



Notice pursuant to NZX Main Board Listing Rule 7.12.1

In accordance with NZX Main Board Listing Rule 7.12.1, The a2 Milk Company Limited (**ATM**) advises of the relevant details of the unlisted performance rights it has issued today:

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| Class of Security: | Performance rights representing an entitlement to acquire ordinary shares in the Company |
| ISIN: | Not applicable – The performance rights will not be listed on the NZX Main Board or the ASX |
| Number issued: | 895,000 performance rights |
| Issue price: | Not applicable |
| Payment in cash: | Not applicable |
| Amount paid up (if not in full): | Not applicable |
| Percentage of the total class of securities issued: | 41.15% |
| Reason for issue: | The grant of the performance rights is part of the ongoing long term incentive arrangements that ATM has adopted to assist in the reward, retention and motivation of its employees |
| Specific authority for issue: | Board resolution |
| Terms or details of issue: | <p>Each performance right is issued pursuant to the terms and conditions of ATM's Long Term Incentive Plan (LTIP). Each performance right includes a vesting condition that the participant must remain an Employee (as defined in the LTIP Rules) up to and including the vesting date (being the third anniversary of the grant date), subject to ATM achieving a compound annual growth rate in diluted earnings per share (CAGR) from the financial year ended 30 June 2016 to the financial year ended 30 June 2019 of at least 15%. The proportion of performance rights that will vest will be determined on a straight-line basis between the following parameters (rounded down to the nearest whole number):</p> <ul style="list-style-type: none">• 50% of the performance rights will vest if a CAGR of 15% is achieved; or• 100% of the performance rights will vest if a CAGR of 25% or more is achieved. <p>Upon vesting, each performance right will entitle the holder to one ordinary share in ATM.</p> |
| Total number of securities of the class in existence after the issue: | 2,175,000 performance rights |
| Treasury stock (acquisition only): | Not applicable |
| Date of issue: | 8 February 2017 |

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