

PRO-PAC PACKAGING LIMITED

A.C.N 112 971 874

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY NOTES

Date: Tuesday, 27 November 2018

Time: 12:00pm (Melbourne time)

**Place: Chartered Accountants Australia and New Zealand, Level 18, 600
Bourke Street, Melbourne, VIC, 3000**

This Notice of Meeting is dated 25 October 2018.

This document is important and requires your prompt attention. You should read this document in its entirety and consult your stockbroker, solicitor, accountant, licensed financial adviser or other professional adviser if you are in any doubt as to what to do.

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NOTE: Capitalised terms used in this document are defined in the Glossary (Section 4).

Key Dates

Due date for lodgement of proxy forms	12:00pm (Melbourne time) on 25 November 2018
Record Date	7:00pm (Melbourne time) on 25 November 2018
Annual General Meeting	12:00pm (Melbourne time) on 27 November 2018

NOTE: The above timetable is indicative only. The Company may vary any of the above dates without notice subject to the Corporations Act, the ASX Listing Rules and other applicable law.

Important Information

This Notice of Meeting is dated 25 October 2018.

A copy of this Notice of Meeting has been lodged with the ASX. The ASX does not take any responsibility for the contents of this Notice of Meeting.

This Notice of Meeting is governed by the law in force in New South Wales.

Corporate Directory

Current Directors

Mr. Ahmed Fahour (Chairman)
 Mr. Rupert Harrington (Non-Executive Director)
 Mr. Darren Brown (Non-Executive Director)
 Ms. Leonie Valentine (Non-Executive Director)
 Ms. Marina Go (Non-Executive Director)

Company Secretary

Ms. Kathleen Forbes

Registered Office

Suite 2, Level 2, 657 Pacific Highway, St Leonards NSW, 2065
 (PO Box 228, St Leonards NSW 1590)
 Tel: (02) 8781 0500
 Fax: (02) 8781 0599

Share Registry

Boardroom Pty Limited
 Level 12, 225 George Street
 Sydney NSW 2000
 Tel: 1300 737 760

Auditors

UHY Haines Norton
 Level 11, 1 York Street
 Sydney NSW 2000

Solicitors

Thomson Geer
 Level 25, 1 O'Connell Street
 Sydney NSW 2000

1 Chairman's Letter

25 October 2018

Dear Fellow Shareholder,

On behalf of the Directors of Pro-Pac Packaging Limited (**Company** or **PPG**), I am pleased to invite you to the Annual General Meeting of Shareholders to be held on Tuesday, 27 November 2018.

The business of the Annual General Meeting is set out in the Notice of Meeting commencing on page 4. It includes seeking shareholder approval for:

- confirmation of the appointments of Mr. Darren Brown, Ms. Leonie Valentine and Ms. Marina Go as Directors of the Company;
- the ratification of past issues of securities by the Company; and
- the issues of securities under the Company's Executive Long Term Incentive Plan and Performance Rights Plan,

each on the basis fully outlined in the enclosed Explanatory Notes.

Your Board considers that the Resolutions proposed are in the Company's best interests and will be for the benefit of all Shareholders.

Further information regarding the Resolutions to be considered at the Annual General Meeting is set out in the enclosed Explanatory Notes.

As a matter for Shareholders to note, in the context of the recent significant increase in scale and diversity of the Company's business, in co-operation with the incumbent auditor, UHY Haines Norton, the Directors are in the process of initiating a change of the Company's auditor, subject to compliance with the relevant Corporations Act and ASX Listing Rule provisions. An announcement of relevant details in this regard will be made in the near future.

I look forward to your attendance at the Annual General Meeting. If you are unable to attend the meeting in person, please complete, sign and return the enclosed proxy form by 12:00pm (Melbourne time) on Sunday, 25 November 2018.

Yours sincerely

Ahmed Fahour
Chairman

2 Notice of Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of Pro-Pac Packaging Limited (**Company** or **PPG**) will be held at Chartered Accountants Australia and New Zealand, Level 18, 600 Bourke Street, Melbourne, VIC, 3000 on Tuesday, 27 November 2018 at 12:00pm (Melbourne time).

