closely related party of such key management personnel, that is appointed as a proxy where the proxy appointment does not specify the way the proxy is to vote on the Resolution, unless:

- (a) the proxy is the Chair of the meeting; and
- (b) the proxy appointment expressly authorises the Chair to exercise the proxy on the Resolution even though it is connected directly or indirectly with the remuneration of a member of the key management personnel of the consolidated Group.

However, the Group 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 direction on the Proxy Form; or
- it is cast by the person chairing the Meeting as proxy for the person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

By order of the Board of Directors

Jerome Jones
Company Secretary and CFO
Australian Dairy Farms Group
29 September 2017

Australian Dairy Farms Group

Explanatory Memorandum

INTRODUCTION

This Explanatory Memorandum has been prepared for the information of Security Holders in connection with the business to be conducted at the Meeting to be held at **Vibe Savoy Hotel 630 Little Collins Street, Melbourne on 31 October 2017 at 10.00AM (AEDT)**. The purpose of this Explanatory Memorandum is to provide information to Security Holders in deciding how to vote on the Resolutions set out in the Notice.

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice, and includes the following:

1	ACTION TO BE TAKEN BY SECURITY HOLDERS	5
2	ANNUAL REPORT	6
3	RESOLUTION 1 REMUNERATION REPORT	7
4	RESOLUTION 2 RE-ELECTION OF DIRECTOR - MICHAEL HACKETT	8
5	RESOLUTION 3 APPROVAL OF 10% PLACEMENT FACILITY	8
6	RESOLUTION 4 - SPILL RESOLUTION.....	14
7	DEFINITIONS.....	14

A Proxy Form is located at the end of Explanatory Memorandum.

Please contact the Company Secretary on +61 7 3020 3020 or shareholders@adfl.com.au if you wish to discuss any matter concerning the Meeting.

1 ACTION TO BE TAKEN BY SECURITY HOLDERS

Security Holders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

1.1 Proxies

All Security Holders are invited and encouraged to attend the Meeting. If a Security Holder is unable to attend in person, they can appoint a proxy to attend on their behalf by signing and returning the Proxy Form (attached to the Notice) to the Group in accordance with the instructions on the Proxy Form. The Group encourages Security Holders completing a Proxy Form to direct the proxy how to vote on each Resolution.

The Proxy Form must be received no later than 48 hours before the commencement of the Meeting, i.e. by no later than 10.00 AM (AEDT) on 29

October 2017. Any Proxy Form received after that time will not be valid for the Meeting.

A Proxy Form may be lodged in the following ways:

Online	www.linkmarketservices.com.au
By Mail	C/- Link Market Services Limited Locked Bag A14, Sydney South NSW 1235
By Facsimile	+61 2 92870309
By Hand	Link Market Services Limited Level 12, 680 George Street, Sydney NSW 2000

Security Holders lodging a Proxy Form are not precluded from attending and voting in person at the Meeting.

1.2 Corporate representatives

Security Holders who are body corporates may appoint a person to act as their corporate representative at the Meeting by providing that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as the body corporate's representative. The authority may be sent to the Group and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

An appointment of corporate representative form is available from the website of the Group's securities registry (www.linkmarketservices.com.au).

1.3 Eligibility to vote

The Directors have determined that, for the purposes of voting at the Meeting, Security Holders are those persons who are the registered holders of Stapled Securities at 10.00am (AEDT) on 29 October 2017

2 ANNUAL REPORT

There is no requirement for Security Holders to approve the Annual Report.

Security Holders will be offered the opportunity to:

- (a) discuss the Annual Report for the financial year ended 30 June 2017 which is available on the ASX platform at www.asx.com.au; and
- (b) ask questions about or make comment on the management of the Company and the Group.

The chair of the Meeting will allow reasonable opportunity for the Security Holders as a whole at the Meeting to ask the auditor or the auditor's representative questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the auditor's report;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

In addition to taking questions at the Meeting, written questions to the Company's auditor about:

- (a) the content of the auditor's report to be considered at the Meeting; and
- (b) the conduct of the audit of the annual financial report to be considered at the Meeting,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Group's registered office.

