



ASX ANNOUNCEMENT

Paul van Heerwaarden appointed as Bega Cheese CEO

Bega Cheese Limited (Bega Cheese) today announced the appointment of Paul van Heerwaarden as Chief Executive Officer effective 1 February 2017. Paul is replacing Aidan Coleman who as previously announced is retiring.

Paul is currently Chief Operating Officer at Bega Cheese following four years as General Manager Sales and Marketing and prior to that was Chief Financial Officer at Tatura Milk Industries for three years. This makes Paul uniquely qualified for the role as he is focused on driving financial performance, has total commitment to customers, a strong marketing background and a great track record of growing valuable businesses and developing his team.

Paul has over 25 years' experience in food and agribusiness having worked in senior positions with several companies including Cargill and Ridley AgriProducts. Paul has an MBA from Melbourne Business School, a Bachelor of Business (Accounting) from RMIT, is a CPA and in 2014 completed the Advanced Management Program at Harvard Business School.

Mr. van Heerwaarden said 'I am honoured to be appointed CEO of such an iconic Australian company with great prospects. Bega Cheese' core business is strong, underpinned by long term contracts which provide a solid foundation to expand our customer base and markets. An early key focus will be on getting more out of our existing plants and infrastructure. Another will be building our food service and consumer products sales and marketing capability to complement our significant manufacturing expertise. Despite the recent regulatory changes in China, the infant formula market continues to grow and Bega Cheese is well placed to take advantage of the increasing demand for safe, clean Australian products.'

Executive Chairman, Barry Irvin said 'I am delighted to announce the appointment of Paul as Bega Cheese's new Chief Executive Officer. He has extensive experience in agribusiness, having worked in senior financial, operational and marketing positions in Australia and internationally. Paul has been the driving force behind Bega Cheese's recent growth in dairy foods and nutritionals and proved to be the outstanding candidate for the role of CEO.'

14 November 2016

For further information please contact:

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Paul van Heerwaarden
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**Summary of the Key Terms of the Employment Contract
between Bega Cheese Limited and Paul van Heerwaarden**

1. Commencement Date

Paul van Heerwaarden will commencement employment in the position of Chief Executive Officer of Bega Cheese Limited (Company) on 1 February 2017. Mr van Heerwaarden's appointment is ongoing with no fixed term.

2. Remuneration

Fixed remuneration

Mr van Heerwaarden will receive an annual total fixed remuneration of \$700,000 (inclusive of salary and superannuation).

Short Term Incentive

Mr van Heerwaarden will participate in the Company's short term incentive program with an "at-target performance" value of \$350,000. The actual amount he will receive will be subject to achievement of key performance indicators determined by the Board.

Long Term Incentive

Mr van Heerwaarden will be eligible for a performance-based long term incentive payment with a value of \$350,000 under the Company's long term incentive program, subject to achievement of key performance indicators determined by the Board.

3. Termination

Either party may terminate Mr van Heerwaarden's employment contract at any time on 6 months' notice. Mr van Heerwaarden's employment may also be terminated by Bega Cheese summarily without notice for serious misconduct and in other defined events.

4. Restrictive Covenant

Mr van Heerwaarden will be subject to a post-employment non-solicitation restraint for a period of 6 months preventing him from soliciting customers, suppliers and employees of the Company or its related bodies corporate.