(Please refer to the Glossary on page 16 of this Notice of Meeting as necessary for the full meaning of capitalised terms appearing below).

Business:

Ordinary Business

Item 1 – Financial Report

To receive and consider the Financial Report of the Company and of the Consolidated Entity for the year ended 30 June 2018 and the Reports by Directors and Auditors thereon.

Resolution 2 – Remuneration Report

To receive, consider and adopt the Remuneration Report of the Company and Consolidated Entity for the year ended 30 June 2018.

Note: The vote on Resolution 2 is advisory only and does not bind the Directors or the Company (section 250R(3) of the Corporations Act.

Resolution 3 – Reduction of Company's share capital

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

"That, for the purposes of section 258D of the Corporations Act, Shareholder approval is given to the cancellation of 2,220,000 shares currently on issue to former employees of the Company or which have lapsed under the Company's Executive Long Term Incentive Plan."

Special Business

Resolution 4 – Election of a Director – Mr. Darren Brown

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

"That, for the purposes of clause 9.2 of the Company's Constitution and for all other purposes, Shareholder approval is given to the election of Mr. Darren Brown as a Director of the Company."

Resolution 5 – Election of a Director – Ms. Leonie Valentine

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

"That, for the purposes of clause 9.2 of the Company's Constitution and for all other purposes, Shareholder approval is given to the election of Ms. Leonie Valentine as a Director of the Company."

Resolution 6 – Election of a Director – Ms. Marina Go

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

"That, for the purposes of clause 9.2 of the Company's Constitution and for all other purposes, Shareholder approval is given to the election of Ms. Marina Go as a Director of the Company."

Resolution 7A – Ratification of past issue of 3,310,000 Shares

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

"That, in accordance with ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the past issue of a total of 3,310,000 Shares on the terms set out in the Explanatory Notes accompanying the notice convening this Annual General Meeting."

Resolution 7B – Ratification of past issue of 375,000 unlisted performance rights

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

"That, in accordance with ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the past issue of a total of 375,000 unlisted performance rights on the terms set out in the Explanatory Notes accompanying the notice convening this Annual General Meeting."

Resolution 7C – Ratification of past issue of 8,945,591 Shares

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

"That, in accordance with ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the past issue of a total of 8,945,591 Shares on the terms set out in the Explanatory Notes accompanying the notice convening this Annual General Meeting."

Resolution 7D – Ratification of past issue of 25,538,462 Shares

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

"That, in accordance with ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the past issue of a total of 25,538,462 Shares on the terms set out in the Explanatory Notes accompanying the notice convening this Annual General Meeting."

Resolution 8A – General approval of issue of securities under the ESPP

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

"That, in accordance with ASX Listing Rule 7.2 (Exception 9) and for all other purposes, Shareholders approve the issue of securities under the Company's Executive Long Term Incentive Plan on the terms set out in the Explanatory Notes accompanying the notice convening this Annual General Meeting."

Resolution 8B – General approval of issue of securities under the PRP

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

"That, in accordance with ASX Listing Rule 7.2 (Exception 9) and for all other purposes, Shareholders approve the issue of securities under the Company's Performance Rights Plan on the terms set out in the Explanatory Notes accompanying the notice convening this Annual General Meeting."

General Business – to transact any other business that may be brought forward in accordance with the Constitution of the Company.

Further information in relation to the Resolutions is set out in the Explanatory Notes which accompany and form part of this Notice of Meeting.

By order of the Board

Kathleen Forbes
Company Secretary
Date: 25 October 2018

2.1 Voting Exclusions

Resolution 2

In accordance with the Corporations Act, the Company will disregard any votes cast in respect of Resolution 2:

- (a) by or on behalf of a member of the Key Management Personnel (**KMP**) of the Company whose remuneration is disclosed in the Remuneration Report; and
- (b) by a closely related party of any KMP of the Company; and
- (c) by a proxy who is a member or a closely related party of the KMP of the Company.