3 RESOLUTION 1 REMUNERATION REPORT

The Remuneration Report is in the Directors' Report section of the Company's Annual Report.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out remuneration details for each Director and each of the Company's executives and group executives named in the Remuneration Report for the financial year ended 2016.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. The vote on this resolution is advisory only, however, and does not bind the Board or the Company. The Board will consider the outcome of the vote and comments made by Security Holders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

The Chairman will give Security Holders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report. Shareholders are encouraged to complete and return the **AGM Questions Form**, which is attached to this notice and to return the form with their Proxy form.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Security Holders will be required to vote at the second of those annual

general meetings on a resolution that a further meeting is held at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

As a 'first strike' was recorded at the 2016 AGM, the following are instructions and explanation of potential outcomes:

- (a) If the remuneration report has less than 25% 'no' votes, the current board of directors remains in place.
- (b) If the remuneration report has more than 25% 'no' votes, securityholders will be invited to cast their votes for the spill resolution. If the spill resolution has less than 50% 'for' votes, the board of directors remains in place.
- (c) If the spill resolution has more than 50% 'for' votes, the Spill Meeting must take place within 90 days.

KMPs and their closely related parties are prohibited from voting on both the remuneration report resolution and the spill resolution. They are also prohibited from voting undirected proxies on such resolutions.

The Chairman of the Meeting intends to vote undirected proxies on the Remuneration Report Resolution and the Spill Resolution where the securityholder provides the chair with authorisation to do so.

4 RESOLUTION 2 RE-ELECTION OF DIRECTOR - MICHAEL HACKETT

4.1 Introduction

The Company's Constitution requires that one-third of the Directors retire by rotation at each annual general meeting and that Directors appointed by the Board hold office until the next annual general meeting.

In accordance with the Constitution, Michael Hackett retires from office at this Meeting and offers himself for re-election.

Details of Michael Hackett's qualifications and experience are set out in the Company's 2017 Annual Report.

4.2 Directors' recommendation

The Board (excluding Michael Hackett) recommends that Security Holders vote in favour of Resolution 2.

5 RESOLUTION 3 APPROVAL OF 10% PLACEMENT FACILITY

5.1 General

The Group seeks Security Holder approval to issue Equity Securities up to 10% of its issued securities capital through placements over a 12 month period following Security

Holder approval (**10% Placement Facility**). The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to section 5.3(a) below) and the calculations in the examples below

5.2 Directors' recommendation

The Board unanimously recommends that Security Holders vote in favour of Resolution 3. This will allow the Group to issue securities and raise funds whilst preserving the Group's 15% annual limit permitted by Listing Rule 7.1.

5.3 Listing Rule 7.1A

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued securities capital through placements over a 12 month period following security holder's approval by way of a special resolution. The 10% Placement Facility is in addition to the Group's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1.A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Group is an eligible entity.

(a) Maximum number of Equity Securities which may be issued

The number of Equity Securities which may be issued, or agreed to be issued, under the 10% Placement Facility is prescribed in Listing Rule 7.1A.2 and is calculated as follows:

$\text{Number of Equity Securities} = (A \times D) - E$

"A" the number of securities on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid securities issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid securities that become fully paid in the 12 months;
- (C) plus the number of fully paid securities issued in the 12 months with approval of holders of securities under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid securities under the entity's 15% placement capacity without security holder approval;
- (D) less the number of fully paid securities cancelled in the 12 months.

"D" is 10%

“E” is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of Security Holders under Listing Rule 7.1 or 7.4.

The actual number of Equity Securities that may be issued under Listing Rule 7.1A is calculated at the date of issue of the Equity Securities in accordance with the above formula.

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity’s 15% placement capacity under Listing Rule 7.1

As the date of this Notice of Meeting, the Group has on issue 234,670,146 Stapled Securities.

As a result, the Group has a capacity to issue a total of 58,667,537 Equity Securities comprising:

- (i) 35,200,522 Equity Securities under Listing Rule 7.1; and
- (ii) 23,467,015 Equity Securities under Listing Rule 7.1A.

(b) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

5.4 Specific information by Listing Rule 7.3A

For the purposes of Listing Rule 7.3A, the following information is provided about the proposed issue:

- (c) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Group’s Equity Securities over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (d) There is a risk of economic and voting dilution to existing Security Holders in approving the 10% Placement Facility, including the risks that:

- (i) the market price for the Group's Equity Securities may be significantly lower of the date of the issue of the Equity Securities than when Security Holders approval the 10% Placement Facility; and
- (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Group's Equity Securities on the issue date, or issued for non-cash consideration for the acquisition of a new asset.

