Passionate about Pets

Greencross Vets

Greencross Limited

ABN 58 119 778 862

2012 Annual General Meeting and Explanatory Memorandum

MEETING DOCUMENTATION

Thursday 25 October 2012

Commencing at 11:00am (Brisbane time)

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of members of **Greencross Limited** (**'Greencross'** or **'Company'**) will be held on Thursday 25 October 2012 at Level 15, 123 Eagle Street, Brisbane commencing at 11:00am (Brisbane time).

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the company's financial reports and the report of the Directors and the Auditor for the financial year ended 30 June 2012.

2. RE-ELECTION OF ANDREW GEDDES

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

'That Andrew Geddes, who retires as a Director of the Company by rotation in accordance with rule 8.3 of the Company's constitution, and being eligible, be re-elected as a Director of the Company.'

Information about the candidate appears in the accompanying Explanatory Memorandum.

3. RATIFICATION OF ISSUE OF SECURITIES

To consider and, if thought fit, to pass the following as separate ordinary resolutions:

'That for the purposes of Listing Rule 7.4, shareholders ratify and approve the issue of 668,879 fully paid ordinary shares previously issued at $1.28 per share, in relation to the acquisitions of share in the Animal Emergency Centre Pty Ltd, to those persons set out in the Explanatory Memorandum."

4. RATIFICATION OF ISSUE OF SECURITIES

To consider and, if thought fit, to pass the following as separate ordinary resolutions:

'That for the purposes of Listing Rule 7.4, shareholders ratify and approve the issue of 235,184 fully paid ordinary shares previously issued at $1.90 per share to Canaccord Genuity as a private placement, being for the short fall in relation to the Company's dividend reinvestment plan in respect to the interim dividend paid by the Company for the half year ended 31 December 2011 as set out in the Explanatory Memorandum."

5. RATIFICATION OF ISSUE OF SECURITIES

To consider and, if thought fit, to pass the following as separate ordinary resolutions:

'That for the purposes of Listing Rule 7.4, shareholders ratify and approve the issue of 406,833 fully paid ordinary shares previously issued at $2.50 per share to the Company's dividend reinvestment

plan underwriters, Canaccord Genuity, being for the short fall in relation to the Company's dividend reinvestment plan in respect to the dividend paid by the Company for the full year ended 30 June 2012 as set out in the Explanatory Memorandum."

6. APPOINTMENT OF AUDITORS OF THE COMPANY

To consider and, if thought fit, to pass the following as separate ordinary resolutions:

"That PricewaterhouseCoopers, being qualified to act as auditor of the Company and having consented to act as auditor of the Company, be appointed as the auditor of the Company and that the Directors be authorised to agree their remuneration."

NB: This resolution is subject to the ASIC acceptance of resignation by the Company's current auditors, Crowe Horwath. Further details are set out in the Explanatory Memorandum.

7. RATIFICATION OF PARTICIPATION IN THE GREENCROSS LIMITED EMPLOYEE LOAN PLAN BY DR GLEN RICHARDS

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

"That approval is given for the purposes of Rule 10.14 of the Listing Rules of Australian Securities Exchange Limited for Dr Glen Richards, Managing Director, to acquire shares in the Company under the terms of the Greencross Limited Employee Loan Plan described in the Explanatory Memorandum to this notice of meeting."

8. REMUNERATION REPORT

To consider and, if thought fit, to pass the following in accordance with section 250R(2) of the Corporations Act:

'That the section of the report of the Directors dealing with the remuneration of the Company's Directors, Company Secretary and Key Management Personnel be adopted.'

NB: This resolution shall be determined as if it were an ordinary (majority) resolution, but under section 250R(3) of the Corporations Act, the vote does not bind the directors of the company.

Dated 24 September 2012
By order of the Board

Wesley Coote
Company Secretary

Notes

Shareholders of Greencross

1. Greencross has determined that for the purpose of voting at the meeting or adjourned meeting, shares will be taken to be held by those persons recorded on the Greencross register of shareholders as at 7:00 pm (Brisbane time) on 19 October 2012.

Appointment of Proxy (Section 249L(d))

2. If you are a shareholder, and you are unable to attend and vote at the meeting, and wish to appoint a proxy, please complete and return the enclosed proxy form. A proxy need not be a shareholder of Greencross.