However, the Company need not disregard a vote if:

- (a) it is cast by a person (including the KMP or their closely related parties) as the 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, where the proxy form does not specify the way the proxy is to vote on Resolution 2 but expressly authorises the person chairing the meeting to exercise the proxy even if Resolution 2 is connected directly or indirectly with the remuneration of a member of the KMP of the Company. The person chairing the meeting intends to vote all available proxies in favour of this Resolution 2.

Resolution 7A

In accordance with the Corporations Act and ASX Listing Rules, the Company will disregard any votes cast in favour of Resolution 7A by:

- (a) a person who participated in the issue of Shares referred to in Resolution 7A; and
- (b) any Associates of that person.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as the 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. The person chairing the meeting intends to vote all available proxies in favour of this Resolution 7A.

Resolution 7B

In accordance with the Corporations Act and ASX Listing Rules, the Company will disregard any votes cast in favour of Resolution 7B by:

- (a) a person who participated in the issue of performance rights referred to in Resolution 7B; and

- (b) any Associates of that person.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as the 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. The person chairing the meeting intends to vote all available proxies in favour of this Resolution 7B.

Resolution 7C

In accordance with the Corporations Act and ASX Listing Rules, the Company will disregard any votes cast in favour of Resolution 7C by:

- (a) a person who participated in the issue of Shares referred to in Resolution 7C; and
- (b) any Associates of that person.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as the 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. The person chairing the meeting intends to vote all available proxies in favour of this Resolution 7C.

Resolution 7D

In accordance with the Corporations Act and ASX Listing Rules, the Company will disregard any votes cast in favour of Resolution 7D by:

- (a) a person who participated in the issue of Shares referred to in Resolution 7D; and
- (b) any Associates of that person.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as the 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. The person chairing the meeting intends to vote all available proxies in favour of this Resolution 7D.

Resolution 8A

In accordance with the Corporations Act and ASX Listing Rules, the Company will disregard any votes cast in favour of Resolution 8A by:

- (c) any Director of the Company (except a Director who is ineligible to participate in any employee incentive scheme in relation to the Company) and any of their respective Associates; and
- (d) a proxy who is a member or a closely related party of any KMP of the Company.

However, the Company need not disregard a vote if:

- (a) It is cast by a person (including the KMP of the Company or their closely related parties) as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

- (b) It is cast by a person chairing the meeting as proxy for a person who is entitled to vote, where the proxy form does not specify the way the proxy is to vote on the relevant Resolution but expressly authorises the person chairing the meeting to exercise the proxy even if the relevant Resolution is connected directly or indirectly with the remuneration of a member of the KMP of the Company. The person chairing the meeting intends to vote all available proxies in favour of Resolution 8A.

Resolution 8B

In accordance with the Corporations Act and ASX Listing Rules, the Company will disregard any votes cast in favour of Resolution 8B by:

- (a) any Director of the Company (except a Director who is ineligible to participate in any employee incentive scheme in relation to the Company) and any of their respective Associates; and
- (b) a proxy who is a member or a closely related party of any KMP of the Company.

However, the Company need not disregard a vote if:

- (a) It is cast by a person (including the KMP of the Company or their closely related parties) as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) It is cast by a person chairing the meeting as proxy for a person who is entitled to vote, where the proxy form does not specify the way the proxy is to vote on the relevant Resolution but expressly authorises the person chairing the meeting to exercise the proxy even if the relevant Resolution is connected directly or indirectly with the remuneration of a member of the KMP of the Company. The person chairing the meeting intends to vote all available proxies in favour of Resolution 8B.

2.2 Documents

A proxy form accompanies these documents.

2.3 Persons entitled to vote

Under regulation 7.11.37 of the Corporations Regulations, the Directors have determined that the shareholding of each member for the purposes of ascertaining their voting entitlements at the Annual General Meeting will be as it appears in the Share register at 7:00pm (Melbourne time) on Sunday, 25 November 2018.