Following is a table that sets out the potential dilution of existing Security Holders if Equity Securities are issued under the 10% Placement Facility:

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.06	\$0.12	\$0.24
		50% decrease in Issue Price	Issue Price	100% increase in Issue Price
Current Variable A	10% Voting Dilution	23,467,015	23,467,015	23,467,015
		Stapled Securities	Stapled Securities	Stapled Securities
258,137,161	Funds Raised	\$1,408,021	\$2,816,042	\$5,632,084
50% increase in current Variable A	10% Voting Dilution	35,200,522	35,200,522	35,200,522
		Stapled Securities	Stapled Securities	Stapled Securities
293,337,683	Funds Raised	\$2,112,031	\$4,224,063	\$8,448,125
100% increase in current Variable A	10% Voting Dilution	49,934,029	49,934,029	49,934,029
		Stapled Securities	Stapled Securities	Stapled Securities
340,271,712	Funds Raised	\$2,816,042	\$5,632,084	\$11,264,167

The table has been prepared on the following assumptions:

- (iii) The Group issues, or agrees to issue, the maximum number of Equity Securities available under the 10% Placement Facility.
- (iv) The 10% voting dilution reflects the aggregate percentage dilution against the issued security capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (v) The issue of Equity Securities under the 10% Placement Facility consists only of Stapled Securities.
- (vi) The issue price is \$0.12 being the VWAP of the Stapled

Securities traded and issued during the 15 business days prior to 22 September 2017, the date of this Notice of Meeting.

The table does not show an example of dilution that may be caused to a particular Security Holder by reason of placements under the 10% Placement Facility, based on that Security Holder's holding at the date of the Meeting.

The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

- (e) The latest date by which Equity Securities may be issued is 12 months after the Meeting. Approval for the issue of Equity Securities under the 10% Placement Facility will cease to be valid in the event that Security Holders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
- (f) The Equity Securities may be issued for the following purposes:
 - (i) to raise funds, in which case the Group intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), and expenditure on the Group's current assets and/or general working capital; or
 - (ii) in consideration of the acquisition of new assets and investments, in which case the Group will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Group will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

- (g) The Group is yet to identify the persons to whom Equity Securities will be issued to under the 10% Placement Facility. The Group's policy for allocating Equity Securities issued under the 10% Placement Facility will be determined on a case-by-case basis depending upon the purpose, and prevailing market conditions at the time, of any issue and having regard to factors including but not limited to the following:
 - (i) The fundraising methods available to the Group, including but not limited to, rights issue or other issue which may minimise dilution to Security Holders.
 - (ii) In the case of an asset or investment acquisition, the nature and circumstances of the acquisition.
 - (iii) The effect of the issue of the Equity Securities on the control of the Group.
 - (iv) The financial situation and solvency of the Group.

- (v) Advice from corporate, financial and broking advisers (if applicable).

The subscribers may include vendors (in the case of any issue for non-cash consideration), existing substantial Security Holders and/or new Security Holders who are not related parties or associates of a related party of the Group.

The Group obtained Security Holder approval under Listing Rule 7.1A. at its 2016 annual general meeting and has issued a total of 51,664,816 fully paid securities in the 12 months preceding the date of the Meeting to be held on 31 October 2017, comprising 37,037,037 by placement as announced to ASX on 7 September 2017 and 14,627,779 by conversion of convertible notes on 9 November 2016. This represents 28.2% of the total number of fully paid stapled securities on issue at the commencement of that 12 month period.

Date	Number	Issue Price	Basis of issue	Discount to Market	Cash Raised
30/10/2016	12,785,637	\$0.1838	Convertible Note	Above Market	Debt Repaid \$2,350,000
7/09/2017	37,037,037	\$0.1350	Placement	Above Market	\$5,000,000
TOTAL	51,664,816				\$7,350,000

- (h) The funds raised from the conversion of convertible notes on issue repaid borrowing of the Group from the holders of the notes. Funds raised by placement in September 2017 were to facilitate the advancement of the Group's announced strategy in strengthening its position in negotiations for acquisitions under analysis. No voting exclusion is included in respect of the proposed resolution.
- (i) The funds raised from the placement announced on 7 September 2017 \$5,000,000 have not been applied for any specific purpose other than primarily to be applied in assisting in implementing the Group's strategic plans as announced to ASX on 11 July 2017. At the date of this notice all placement funds remain invested in bank deposits.

At the date of the Notice, the Group has not approached any particular existing Security Holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities, and no existing Security Holder's votes will be excluded under the voting exclusion in the Notice. In the event that, prior to the AGM as scheduled or any adjournment thereof, any arrangement to subscribe for securities to be issued under Listing Rule 7.1A, is entered into with any

person who is a registered Security Holder (including any associate), that person and any associate will be excluded from voting on Resolution 3.

