

Notice of Special Shareholders' Meeting

Notice is hereby given that a Special Shareholders' Meeting of Pacific Edge Limited ("the Company") will be held at the **Ground Floor Seminar Room, Centre for Innovation, 87 St David Street, Dunedin** on Friday 26th February 2016, commencing at 11am.

Business

1. To consider, and if thought fit, pass the following Ordinary Resolution:

"That pursuant to clause 25 of the Company's Constitution and NZX Listing Rule 3.5.1 the maximum aggregate amount per annum payable by the Company to its Directors be increased to \$275,000."

The Directors and their associates are excluded from voting on this resolution and from exercising any discretionary proxies pursuant to NZX Listing Rule 9.3.1.

(See Explanatory notes)

Important Information

Proxies

All shareholders are entitled to attend and vote at the meeting or to appoint a proxy to attend and vote in their place.

Enclosed with this notice of meeting is a proxy form. For the appointment of a proxy to be valid, Link Market Services must receive the proxy form either by post (to PO Box 91976, Auckland 1142) or facsimile (+64 9 375 5990) or email (meetings@linkmarketservices.com) no later than 48 hours before the start of the meeting (**that is by 11am on Wednesday 24th February 2016**). Alternatively shareholders may lodge their proxy online as set out below.

The Chairman, the Directors and Chief Executive Officer offer themselves as proxy to shareholders only if shareholders instruct them how to vote. The Directors cannot exercise their discretion on how to vote given the resolution relates to approving their remuneration. Any shareholder of the Company entitled to attend and vote at the meeting may appoint another person or persons as proxy to attend, and vote on his or her behalf.

All joint holders of a share must sign the proxy form.

Corporate Representatives

A corporation that is a shareholder may appoint a representative to attend the meeting on its behalf in the same manner as that which it could appoint a proxy. Corporate representatives should bring along to the meeting evidence of their authority to act for the relevant corporation.

Powers of Attorney

Any person representing a shareholder(s) by virtue of a power of attorney must bring evidence of their authority to vote on behalf of the shareholder(s) and power of attorney.

Companies may sign under the hand of a duly authorised officer or by power of attorney. If the proxy form has been signed under a power of attorney, a copy of the power of attorney (unless already deposited with the Company) and a signed certificate of non-revocation of the power of attorney must be delivered to the Company with the proxy form.

Postal Voting

A shareholder is entitled to exercise his/her right to vote at the meeting by casting a postal vote. A postal voting form is incorporated in the proxy form attached. The share registrar, Link Market Services has been authorised by the Board to receive and count postal votes for the meeting.

Online proxy and postal voting

Shareholders may elect to lodge their proxy appointment or postal vote online.

You will need to go to the website of our share registrar, Link Market Services <https://investorcentre.linkmarketservices.co.nz/voting/PEB>. You will be required to enter your CSN/Holder number and FIN and follow the instructions from there.

Date

In order for a postal vote to be effective, the proxy/postal voting form must be completed and returned to the share registrar so that it is received no later than 48 hours before the meeting (**that is by 11am on Wednesday 24th February 2016**) in accordance with the instructions set out on the form.

By Order of the Board of Directors



Chris Swann
Chairman
11 February 2016

Explanatory Notes

In these explanatory notes, references to "Listing Rules" are to the NZX Main Board Listing Rules.

Resolution: Directors' Remuneration

The Board has undertaken a review of its composition given its focus on the US market to ensure it has the necessary range of skills on the Board. It has determined that it is critical that it has a US based director.

The Board wishes to appoint David Levison as its first US based director. David has the right skills for this role as well as being US based. Further information on David is set out below.

The Board recognises that there is a disparity between the market rates paid in the US and New Zealand for suitably qualified directors. Accordingly, in order to attract a suitably qualified US person, the Company needs to pay US market rates. The Board has evaluated the market and taken advice as to an appropriate annual fee for a US based director. The Board has determined that the appropriate fee for a US based director is \$77,000 per annum and has made an offer to David Levison on this basis subject to obtaining shareholder approval.

The offer to David also includes options to subscribe for up to 225,000 ordinary shares in the Company, such options to vest over three years with an exercise period of 10 years. The exercise price for the shares will be cash consideration payable by David on exercise of the options at a price to be determined by the Board on the issue of those options.

The current maximum amount payable to Directors collectively in their capacity as Directors of the Company in each year is \$198,000. The Board therefore recommends that the shareholders approve an increase of \$77,000 per annum setting the total maximum aggregate remuneration at \$275,000 per annum.

The resolution is an Ordinary Resolution, which requires approval by a simple majority (greater than 50%) of the votes of those shareholders entitled to vote and voting on the question.

The persons who will be entitled to vote at the Meeting are those persons (or their proxies or representatives) registered as holding ordinary shares on the Company's share register at 11am on Wednesday 24th February 2016. Please note that the Directors are excluded from voting and from exercising discretionary proxies given that the resolution relates to the approval of their remuneration.

David Levison

Pacific Edge's major market is the US Healthcare market and the Company has been actively seeking a US-based and experienced director to assist in the rollout of the Company's ongoing growth strategy in this region.

David is an experienced and successful executive who has an in-depth knowledge and experience in the US healthcare market. He has been CEO and a director of CardioDx, a specialist molecular diagnostic company, since 2004. This is a similar company to Pacific Edge, with a niche diagnostic product, high growth strategy and double digit revenue growth.

David has overseen capital raising of US\$225 million of private equity for CardioDx and was also a venture partner in Texas Pacific Ventures, specialising in healthcare and molecular diagnostic companies. Prior to this, he held senior executive positions with a number of healthcare and technology companies.

David holds an MBA from Stanford Graduate School of Business, and a Bachelor of Economics from Williams College.

