

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/00, 30/9/01, 11/3/02, 1/1/03, 21/10/05, 1/8/12, 4/3/13

Name of entity

APIAM ANIMAL HEALTH LIMITED

ABN

50 604 961 024

We (the entity) give ASX the following information:

Part 1 - All issues

1	Class of securities issued or to be issued	Ordinary Fully Paid Shares
2	Number of securities issued or to be issued (if known) or maximum number which may be issued	2,263,299 fully paid ordinary shares to be issued on 1 September 2016.
3	Principal terms of the securities	Ordinary shares as per existing shares. 1,131,652 of the shares issued on 1 September 2016 will be escrowed until 1 September
4	Do the securities rank equally in all respects from the date of allotment with an existing class of quoted securities?	Yes, they rank equally in all respects with existing fully paid ordinary shares.
5	Issue price or consideration	\$1.5335 per share
6	Purpose of the issue	Provide consideration for the acquisition of all of the shares in the three companies comprising the Quirindi Veterinary Group.
6a	Is the entity an eligible entity that has obtained security holder approval under rule 7.1A?	No.
6b	The date the security holder resolution under rule 7.1A was passed	N/A.
6c	Number of securities issued without security holder approval under rule 7.1	2,263,299 fully paid ordinary shares.
6d	Number of securities issued with security holder approval under rule 7.1A	Nil

+ See chapter 19 for defined terms.

6e	Number of securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil												
6f	Number of securities issued under an exception in rule 7.2	Nil												
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/A												
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A												
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Placement capacity under LR 7.1: 14,771,336 shares 2,263,299 shares issued on 1.9.2016 Remaining placement capacity under LR 7.1 is 12,508,037 shares.												
7	Dates of entering securities into uncertificated holdings or despatch of certificates.	1 September 2016												
8	Number and class of all securities quoted on ASX	<table><tr><th>Number</th><th>Class</th></tr><tr><td>44,145,820</td><td>Fully paid ordinary shares traded on the ASX</td></tr><tr><td>27,164,888</td><td>Fully paid ordinary shares escrowed until 8 December 2016</td></tr><tr><td>27,164,888</td><td>Fully paid ordinary shares escrowed until 8 December 2016</td></tr><tr><td>1,131,652</td><td>Fully paid ordinary shares escrowed until 1 September 2017</td></tr><tr><td>1,131,647</td><td>Fully paid ordinary shares escrowed until 1 September 2018</td></tr></table>	Number	Class	44,145,820	Fully paid ordinary shares traded on the ASX	27,164,888	Fully paid ordinary shares escrowed until 8 December 2016	27,164,888	Fully paid ordinary shares escrowed until 8 December 2016	1,131,652	Fully paid ordinary shares escrowed until 1 September 2017	1,131,647	Fully paid ordinary shares escrowed until 1 September 2018
Number	Class													
44,145,820	Fully paid ordinary shares traded on the ASX													
27,164,888	Fully paid ordinary shares escrowed until 8 December 2016													
27,164,888	Fully paid ordinary shares escrowed until 8 December 2016													
1,131,652	Fully paid ordinary shares escrowed until 1 September 2017													
1,131,647	Fully paid ordinary shares escrowed until 1 September 2018													
9	Number and class of all securities not quoted on ASX	<table><tr><th>Number</th><th>Class</th></tr><tr><td>0</td><td>N/A</td></tr></table>	Number	Class	0	N/A								
Number	Class													
0	N/A													
10	Dividend policy on the increased capital (interests)	Nil												

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	Not applicable
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+ See chapter 19 for defined terms.

Appendix 3B – New Issue Announcement

12	Is the issue renounceable or non-renounceable?	Not applicable
13	Ratio in which the securities will be offered	Not applicable
14	Class of securities to which the offer relates	Not applicable
15	Record date to determine entitlements	Not applicable
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable
17	Policy for deciding entitlements in relation to fractions	Not applicable
18	Names of countries in which the entity has security holders who will not be sent new issue documents	Not applicable
19	Closing date for receipt of acceptances or renunciations	Not applicable
20	Names of any underwriters	Not applicable
21	Amount of any underwriting fee or commission	Not applicable
22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do security holders sell their entitlements in full through a broker?	Not applicable
31	How do security holders sell part of their entitlements through a broker and accept for the balance?	Not applicable
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	Issue date	Not applicable

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

34 Type of securities (tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the securities are equity securities, the names of the 20 largest holders of the additional securities, and the number and percentage of additional securities held by those holders

36 ☐ If the securities are equity securities, a distribution schedule of the additional securities setting out the number of holders in the categories

- 1 - 1,000
- 1,001 - 5,000
- 5,001 - 10,000
- 10,001 - 100,000
- 100,001 and over

37 ☐ A copy of any trust deed for the additional securities

Entities that have ticked box 34(b)

38 Number of securities for which quotation is sought

39 Class of securities for which quotation is sought

40 Do the securities rank equally in all respects from the date of allotment with an existing class of quoted securities?

If not, please state:

- the date from which they do
- the extent to which they participate for the next dividend, or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

42 Number and class of all securities quoted on ASX (including the securities in clause 38)

Number	Class

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for ⁺eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	98,475,574 fully paid ordinary shares quoted on admission to the Official List of ASX Ltd on 10.12.15.
Add the following:	
• Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2	+ 0
• Number of fully paid ordinary securities issued in that 12 month period with shareholder approval	+ 0
• Number of partly paid ordinary securities that became fully paid in that 12 month period	+ 0
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	- 0
“A”	= 98,475,574
Step 2: Calculate 15% of “A”	
“B”	=14,771,336.1
Multiply “A” by 0.15	14,771,336.1
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:	0
• Under an exception in rule 7.2	
• Under rule 7.1A	
• With security holder approval under rule 7.1 or rule 7.4	
“C”	14,771,336.1
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15	
Subtract “C”	
Total [“A” x 0.15] – “C”	14,771,336

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” (number must be same as shown in Step 1 of Part)	
Step 2: Calculate 10% of “A”	

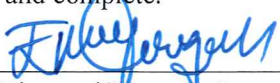
⁺ See chapter 19 for defined terms.

“D”	
<i>Multiply “A” by 0.10</i>	
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
<i>Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A</i>	
“E”	
Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
<i>“A” x 0.10 (number must be same as shown in Step 2)</i>	
<i>Subtract “E” (number must be same as shown in Step 3)</i>	
Total [“A” x 0.10] – “E”	

Quotation agreement

- 1 Quotation of our additional securities is in ASX’s absolute discretion. ASX may quote the securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those securities should not be granted quotation.
 - An offer of the securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any securities to be quoted and that no-one has any right to return any securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the securities be quoted.
 - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the securities to be quoted, it has been provided at the time that we request that the securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the securities to be quoted under section 1019B of the Corporations Act at the time that we request that the securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before quotation of the securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:


 (Director/Company Secretary)

Date: 2 September 2016

Print name:

