

AHF – Securityholder input for Group Name Change

- **Proposal for Australian Dairy Farms Group to become “Australian Dairy Nutritionals”**
- **Resolution for Securityholder consideration at October AGM**
- **Retain “AHF” ticker code if approved by Securityholders**

What’s in a Name?

For a listed entity most commentators think that when possible, the name of the listed entity should express at first read what the entity’s core business is and where it is most focussed. This proposed name change aligns the Group with future plans.

When we started:

When AHF commenced in 2013/14 it was on the back of dairy farm aggregation, based on authoritative global reports about the upcoming surge in milk consumption mainly from China and consequent shortages of milk supply. Until April 2016, AHF’s core business was owning and operating dairy farms in South West Victoria. The Group acquired six good farms in prime locations although the shortage of milk did not eventuate as global production stepped up to meet demand and the dairy industry continued as it had for decades.

Diversifying into Dairy Processing

Since its acquisition of Camperdown Dairy Company in April 2016, the Group’s business and growth focus has been on the processing and packaging of high quality processed dairy products and the development of high value added branded dairy products which have the potential to build significant asset values in their own right as well as provide future regular positive cash flow. This applies across a wide range of product categories from premium milk to yoghurts, butters and creams through to specialised nutritionals such as formula-based products from infant formula through toddler and teenage formula supplements and sports drinks to aged care and geriatric formulas.

The Board’s decision to convert the Group’s farm to Organic milk production was a key step in improving the value of the farms in the medium term and providing the opportunity to produce a high demand milk raw material rather than commoditised white conventional milk in a market where farmers remain price takers.

Focus on the Future

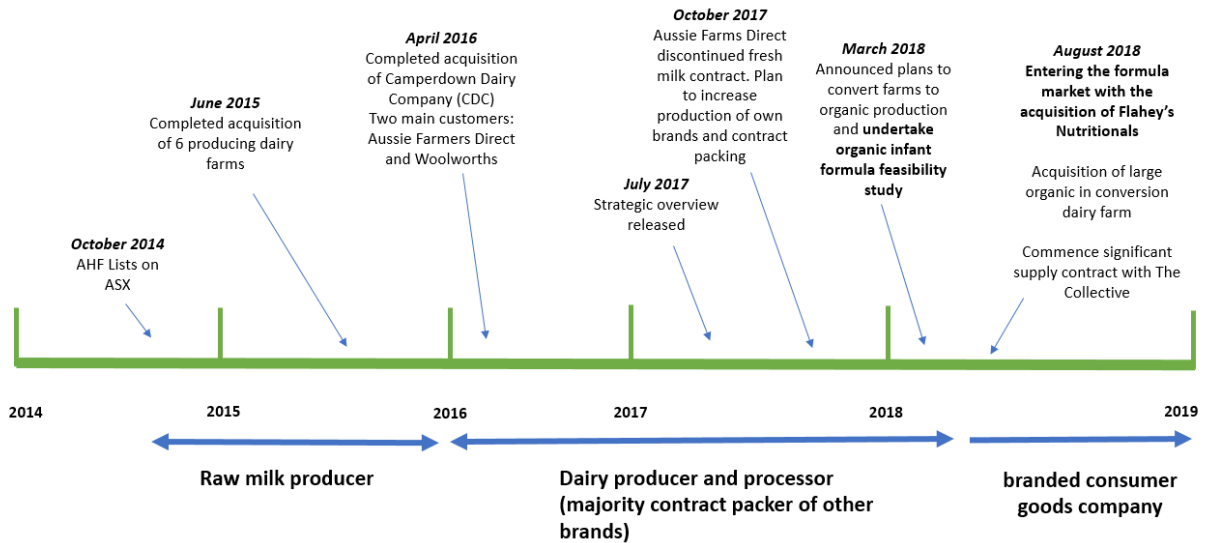
Dairy Nutritionals and particularly Infant formula are a major part of our focus for the future and are all nutrition rich foods (refer graphics below for more details).