6 RESOLUTION 4 - SPILL RESOLUTION

This Resolution will be put to the meeting only if the Company receives a "second strike" on its Remuneration Report as explained in Item 1 above.

If Resolution 4 is considered and passed, the Company must convene a general meeting (Spill Meeting) within 90 days of this Annual General Meeting. All of the Directors who were in office when the resolution to make the 2016 Directors' Report was made will cease to hold office immediately before the end of the Spill Meeting, but may stand for re-election at the Spill Meeting. Following the Spill Meeting those persons whose election or re-election as Directors is approved will be the Directors of the Company.

The Board considers that the convening of a Spill Meeting would result in the Company incurring significant expense in conducting a meeting as well as material disruption to its focus on core business operations.

If put, the Spill Resolution will be considered as an ordinary resolution.

Security Holders should note that there are no voting exclusions applicable to resolutions appointing Directors at any subsequent meeting of Securityholders. This would mean there is no barrier to any of the key management personnel who are Shareholders of the Company exercising their voting rights on resolutions at the Spill Meeting.

The Chairman has advised that he will vote all undirected proxies against Resolution 4.

Recommendation

The Board strongly recommends that Shareholders vote **AGAINST** Resolution 4.

7 DEFINITIONS

In this Notice and Explanatory Memorandum:

10% Placement Facility	has the meaning given in section 5.1 of this Explanatory Memorandum.
ASX	means ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.
Annual Report	means the 2017 annual report of the Company.
Board	means the board of Directors.
Chairman	means the Chairman of the Group.

Closely Related Party of a member of the Key Management Personnel	means a spouse or child of the member, a child of the member's spouse, a dependent of the member or the member's spouse, anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity; company the member controls; or a person prescribed by the <i>Corporations Regulations 2001</i> (Cth).
Company	means Australian Dairy Farms Limited (ACN 057 046 607).
Constitution	means the constitution of the Company as amended.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth) as amended.
Director	means a director of the Company.
Equity Securities	has the same meaning given in the Listing Rules.
Explanatory Memorandum	means this explanatory memorandum.
Group	means the Company and the Trust.
Key Management Personnel or KMP	has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.
Listing Rule	means the listing rules of the ASX.
Meeting	means the annual general meeting of the securityholders of the Company which will be held in conjunctions with the annual general meeting of unit holders of the Trust (as adjourned from time to time).
Notice	means this notice of meeting.
Proxy Form	means the proxy form attached to this Notice.
Remuneration Report	means the remuneration report of the Company included in the Directors' Report section of the Company's Annual Report.
Resolution	means a resolution set out in the Notice.

Security Holder	means a holder of Stapled Securities.
Stapled Security	means a fully paid ordinary share in the capital of the Company stapled to a fully paid ordinary unit in the Trust.
Trading Days	means a day determined by ASX to be a trading day in accordance with the Listing Rules.
Trust	means the Australian Dairy Farms Trust (ARSN 600 601 689).
VWAP	means volume weighted average price.
AEDT	means Australian Eastern Daylight Time (Daylight Saving Time).



Australian Dairy Farms Group

Australian Dairy Farms Limited ABN 36 057 046 607 and Trustees Australia Limited ABN 42 010 653 862 AFSL 260 033 as Responsible Entity for the Australian Dairy Farms Trust ARSN 600 601 689

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
Australian Dairy Farms Group
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
Level 12, 680 George Street, Sydney NSW 2000

ALL ENQUIRIES TO
Telephone: +61 1300 554 474

PROXY FORM

I/We being a member(s) of Australian Dairy Farms Group and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (AEDT) on Tuesday, 31 October 2017 at Vibe Savoy Hotel, 630 Little Collins Street, Melbourne (the Meeting)** and at any postponement or adjournment of the Meeting.

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 1, 2, 3 and AGAINST Resolution 4.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

STEP 2

Resolutions

For Against Abstain*

1 Remuneration Report (non-binding)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – Michael Hackett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote all available undirected proxies AGAINST Resolution 4

4 Spill Resolution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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* 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 votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED

Securityholder 1 (Individual)

Joint Securityholder 2 (Individual)

Joint Securityholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the securityholder. If a joint holding, all securityholders must sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

STEP 3

AHF PRX1701N



HOW TO COMPLETE THIS SECURITYHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's security register. If this information is incorrect, please make the correction on the form. Securityholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your securities using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a securityholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in 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 voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's security registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or 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; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all securityholders must sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's security registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **10:00am (AEDT) on Sunday, 29 October 2017**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MAIL

Australian Dairy Farms Group
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**