   To vote by proxy, please either:

   A. Vote online at www.boardroomlimited.com.au/vote/greencrossagm2012 and follow the prompts, or

   B. complete and sign the relevant proxy form enclosed with this Notice of Meeting as soon as possible and either:

   - return the proxy form by post in the reply paid envelope to the Company's Share Registry; or
   - by post to Boardroom Limited, GPO Box 3993, Sydney, NSW 2001 or **Boardroom Limited, Level 7, 207 Kent Street Sydney NSW 2000**; or
   - send the proxy form by facsimile to Boardroom Limited on facsimile number (612) 9290 9655

   so that it is received not later than **11.00am (Brisbane time) on Tuesday, 23 October 2012.**

   If the appointment is signed by an attorney, the power of attorney or a certified copy of it must be sent with the proxy form.

3. A shareholder entitled to attend and cast more than 2 votes at the meeting is entitled to appoint no more than 2 proxies to attend and vote in their stead. Where more than one proxy is appointed, each proxy should be appointed to represent a specified proportion of the shareholder's voting rights. Failure to apportion voting rights will result in each proxy being entitled to vote half of the shareholder's votes.

4. A corporation may elect to appoint a representative, rather than appoint a proxy, in accordance with the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the company before the meeting.

If you have any queries on how to cast your votes then call the Company Secretary on 07 3435 3535 during business hours.

Voting Exclusion Statement

5. In accordance with the ASX Listing Rules the Company will disregard any votes cast by the following persons in respect of the following resolutions:

    - Resolution 2 – the Company will disregard any votes by Andrew Geddes and his associates;
    - Resolution 3 – the Company will disregard any votes by those who received share pursuant to the purchase of shares in the Animal Emergency Centre Pty Ltd, being those individuals set out in the Explanatory Memorandum;
    - Resolution 4 – the Company will disregard any votes by Canaccord Genuity and those institutional or sophisticated investors and their associates who received share pursuant to the private placement agreement with Canaccord Genuity in relation to the DRP shortfall;
    - Resolution 5 – the Company will disregard any votes by Canaccord Genuity and those institutional or sophisticated investors and their associates who received share pursuant to the underwriters agreement with Canaccord Genuity in relation to the DRP shortfall;
    - Resolution 7 - the company will disregard any votes by Dr Glen Richards and his associates.
    - Resolution 8 – the company will disregard any votes made by Directors and Key Management Personnel and their associates. If the Chairman of the meeting is your proxy and you have not directed him on how to vote on Resolution 8, the Chairman will be prevented from casting your votes on Resolution 8. If the Chairman is your proxy, in order for your votes to be counted on Resolution 8, you must direct your proxy how to vote on Resolution 8.

    However, Greencross need not disregard a vote if:

    (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

    (b) 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, with the exception of Resolution 7.

EXPLANATORY MEMORANDUM

Resolution 1 – Financial Statements and Reports

The Corporations Act requires that the report of the Directors, the report of the Auditor and the financial reports be presented to the annual general meeting. In addition the company's constitution provides for such reports and statements to be received and considered at the meeting.

Resolution 2 – Re-Election of Andrew Geddes

Under clause 8.3(b) of the constitution of the Company at least one-third of the Directors or, if their number in not a multiple of 3, then the number nearest to but not exceeding one-third of the Directors shall retire from office.

In accordance with this rule, Andrew Geddes retires at the end of the meeting. Andrew Geddes, being eligible, presents himself for re-election.

A summary of the candidate's experience and qualifications appear in Attachment 1 of the annual report.

Resolution 3 & 4 & 5 – Ratification of issue of securities

The purpose of these resolutions is for shareholders to approve, pursuant to Listing Rule 7.4, share issues which have occurred which count towards the Company's 15% limit under Listing Rule 7.1.
Listing Rule 7.1 provides that (subject to certain exceptions, none of which are relevant here) prior approval of shareholders is required for an issue of securities, if the securities will, when aggregated with the securities issued by a company during the last 12 months, exceed 15% of the number of shares on issue at the commencement of that 12 month period.

The proposed allotment and issue of shares detailed in these resolutions will not exceed the 15% threshold, however future issues may.

The information to be provided to shareholders to satisfy Listing Rule 7.4 is specified in Listing Rule 7.5.