2.4 How to Vote

If you are eligible, you may vote by attending the Annual General Meeting in person or by proxy or attorney. A member who is a body corporate may appoint a representative to attend and vote on its behalf.

2.5 Voting in Person

To vote in person, attend the Annual General Meeting at the time and place set out in this Notice of Meeting.

2.6 Voting by Proxy

To vote by proxy, please complete, sign and return the enclosed proxy form in accordance with the following instructions. If you require an additional proxy form, the Company will supply it on request.

2.7 Proxies

A Shareholder who is entitled to vote at the Annual General Meeting may appoint:

- one proxy if the member is only entitled to one vote; or

- one or two proxies if the member is entitled to more than one vote.

Where the Shareholder appoints 2 proxies, the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not specify a proportion or number, each proxy may exercise one-half of the votes, in which case any fraction of votes will be disregarded.

A proxy need not be a Shareholder of the Company.

The proxy form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by a corporation must be executed in accordance with the Corporations Act and the constitution of that corporation.

The proxy form and the power of attorney or other authority (if any) under which it is signed or a certified copy, must be received by the Company at least 48 hours before the time for holding of the Annual General Meeting or any adjourned meeting (or such lesser period as the Directors may permit):

- by email to Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001 Australia;
- in person to Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000 Australia; or
- the following fax number at the Company's share registry's office: + 61 2 9290 9655.

2.8 **Voting by Attorney**

A Shareholder may appoint an attorney to act on the Shareholder's behalf at the Annual General Meeting. The power of attorney or such other evidence of the attorney's appointment and authority to the satisfaction of the Directors must be received by the Company at least 48 hours before the time for holding of the Annual General Meeting or any adjourned meeting.

2.9 **Enquiries**

For further information, please contact Kathleen Forbes, Company Secretary, on (02) 8781 0500.

3 Explanatory Notes

These Explanatory Notes have been prepared for the information of Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at Chartered Accountants Australia and New Zealand, Level 18, 600 Bourke Street, Melbourne, VIC, 3000 on Tuesday, 27 November 2018 at 12:00pm (Melbourne time).

3.1 Item 1 – Financial Report

In accordance with the Corporations Act and the Constitution of the Company, the Financial Report of the Company and of the Consolidated Entity for the period ended 30 June 2018 and the Reports by Directors and Auditors thereon are to be laid before the Annual General Meeting.

There is no formal Resolution to be put in respect of this matter. However, Shareholders will be given the opportunity to make comments and ask questions of the Board and the Auditor in respect of the reports. In addition, Shareholders are able to submit questions to the Company for the Auditor prior to the meeting. The list of any such questions will be presented at the meeting for discussion and responses.

3.2 Resolution 2 – Remuneration Report

In accordance with section 250R(2) of the Corporations Act, a resolution must be put to the Shareholders that the remuneration report of the Company, as included in the Directors' Report, be adopted. A copy of this report can be found on pages 8 to 12 of the Company's annual report and can also be found on the Company's website at www.ppgaust.com.au.

The Resolution is not binding upon the Company or the Board but must be put and the chair of the meeting must provide reasonable opportunity at the meeting for Shareholders to ask questions about and comment on the remuneration report.

None of the Directors has an interest in the outcome of this Resolution. However, as the Directors are "Key Management Personnel" for the purposes of the Corporations Act, a voting exclusion statement applies as set out on page 6 of this Notice of Meeting. For those reasons, the Directors will not be making recommendations as to voting on this Resolution.

3.3 Resolution 3 – Cancellation of forfeited shares

2,220,000 Shares previously issued to certain employees under the Company's Executive Long Term Incentive Plan (**ESPP**) have been forfeited under the terms of the ESPP. In order to give effect to the forfeiture, these Shares must be cancelled by an ordinary resolution of Shareholders under section 258D of the Corporations Act.

The cancellation will have the following impact on the Company's capital:

Issued capital as at the date of this Notice of Meeting	787,661,157 ¹
Issued capital following cancellation	785,441,157

3.4 Resolution 4 – Election of a Director – Mr. Darren Brown

Mr. Darren Brown joined the Board with effect from 2 July 2018 as a non-executive Director.