The Board unanimously supports David's appointment to the Board. If this resolution is passed, David will be appointed and will hold office until Pacific Edge's next annual shareholders' meeting at which time he will offer himself for election by shareholders. The Board has determined that David Levison is an independent director, for the purposes of NZX Listing Rule 3.3.2.

SPECIAL MEETING:
SHAREHOLDER'S PROXY AND POSTAL VOTING FORM

If you propose to attend the meeting please bring this Proxy/ Voting Form intact to the meeting as the barcode will assist in your registration. If you propose not to attend the meeting but wish to vote by postal vote or, appoint a proxy please complete and post this form or complete either process online. Please do not appoint a proxy if you are voting by Postal Vote. Please read the instructions before completing this form.

VOTING BY POSTAL VOTE

(To use if you will not attend the meeting and are not submitting your postal vote online)

I wish to vote by postal vote (please √). My voting intention is indicated in the resolution section below.
(If you choose this option please do not complete the proxy section below)

PROXY APPOINTMENT

(Only complete this section if you will not attend the meeting but wish someone to represent and vote on your behalf and have not sent a postal vote):

I/We being a shareholder of Pacific Edge Limited hereby appoint:

of

(Full name of proxy)

(Full address of proxy)

As my/our proxy to vote for me/us on my/our behalf at the Special Shareholders' Meeting of the Company to be held on Friday 26th February 2016, at the Ground Floor Seminar Room, Centre for Innovation, 87 St David Street, Dunedin at 11am and at any continuation of that meeting should it be adjourned.

RESOLUTIONS (FOR POSTAL AND PROXY VOTING)

Cast a Postal Vote, or instruct a proxy to vote, by placing a tick in the relevant box.

Ordinary Resolution	Please vote with a √		
	For	Against	Abstain
That pursuant to clause 25 of the Company's Constitution and NZX Listing Rule 3.5.1 the maximum aggregate amount per annum payable by the Company to its Directors be increased to \$275,000.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tick only one box in respect of each resolution. If none of the boxes above are ticked then I/we provide my/our proxy to exercise his/her/their discretion as to whether to vote for or against or abstain from voting for the relevant resolution. If you wish to appoint a discretionary proxy you must appoint someone other than a Director of the Company as the Directors are prohibited from exercising discretionary proxies. This means your vote would not be counted. If no proxy form is received by the Company within 48 hours of the commencement of the meeting (being no later than **11am on Wednesday 24th February 2016**) then in the absence of the relevant shareholders attending the meeting the votes attaching to such shares will not be voted at the meeting.

Signature of Shareholder(s)

Dated: _____ 2016

Contact phone number: _____

Please contact Link Market Services should you have any question on how to complete your proxy on +64 9 375 5998

NOTES ON THE COMPLETION OF YOUR POSTAL VOTE OR PROXY APPOINTMENT & VOTE

Postal Vote

1. As a shareholder entitled to vote at the Special Meeting you are entitled to vote by postal vote.
2. You can cast your postal vote online or by other methods in accordance with the instructions below.
3. If you return your postal vote without indicating on any resolution how you wish to vote, you will be deemed to have abstained from voting on that resolution.
4. If you complete the postal vote section and also appoint a proxy your postal vote will take priority over the proxy appointment.

Proxy Appointment

5. A shareholder entitled to attend and vote at the Special Meeting is entitled to appoint a proxy or, in the case of a corporate shareholder, a representative to attend and vote instead of him/her and that proxy or representative need not also be a shareholder. A proxy appointment may be completed online as detailed below.
6. If you wish, you may appoint either the Chair of the Meeting, any of the Directors or the Chief Executive Officer as your proxy only if you instruct them how to vote. The Directors cannot exercise their discretion on how to vote given the resolution relates to approving their remuneration. To do so, please write their position in the box marked "full name of proxy" e.g. "Chair of the meeting".
7. If you wish to appoint a discretionary proxy you must appoint someone other than a Director of the Company as the Directors are prohibited from exercising discretionary proxies.
8. You can appoint your proxy online or by other methods in accordance with the instructions set out in these notes.
9. If this Proxy has been signed under a power of attorney, a copy of the power of attorney and a signed certificate of non-revocation of the power of attorney must be produced with this Proxy. (This cannot be done online)
10. If you return this form without directing the proxy how to vote on any particular resolution, you will be deemed to have given your proxy discretion as to whether and how to vote on that resolution.

General

11. For your postal vote or proxy appointment to be valid you must return this form completed and signed to be received by our share registrar, Link Market Services, no later than **11am on Wednesday 24th February 2016**. Instructions on how to return this form, or how to vote online are noted in the section below.
12. If you intend to attend the Meeting and vote please bring this form intact to the meeting as your admission card and voting paper.

PLEASE COMPLETE YOUR POSTAL VOTING FORM OR PROXY FORM ONLINE OR DELIVER IT TO LINK MARKET SERVICES, IN ONE OF THE FOLLOWING WAYS:

Online:	To cast a postal vote or appoint a proxy online please go to the Link Market Services website: https://investorcentre.linkmarketservices.co.nz/voting/PEB You will be required to enter your CSN/Holder number and FIN and follow the prompts. To exercise a postal vote or appoint a proxy, elect your preferred voting method when prompted.
Mail:	If mailing a Postal Vote or Proxy Form in New Zealand please place in reply paid envelope or if mailing outside New Zealand please place in the pre-addressed envelope, affix the postage from the country of mailing and post to Link Market Services, PO Box 91976, Victoria Street West, Auckland, New Zealand.
Fax:	+64 9 375 5990
Scan & email:	meetings@linkmarketservices.co.nz <i>Please put the words "Pacific Edge Proxy Form" in the subject line for easy identification</i>