In compliance with the information requirements of Listing Rule 7.5, members are advised of the following particulars in relation to the proposed allotment and issue:

Resolution Number	Number of Securities	Issue price of Securities	Terms of Securities	Name of allots or the basis on which allottees were determine	Use of funds raised by the issue
3	8,352	$1.28	Held in escrow until 31 December 2013	Mrs Catherine Jane Warburton	Acquisitions of shares in the Animal Emergency Centre Pty Ltd
3	399,752	$1.28	Held in escrow until 31 December 2013	Mrs Catherine Jane Warburton and Mr Evan Warburton	Acquisitions of shares in the Animal Emergency Centre Pty Ltd
3	63,533	$1.28	Held in escrow until 31 December 2013	Ms Katherine Margaret Camillo	Acquisitions of shares in the Animal Emergency Centre Pty Ltd
3	83,861	$1.28	Held in escrow until 31 December 2013	Ms Joanne Patricia Gill	Acquisitions of shares in the Animal Emergency Centre Pty Ltd
3	63,735	$1.28	Held in escrow until 31 December 2013	Rachel Peacock Holdings Pty Ltd	Acquisitions of shares in the Animal Emergency Centre Pty Ltd
3	49,646	$1.28	Held in escrow until 31 December 2013	Ms Michelle Tanti	Acquisitions of shares in the Animal Emergency Centre Pty Ltd
4	235,184	$1.90 (interim dividend)	As per ordinary shares	Issued pursuant to the Private Placement Agreement between Greencross Limited and Canaccord Genuity. Allottees subsequently determine by Canaccord Genuity.	To fund future acquisition opportunities
5	406,833	$2.50 (final dividend)	As per ordinary shares	Issued pursuant to the Underwriters Agreement between Greencross Limited and Canaccord Genuity. Allottees subsequently determine by Canaccord Genuity.	To fund future acquisition opportunities

Resolution 6 – Appointment of Auditors of the Company

Crowe Horwath will resign as auditor with effect from the close of this Annual General Meeting. At the time of sending out of the Notice of Meeting the resignation of Crowe Horwath was still subject to the Australian Securities & Investments Commission ('ASIC') consented to the resignation in accordance with section 329(5) of the Corporations Act.

Mr Terry Wayne King, being a member of the company, has nominated PricewaterhouseCoopers who are eligible and have consented to act if appointed. Pursuant to subsection 328B(3) of the Corporations Act 2001, a copy of the nomination is attached.

Under the Act, shareholder approval is required for the appointment of a new auditor. Subject to this approval and subject to Crowe Horwath having received approval of their resignation from the ASIC under section 329(5) of the Corporations Act, the appointment of PricewaterhouseCoopers will become effective from the close of this Annual General Meeting.

Resolution 7 – Issue of Shares to Dr Glen Richards under the Greencross Limited Employee Loan Plan

Shareholders have previously approved the Greencross Limited Employee Loan Plan, however, under ASX Listing Rule 10.14, a director of the Company may not acquire securities under the Loan Plan without shareholder approval.

Due to market forces and as an incentive to future outperformance, the Board has offered Dr Glen Richards shares in the Loan Plan, as outlined below. The Board seeks ratification from shareholders for the provision of this benefit to the Managing Director.

The Board (with Dr Glen Richards absent and not voting) believes it is appropriate that Dr Glen Richards, Managing Director, be entitled to acquire shares under the Loan Plan. The Board believes that the Loan Plan will complete the Company's remuneration strategy for the Managing Director, which involves base remuneration (fixed remuneration, superannuation and other benefits), a short-term incentive and a long-term incentive (Loan Plan).

The following additional information is provided to shareholders:

(a) It is proposed that shareholders ratify the Board's decision to provide Dr Glen Richards 125,000 shares under the Loan Plan as part of his overall remuneration as Managing Director of the Company, and that this part of his remuneration will provide an incentive to participate in the future outperformance of the Company to be generated by the activities of the Managing Director.

(b) Subject to the Loan Plan rules, shares will not generally be able to be sold or otherwise dealt with by Dr Glen Richards until the loan has been settled and the following performance hurdles have been satisfied:

Minimum Employment Period (Vesting Scale) and Performance Criteria

The Performance Criterion will consist of two cumulative components:

1) No Participant will be able to access the benefit of the proposed Loan Plan unless the average closing price of Greencross Limited ordinary shares for five trading days on the Australian Securities Exchange is equal to or greater than,:

    a) 24 months from an allocation, $3.66;

    b) 36 months from an allocation, $4.32;

    c) 48 months from an allocation, $5.31; and

    d) 59 months from an allocation, $6.56.