In accordance with the Company's Constitution, the Corporations Act, the ASX Listing Rules and other statutory requirements, Mr. Brown may not hold office past the next annual general meeting

¹ On a fully diluted basis, comprising 785,086,157 Shares, 1,375,000 performance rights and 1,200,000 options on issue at the date of this Notice of Meeting.

of the Company (being the meeting being convened pursuant to this notice) without approval by Shareholders.

Information regarding the qualifications and experience of Mr. Brown is presented below:

Darren Brown

(Non-Executive Director – appointed 2 July 2018)

Mr. Brown's experience includes over 20 years in a variety of commercial and financial roles particularly in packaging, including several years as CFO of publicly listed Pact Group Holdings Limited, Southcorp Packaging and Amcor.

Mr. Brown is a Chartered Accountant with a Graduate Diploma in Applied Finance and Investment and holds a Bachelor of Business qualification.

Mr. Brown is the Chairman of the Audit Business Risk and Compliance Committee of the Company.

The Board considers that Mr. Brown is an independent Director of the Board. The Board supports the election of Mr. Brown and recommends that Shareholders vote in favour of this Resolution.

3.5 Resolution 5 – Election of a Director – Ms. Leonie Valentine

Ms. Leonie Valentine joined the Board with effect from 1 August 2018 as a non-executive Director.

In accordance with the Company's Constitution, the Corporations Act, the ASX Listing Rules and other statutory requirements, Ms. Valentine may not hold office past the next annual general meeting of the Company (being the meeting being convened pursuant to this notice) without approval by Shareholders.

Information regarding the qualifications and experience of Ms. Valentine is presented below:

Leonie Valentine

(Non-Executive Director – appointed 1 August 2018)

Ms. Valentine's executive experience includes over 25 years' experience in sales, marketing and operations, including 19 years in technology and telecommunications sectors.

Ms. Valentine is currently Managing Director, Sales & Operations of Google Hong Kong, originally joining Google in 2014 as APAC Director of Customer Experience. Prior to joining Google, Leonie was Executive Vice President, Customer Service & Operations at CSL Limited. Earlier, she held a number of senior management positions with Telstra Corp and was a member of the Executive Leadership Team charged with managing Telstra International Group's business growth and assets outside of Australia and New Zealand.

Ms. Valentine is a member of the Company's People, Innovation and Culture Committee, incorporating the former Remuneration and Nomination Committee.

The Board considers that Ms. Valentine is an independent Director of the Board. The Board supports the election of Ms. Valentine and recommends that Shareholders vote in favour of this Resolution.

3.6 Resolution 6 – Election of a Director – Ms. Marina Go

Ms. Marina Go joined the Board with effect from 1 August 2018 as a non-executive Director.

In accordance with the Company's Constitution, the Corporations Act, the ASX Listing Rules and other statutory requirements, Ms. Go may not hold office past the next annual general meeting of the Company (being the meeting being convened pursuant to this notice) without approval by Shareholders.

Information regarding the qualifications and experience of Ms. Go is presented below:

Marina Go

(Non-Executive Director – appointed 1 August 2018)

Ms. Go's executive career includes over 20 years' experience in branding, marketing, digital technologies and change leadership in the media industry.

Ms. Go is currently a Non-Executive Director for 7 Eleven, Energy Australia and Autosports Group. Marina was previously Country CEO for The Hearst Corporation and held a variety of senior positions across the media industry, including Fairfax, Independent Digital Media, Pacific Magazines and EMAP Australia.

Ms. Go is a member of the Company's People, Innovation and Culture Committee and the Company's Audit Business Risk and Compliance Committee.

The Board considers that Ms. Go is an independent Director of the Board. The Board supports the election of Ms. Go and recommends that Shareholders vote in favour of this Resolution.

