



23 June 2014

Dear Shareholder

**GREENCROSS LIMITED ABN 58 119 778 862
ACCELERATED NON-RENOUNCEABLE PRO-RATA ENTITLEMENT OFFER
NOTIFICATION TO INELIGIBLE RETAIL SHAREHOLDERS**

On 16 June 2014, Greencross Limited (**Greencross**) announced an accelerated non-renounceable pro-rata entitlement offer ("**Entitlement Offer**") of fully paid ordinary shares ("**New Shares**") at an offer price of \$8.45 ("**Offer Price**") to raise approximately \$51 million. Under the Entitlement Offer, eligible existing shareholders are entitled to subscribe for 1 New Share for every 15 existing Greencross shares ("**Shares**") held at 7.00pm (Sydney time) on 19 June 2014 ("**Record Date**").

This is a letter to inform you that you are not an Eligible Retail Shareholder (as defined below) for the purposes of the Retail Entitlement Offer. This letter is not an offer to issue New Shares to you, nor an invitation to apply for New Shares. **You are not required to do anything in response to this letter.**

The Entitlement Offer and use of proceeds

The Entitlement Offer comprises:

- (a) an accelerated institutional component with an offer to eligible institutional shareholders ("**Institutional Entitlement Offer**") and an institutional bookbuild ("**Institutional Shortfall Bookbuild**"); and
- (b) an offer to Eligible Retail Shareholders ("**Retail Entitlement Offer**"). The Retail Entitlement Offer opens 23 June 2014 and will close at 5.00pm (Sydney time) on 7 July 2014.

The Entitlement Offer is underwritten by Goldman Sachs Australia Pty Limited, Macquarie Capital (Australia) Limited and Canaccord Genuity (Australia) Pty Ltd ("**Joint Lead Managers**").

The Entitlement Offer is being made in accordance with section 708AA of the Australian Corporations Act 2001 (Cth) ("**Corporations Act**") (as modified by Australian Securities and Investments Commission Class Order 08/35 and other relief), meaning that no prospectus needs to be prepared.

The proceeds from the Entitlement Offer will be used to fund part of the purchase price for the acquisition of the City Farmers from Quadrant and the other City Farmers' shareholders.

The offer booklet in relation to the Retail Entitlement Offer will be lodged with the ASX and will be despatched to Eligible Retail Shareholders on or around 23 June 2014 ("**Retail Offer Booklet**").

Eligibility criteria

Shareholders who are eligible to participate in the Retail Entitlement Offer ("**Eligible Retail Shareholders**") are those persons who:

- a) are registered as holders of fully paid ordinary shares in Greencross as at 7.00pm (Sydney time) 19 June 2014; and
- b) have a registered address on the Greencross share register in Australia or New Zealand; and
- c) are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such person holds Greencross ordinary shares for the account or benefit of such person in the United States); and
- d) were not invited to participate (other than as nominee, in respect of other underlying holdings) under the Institutional Entitlement Offer, and were not treated as an ineligible institutional shareholder under the Institutional Entitlement Offer; and
- e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Shareholders who are not Eligible Retail Shareholders and who did not participate in the institutional entitlement offer and were not treated as ineligible institutional shareholders under the institutional entitlement offer are **"Ineligible Retail Shareholders"**.

The restrictions upon eligibility under the Retail Entitlement Offer arise because of the legal and regulatory requirements in countries other than Australia or New Zealand and the potential costs to Greencross of complying with these legal and regulatory requirements compared with the relatively small number of shareholders in those countries, the relatively small number of existing Greencross ordinary shares they hold and the relatively low value of New Shares to which those shareholders would otherwise be entitled.

Greencross has determined, pursuant to section 9A(3)(a) of the Corporations Act and Listing Rule 7.7.1(a) of the ASX Listing Rules, that it would be unreasonable to make offers to shareholders in countries outside Australia or New Zealand in connection with the Retail Entitlement Offer. Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Retail Shareholder as stated above. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3)(b) of the Corporations Act, Greencross wishes to advise you that it will not be extending the Retail Entitlement Offer to you and you will not be able to subscribe for New Shares under the Retail Entitlement Offer. You will not be sent the documents relating to the Entitlement Offer or be able to subscribe for New Shares under the Entitlement Offer.

Notwithstanding the above, Greencross may agree to extend the Retail Entitlement Offer to certain institutional shareholders who did not participate in the Institutional Entitlement Offer or to other retail shareholders, subject to compliance with applicable laws.

As the Retail Entitlement Offer is non-renounceable, you will not receive any payment or value for entitlements in respect of any New Shares that would have been offered to you if you were eligible to participate in the Retail Entitlement Offer.

You are not required to do anything in response to this letter.

If you have any questions in relation to any of the above matters, please contact the Greencross Offer Information Line on 1300 721 603 (within Australia) or +61 2 8016 2889 (outside of Australia and New Zealand) between 7:30am and 5:30pm (Sydney time) Monday to Friday. For other questions, you should consult your broker, solicitor, accountant, financial adviser or other professional adviser.

On behalf of Greencross, we regret that you are not eligible to participate in the Retail Entitlement Offer and thank you for your continued support.

Yours sincerely



Vincent Pollaers
Company Secretary
Greencross Limited

Important Information

This notice is issued by Greencross Limited (ABN 58 119 778 862). This notice is not a prospectus or offering document under Australian law or under any other law. It is for information purposes only and does not constitute an offer, invitation or recommendation to subscribe for, retain or purchase any securities in Greencross in any jurisdiction. This letter does not constitute financial product advice and does not and will not form part of any contract for the acquisition of Greencross ordinary shares.

This notice does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or to any person acting for the account or benefit of a person in the United States. The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as

amended (the “**Securities Act**”) or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, to persons in the United States or to any person acting for the account or benefit of a person in the United States except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable securities laws of any state or other jurisdiction in the United States. The New Shares to be offered and sold in the Retail Entitlement Offer may only be offered or sold outside the United States in “offshore transactions” (as defined in Rule 902(h) under the Securities Act) in reliance on Regulation S under the Securities Act.

The provision of this notice is not, and should not be considered as, a securities recommendation or financial product advice. The information in this notice is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. Before acting on the information, you should consider the appropriateness of the information, having regard to your objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your stockbroker, accountant, taxation adviser, financial adviser or other professional adviser.