    Should, in the opinion of the Board, the capital of Greencross Limited be reorganised in any way that results in an increase or decrease in the number of Greencross Limited shares on issue, including stock splits, bonus shares or amalgamations but excluding capital raisings or equity used to purchase assets or pay for services, then the share price Performance Criteria for the remaining Vesting Scale vesting dates will be adjusted as approved by the Board, after consultation with the Boards advisors as required.

    The Board will notify Participants of the adjusted Performance Criteria within 30 calendar days of the capital reorganisation and prior to the next Vesting Scale Performance Criteria testing date.

    Should there be disagreement between the Boards determination, regarding the adjustment to the Performance Criteria, and 75% of the Participants (by number), then the Board will be entitled to have any calculations or adjustments which are required to be made for the purposes of the adjustment to the Performance Criteria made by the then current auditors of the Greencross Limited and such calculations, in the absence of manifest error, will be final and conclusive, and binding on the Participant.

2) Should a Participant be assessed at below satisfactory in two consecutive performance reviews the Participant will redeliver to Greencross all shares the subject of the Greencross Loan Plan and such shares will be cancelled.

Provided there is no breach of the Plan Rules that results in forfeiture, the shares which are the subject of the Greencross Loan Plan shall vest to the Participant according to the following Vesting Scale:

20% – 24 months from allocation;

20% – 36 months from allocation;

20% – 48 months from allocation; and

40% – 59 months from allocation.

Each percentage represents a percentage of the total number of shares in the Greencross Loan Plan allocated to each Participant.

The vesting of shares at each vesting point is also subject to the satisfaction of the Performance Criteria.

Shares that do not vest at a vesting point will be added to the next vesting point, at which time the Performance Criteria will be tested again, until the final vesting point at which shares not vested will be forfeited to Greencross and cancelled.

Please note:

(a) Prior to this invitation, 350,000 shares had been previously approved by shareholders and issued to the Managing Director under the Plan.

(b) The Board (with Dr Glen Richards absent and not voting) has determined that the Company will lend Dr Glen Richards sufficient funds to enable him to acquire the new shares under the Loan Plan based on a market value of $2.30 per share.

Loan

The Company may extend a loan to enable the Managing Director to acquire shares under the Loan Plan as determined by the Board. Generally speaking, the loan is repayable within 5 years unless one of the following events occurs first in which case the loan will become repayable:

(a) the dismissal of the Employee;

(b) the acceptance of the resignation of the Employee by the Company or any subsidiary of the Company;

(c) failure to satisfy the performance hurdles (as specified by the Board at the time of the invitation);

(d) death of the Employee;

(e) termination of the employment of the Employee otherwise than by way of dismissal or resignation.

Loans under the Loan Plan are limited recourse in nature, which means that if at the date that the loan becomes repayable the Employee's shares are worth less than the outstanding balance of the loan, the Company cannot recover the difference from the Employee. If at the date that the loan becomes repayable the proceeds of sale of the shares exceed the total amount of the loan owing to the Company by the Employee, then subject to satisfaction of any performance hurdles, the surplus proceeds shall be paid by the Company to the Employee.

Interest will not be payable on the outstanding balance of the loan.

Under ASX Listing rule 10.15.4, the names of all Directors and/ or their Associates who have received securities under this plan since the last approval should be included in this notice of meeting. Shareholders should note that no other Directors and/ or their Associates are entitled to participate in or have participated in this plan since it was last approved.

The Directors (with Dr Glen Richards absent and not voting) recommend you vote in favour of this resolution 7 which will complete the Company's remuneration strategy for the Managing Director as described above.

Share approved by shareholders under this plan are to be issued to Dr Glen Richards within one month of this meeting.

Resolution 8 – Remuneration Report

The Corporations Act requires that the section of the report of the Directors dealing with the remuneration of Directors, the Company Secretary and up to 5 Senior Executives ('Remuneration Report') be put to shareholders for adoption by way of a non-binding vote.

If the Chairman of the meeting is your proxy and you have not directed him on how to vote on Resolution 8, the Chairman will be prevented from casting your votes on Resolution 8. If the Chairman is your proxy, in order for your votes to be counted on Resolution 8, you must direct your proxy how to vote on Resolution 8.