3.7 Resolutions 7A, 7B, 7C and 7D – Ratify past issues of securities

ASX Listing Rule 7.1 provides that a company must not issue equity securities, or agree to issue equity securities (which includes shares and options), without the approval of shareholders if the number of equity securities to be issued in any 12 month period (including equity securities issued on the exercise of any convertible securities) exceeds the 15% Capacity. ASX Listing Rule 7.4 allows for subsequent shareholder approval if the company did not breach ASX Listing Rule 7.1 at the time of issue and the holders of ordinary shares subsequently approve it. Issues made with approval under ASX Listing Rule 7.1A can also be ratified under ASX Listing Rule 7.4.

The Company is seeking, as separate resolutions, the approval of the following issues of securities in the manner provided by ASX Listing Rule 7.4:

- (a) Resolution 7A – ratification of the past issue of 3,310,000 Shares;
- (b) Resolution 7B – ratification of the past issue of 375,000 unlisted performance rights;
- (c) Resolution 7C – ratification of the past issue of 8,945,591 Shares; and
- (d) Resolution 7D – ratification of the past issue of 25,538,462 Shares.

Although Shareholder approval was not required for the issue of these securities, the Company now seeks Shareholder approval for these issues in the manner provided by ASX Listing Rule 7.4 because this will enable the Company to issue, pursuant to ASX Listing Rule 7.1, further equity securities up to the 15% Capacity from time to time as required by the Company, to capitalise on future opportunities without needing to obtain prior Shareholder approval.

Pursuant to ASX Listing Rule 7.5, the following information is provided in respect of ASX Listing Rule 7.4 approval. The details of the relevant issues of equity securities under ASX Listing Rule 7.1 and 7.1A are set out in the table below and the terms of each such class of equity securities issued are set out below:

- all of the Shares issued rank equally with all the other Shares on issue; and
- all of the performance rights issued will, upon exercise, entitle the holders to fully paid ordinary shares which, upon issue, will rank equally with all the other Shares on issue. Performance rights holders are not entitled to participate in dividends, distributions or interest payments until they exercise their performance rights.

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Resolution	Date of issue	Number and class issued	Persons who received securities	Issue price	Use of funds
Resolution 7A	6 Dec 17	3,310,000 Shares	Employees of the Company under the ESPP	\$0.38 per Share	N/A as no funds were raised
Resolution 7B	6 Dec 17	375,000 unlisted performance rights	An executive employee of the Company under the PRP	Nil issue price and exercise price	N/A as no funds were raised
Resolution 7C	6 Aug 18	8,945,591 Shares	The underwriter, Bell Potter Securities Limited, under the SPP offer	\$0.34 per Share	The funds raised under the share purchase plan were used to partially fund two acquisitions being undertaken by the Company as disclosed to the market in an announcement dated 2 July 2018
Resolution 7D	13 Sep 18	25,538,462 Shares	The vendors of the Perfection Packaging acquisition	\$0.39 per Share	The Shares were issued as part consideration for the acquisition of Perfection Packaging

No allottee is related to the Company, although it is noted that certain allottees are employees of the Company. The Company was not required to provide any of the allottees with a disclosure document.

A voting exclusion statement is set out on page 6 of this Notice of Meeting.

3.8 Resolutions 8A and 8B – General approval of issue of securities under the ESPP and PRP

ASX Listing Rule 7.1 provides that a listed entity must not issue equity securities in excess of its 15% Capacity in a 12 month period without the approval of shareholders. The ASX Listing Rules require that the approval of shareholders be sought where an issue of securities exceeds the 15% Capacity.

For employee incentive schemes, such as the ESPP and PRP, ASX Listing Rule 7.2 (Exception 9) provides an exception to the requirement to obtain shareholder approval each time securities are issued under the ESPP and PRP. For this exception to apply, the ASX Listing Rules require shareholder approval in respect of any issues to have been obtained within 3 years before the issue dates.

A summary of the terms of the ESPP and PRP are set out below.