The Group has evolved considerably since 2016 and the Directors see the opportunity to align the Group’s public identity with value added branded and specialised products rather than with dairy farms. The farms’ future supply of organic milk remains important to the Group, however putting that in perspective they provide raw material for value added consumer products.

The Group fully intends to continue producing and selling the current and future expanded Camperdown Dairy product range, while building on the infant formula and other nutritionals products under development.

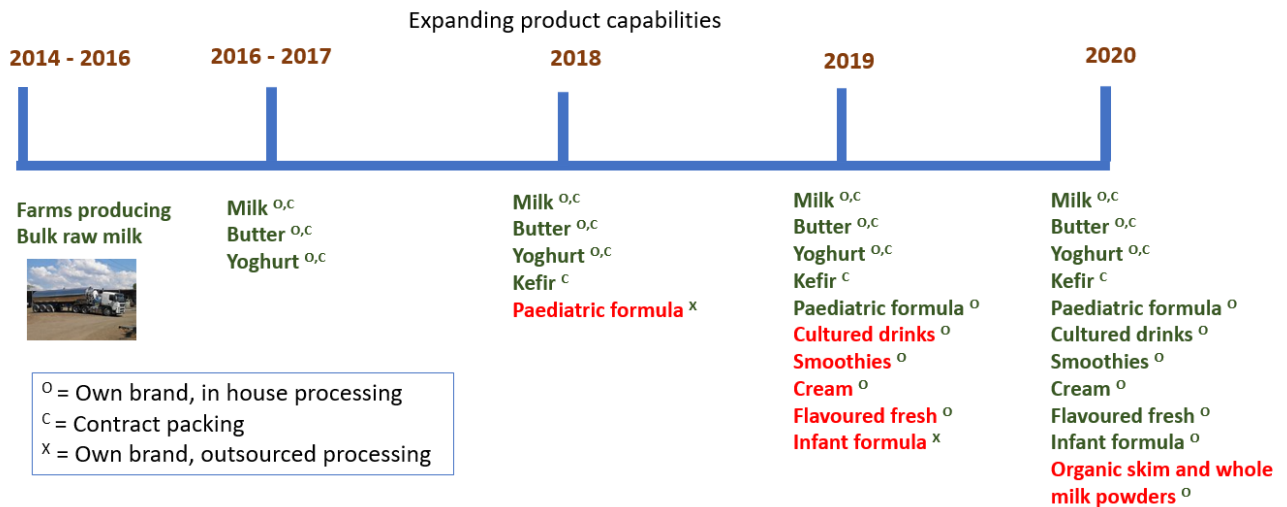
The Directors plan to include the name change resolution in the agenda for the 2018 AGM and to recommend approval by Securityholders.

History of Australian Dairy Farms



Above: Timeline of AHF History

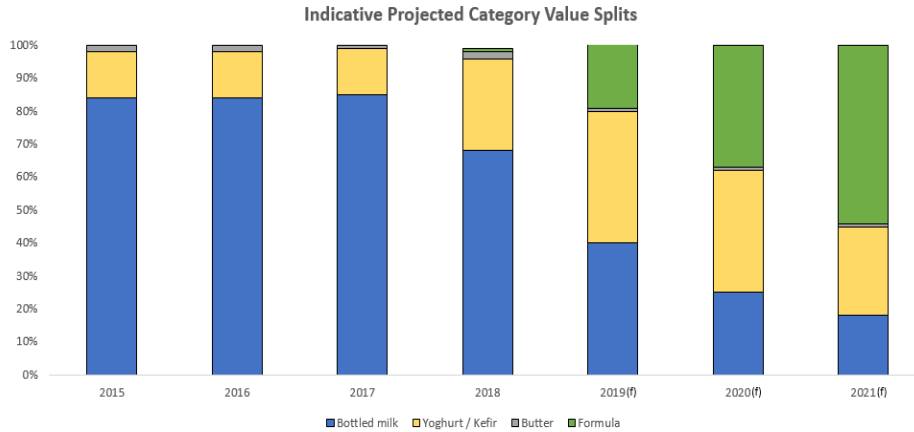
Moved From Farms Focus To Consumer Products



Above: Timeline of how AHF's products have evolved and future plans

Shift to Branded Products and Nutritionals

Australian Dairy Farms are moving up the value chain to high value speciality products



*Actual volumes and product mix will be dependent on listing opportunities.