The Remuneration Report may be found in the Annual Report.

Following consideration of the Remuneration Report, the Chairman will give shareholders a reasonable opportunity to ask questions about or make comments upon, the Remuneration Report.

10 September 2012

The Secretary
Greencross Limited
5/28 Balaclava Street
Woolloongabba QLD 4102

Subject: Nomination of Auditor

Dear Sir

In accordance with the provisions of section 328B of the Corporations Act 2001, I, Terry King, being a member of Greencross Ltd hereby nominate PricewaterhouseCoopers for appointment as auditor of that company.

Yours faithfully

Terry King

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Greencross Vets

Greencross Limited
ABN 58 119 778 862

FOR ALL ENQUIRIES CALL:
(within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

FACSIMILE
+61 2 9290 9655

ALL CORRESPONDENCE TO:
Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001
Australia

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 on the form. Securityholders sponsored by a broker should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

YOUR VOTE IS IMPORTANT

FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 11:00 am (Brisbane time) TUESDAY 23 OCTOBER 2012

Reference Number:
Please note it is important you keep this confidential

TO VOTE ONLINE

STEP 1 : VISIT www.boardroomlimited.com.au/vote/greencrossagm2012
STEP 2: Enter your holding/Investment type
STEP 3: Enter your Reference Number and VAC:

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 Appointment of Proxy

Indicate here who you want to appoint as your Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman 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 Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

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.

Appointment of a Second Proxy
You are entitled to appoint up to two 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 securities registry or you may copy this form.

To appoint a second proxy you must:
(a) 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.
(b) return both forms together in the same envelope.

STEP 2 Voting Directions to your Proxy

You can tell your Proxy how to vote

To direct your proxy how to vote, place 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 a given item, 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.

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 must 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 must be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting at **time 11.00 AM (Brisbane time) on THURSDAY 25 OCTOBER 2012**. Any Proxy Form received after that time will not be valid for the scheduled meeting.
Proxies may be lodged using the reply paid envelope or:

BY MAIL - Share Registry – Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia

BY FAX - + 61 2 9290 9655

IN PERSON - Share Registry – Boardroom Pty Limited, Level 7, 207 Kent Street, Sydney NSW 2000 Australia

Vote online at: www.boardroomlimited.com.au/vote/greencrossagm2012 or turnover to complete the Form ➔

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Greencross Limited

STEP 1 - Appointment of Proxy

I/We being a member/s of **Greencross Limited** and entitled to attend and vote hereby appoint

☐ the Chairman of the Meeting (mark with an 'X') **OR** ☐

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy at the **Annual General Meeting of Greencross Limited to be held at Level 16, 123 Eagle Street, Brisbane, QLD on Thursday the 25 OCTOBER 2012 at 11.00am** 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.

No undirected proxies to the Chairman or Key Management Personnel will be voted on Resolution 5, Adoption of Remuneration Report. You are encouraged to direct your proxy by marking the box in relation to the resolution in the section below.

STEP 2 - Voting directions to your Proxy – please mark ☒ to indicate your directions

Ordinary Business		**For**	**Against**	**Abstain***
Resolution 2	Re-election of Andrew Geddes	☐	☐	☐
Resolution 3	Ratification of Issue of Securities – 668,879 to Animal Emergency Centre Pty Ltd	☐	☐	☐
Resolution 4	Ratification of Issue of Securities – 235,184 to Canaccord Genuity	☐	☐	☐
Resolution 5	Ratification of Issue of Securities – 406,833 to Company's dividend reinvestment	☐	☐	☐
Resolution 6	Appointment PricewaterhouseCoopers as Auditors of the Company	☐	☐	☐
Resolution 7	Ratification of participation in the Greencross Limited Employee Loan Plan by Dr Glen Richards	☐	☐	☐
Resolution 8	Remuneration Report	☐	☐	☐

In addition to the intentions advised above, the Chairman of the Meeting intends to vote undirected proxies in favour of each of the items of business.

*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.

STEP 3 - PLEASE SIGN HERE **This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.**

Individual or Securityholder 1	**Securityholder 2**	**Securityholder 3**
Sole Director and Sole Company Secretary	**Director**	**Director/Company Secretary**

Contact Name ……………………………….…….. **Contact Daytime Telephone** ………………………………….. **Date** / / 2012