	Resolution 8A	Resolution 8B
	ESPP	PRP
Eligible participants	Permanent full-time or part-time employees whom the Board considers as executives, including executive Directors of the Company or any of its subsidiaries are eligible to participate in the ESPP, by invitation of the Board. Participation is voluntary.	Full-time or permanent part-time employees, non-executive and executive Directors, company secretaries, contractors and casual employees of the Company or any of its subsidiaries and any person who has or will enter into an arrangement that will result in them becoming any of the prior-mentioned persons are all eligible to participate in the PRP, by invitation of the Board. Participation is voluntary.
Terms of issue	Under the ESPP, the Board may invite eligible participants to subscribe for Shares. The Board may determine the number of Shares to be issued under the ESPP (which is subject to a minimum parcel requirement of 100 Shares) and other terms of issue under the ESPP, including performance hurdles.	Under the PRP, the Board may invite eligible participants to apply for performance rights. The Board may determine the number of performance rights to be issued under the PRP and other terms of issue under the PRP, including exercise conditions. A right may be exercised if that right has vested, has not lapsed and the exercise price for the right has been paid, unless otherwise determined by the Board. Rights holders are not permitted to participate in new issues of securities by the Company. However, adjustments may be made to the number of Shares over which the rights are granted or their exercise price to take into account changes in the capital structure of the Company that occur by way of pro rata and bonus issues in accordance with the PRP rules and the ASX Listing Rules.
Pricing	Shares will be issued at the subscription price determined by the Board.	All performance rights are issued at a nil issue price and a nil exercise price, unless otherwise determined by the Board.
Loans by the Company	The Company may provide financial assistance to an eligible participant to finance his or her subscription for Shares, on the terms set out in the ESPP rules and subject to compliance with the Corporations Act and the ASX Listing Rules.	The Company may provide financial assistance to an eligible participant to pay for the grant of a performance right or any exercise price in respect of a performance right, on the terms set out in the PRP rules and subject to compliance with the Corporations Act and the ASX Listing Rules.
Limit on number of securities that may be issued	None specified in the ESPP.	The PRP rules limit the number of rights that the Company may issue, such that the sum of all rights and options on issue and offered under all employee incentive schemes of the Company does not, if they are all exercised, equate to more than 5% of

	Resolution 8A	Resolution 8B
	ESPP	PRP
		the ordinary shares on issue by the Company.
Clawback	A participant will be required to forfeit his or her Shares in certain circumstances, such as upon his or her dismissal, or resignation or termination prior to the completion of three years' service after the date on which his or her Shares were issued.	If the Board determines that to safeguard the interests of shareholders and to minimise the risk of unvested (performance based) rights remaining available to participants in circumstances where the Board has concluded that would be inappropriate, the Board may, in its discretion, in respect of rights issued on or after 1 July 2016: • cancel or require forfeiture of some or all of such rights; • adjust the future performance based remuneration of the participant subject to clawback; • take legal action against the participant; and/or • take such other action as the Board considers appropriate in any relevant circumstances as permitted to it by law.

No approval in accordance with ASX Listing Rule 7.2 (Exception 9) has been obtained by the Company previously.

Accordingly, shareholders of the Company are asked at this meeting to approve, as separate resolutions, the issue of securities under the Company's ESPP and PRP respectively in accordance with ASX Listing Rule 7.2 (Exception 9).

Other than Mr. Fahour (who is a current participant in the ESPP), no other Director has an interest in the outcome of these resolutions. However, as the other Directors are "Key Management Personnel" for the purposes of the Corporations Act, a voting exclusion statement is set out on page 6 of this Notice of Meeting. For those reasons, the Directors will not be making recommendations as to voting on these resolutions.

3.9 Further information

If you have any questions or need more information about the Resolutions, please contact the Company Secretary, Kathleen Forbes, at the Company on (02) 8781 0500.