Above: Shift to Branded Products and Nutritionals

Infant Formula / Nutritionals Pipeline

| Current Product | | |
|--|---|---|
| Product | Description | Product Range |
| Paediatric formula Flahey's future | Certified organic ultra premium nutritional formula | 1 SKU: <ul style="list-style-type: none"> Currently ranged in major branded retailers within the pharmacy market in Australia |
| Product Pipeline | | |
| Product | Description | Product Range |
| Infant formula "Tummy health" | Differentiated position focusing on "Tummy health" | 3 SKU's: <ul style="list-style-type: none"> 0-6 months 6-12 months Toddler |
| Infant Formula Australian organic product | A full organic product from Australian organic milk | 3 SKU's: <ul style="list-style-type: none"> 0-6 months 6-12 months Toddler |
| Adult health formula Organic adult nutritional products | Organic adult nutritional products. | 2-4 SKU's: Segmented Adult male and female |

Above: Nutritional Products Pipeline

AUSTRALIAN DAIRY FARMS GROUP

Ends.

Further Details

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Communications Policy

As a policy, because of the heavy demands on limited management resources and to ensure compliance with continuous market-wide disclosure regulations, AHF does not respond to individual security holder communications regarding the management of the business, the company or with respect of any opinion or analysis that is not contained in market releases and released financial reports.

AHF makes ASX market releases at times directors believe it would be helpful or necessary for investors and as required by the Listing Rules. For further information regarding our shareholder communications policy, please refer to AHF's website: www.adfl.com.au.

About Australian Dairy Farms Group

Australian Dairy Farms Group (AHF) is an ASX listed Dairy Group, based in South West Victoria with is often referred to as the "Golden Triangle" of the Australian Dairy Industry with 23% of Australia milk on its door step.

Camperdown Dairy Company is a fully owned subsidiary of the Group and is a trusted source for premium branded products fit for the world stage, with products produced with fresh milk from both the Group's own, and other local farms.

Adding to the product offering the Group announced in September 2018 the purchase of Flahey's Nutritionals which includes a new exposure to the Australian Market Organic formula and has several differentiated infant formulas under development.

AHF was the first ASX vertically integrated dairy company and owns the whole supply chain including livestock, farms, processing factory and brands.

The Group's initial focus was on aggregating high-quality dairy farms in Victoria, initially in the South Western region with particular emphasis initially, on the famous Dairy Golden Triangle region of South West Victoria between Warrnambool and Colac south of the Princes Highway to the coast around Port Campbell.

Australian Dairy Farms Group is listed as a stapled security comprising one fully paid share in **Australian Dairy Farms Limited (the Company)** and one fully paid unit in **Australian Dairy Farms Trust (the Trust)**. Within the structure, the Company is the operator and manager of the dairy farm properties, which are leased from the Trust as the registered owner.

The Group is intently focussed on progressively building a prominent and flexible position in several sections of the high value added "Nutritionals" market for both Australian domestic and export markets.

Disclaimer – Forward Looking Statements

This announcement may include "forward looking statements" within the meaning of securities laws of applicable jurisdictions. These forward-looking statements are not historical facts but are based on AHF's current expectation, estimates and projections about the industry, in which it operates, and beliefs and assumptions. Forward looking statements may include indications of, and guidance on, future earnings or distributions and financial position and performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of AHF, and its officers, employees, agents, or associates, that may cause actual results to differ materially from any projections and forward-looking statements and the assumptions on which those statements are based. Readers are cautioned not to place undue reliance on forward looking statements and AHF assumes no obligation to update such information.