In this Notice of Meeting, unless the context or subject matter otherwise requires:

15% Capacity	The Company's 15% placement capacity under ASX Listing Rule 7.1.
Annual General Meeting	The annual general meeting of the Company to be held at the time and place specified in the Notice of Meeting.
ASIC	Australian Securities and Investments Commission.
Associate	Has the meaning given to that term in Part 1.2, Division 2 of the Corporations Act.
ASX	ASX Limited (ACN 008 624 691) or the stock exchange which it operates, as the context requires.
ASX Listing Rules	The official Listing Rules of the ASX.
Auditors	The auditors of the Company.
Board	The Board of Directors.
Closely related parties	In respect of a KMP, has the meaning given to that term in the Corporations Act and includes certain of their family members, dependants and companies they control.
Company or PPG	Pro-Pac Packaging Limited (ABN 36 112 971 874).
Constitution	The constitution of the Company.
Corporations Act	<i>Corporations Act 2001</i> (Cth) as amended from time to time.
Corporations Regulations	<i>Corporations Regulations 2001</i> (Cth) as amended from time to time.
Directors	The directors of the Company.
DRP	The Company's Dividend Reinvestment Plan.
ESPP	The Company's Executive Long Term Incentive Plan.
Explanatory Notes	The explanatory notes accompanying the Notice of Meeting.
Group or PPG Group	PPG and its subsidiaries.
KMP	Key management personnel of the Company, being the Directors of the Company and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly.
Notice of Meeting	This document, comprising the chairman's letter, notice of meeting and explanatory notes.
Options	Options (to subscribe for Shares).
Performance Rights	The performance rights granted under the PRP.
PRP	The Company's Performance Rights Plan.
Resolutions	The resolutions to be considered by Shareholders at the Annual General Meeting, as set out in this Notice of Meeting.
Shareholder	Holder of Shares.
Shares	Ordinary shares in the capital of the Company.
SPP	The Share Purchase Price offer of the Company made pursuant to the Share Purchase Plan Offer Booklet dated 6 July 2018.



Pro-Pac Packaging Limited ABN: 36112971874

All Correspondence to:

-  **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
-  **By Fax:** +61 2 9290 9655
-  **Online:** www.boardroomlimited.com.au
-  **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 12:00pm (Melbourne Time) on Sunday 25 November 2018.**

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

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

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- 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.
- return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark 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 securities are to be voted on any item by inserting the percentage or number that 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 for all your securities your vote on that item will be invalid.

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.

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

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **12:00pm (Melbourne Time) on Sunday, 25 November 2018.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

-  **By Fax** + 61 2 9290 9655
-  **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
-  **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

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

Pro-Pac Packaging Limited

ABN 36 112 971 874

☐

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 in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.

Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Pro-Pac Packaging Limited** (Company) and entitled to attend and vote hereby appoint:

☐

the **Chair of the Meeting** (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the **Chartered Accountants Australia and New Zealand, Level 18, 600 Bourke Street, Melbourne, VIC 3000 on Tuesday, 27 November 2018 at 12:00pm (Melbourne Time)** 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.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 2, 8A and 8B, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolution even though Resolution s2, 8A and 8B are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 2, 8A and 8B). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* 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 vote will not be counted in calculating the required majority if a poll is called.

		FOR	AGAINST	ABSTAIN*			FOR	AGAINST	ABSTAIN*
Res 2	To Adopt the Remuneration Report	☐	☐	☐	Res 7B	Ratify past issue of 375,000 unlisted performance rights	☐	☐	☐
Res 3	Reduction of Company's share capital by cancellation of 2,220,000 shares	☐	☐	☐	Res 7C	Ratify past issue of 8,945,591 shares	☐	☐	☐
Res 4	Confirmation of a Director, Mr. Darren Brown	☐	☐	☐	Res 7D	Ratify past issue of 25,538,462 shares	☐	☐	☐
Res 5	Confirmation of a Director, Ms. Leonie Valentine	☐	☐	☐	Res 8A	General approval of issue of securities under the ESPP	☐	☐	☐
Res 6	Confirmation of a Director, Ms. Marina Go	☐	☐	☐	Res 8B	General approval of issue of securities under the PRP	☐	☐	☐
Res 7A	Ratify past issue of 3,310,000 shares	☐	☐	☐					

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2018