



22 February 2017

Private and Confidential

Our ref. PS:M160079

The Manager
ASX Limited
Company Announcements Office
Exchange Centre, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir or Madam

**Takeover Bid for Warrnambool Cheese and Butter Factory Company Holdings Limited ACN 071 945 232 (Warrnambool)
First Supplementary Bidder's Statement**

We act for Saputo Dairy Australia Pty Ltd ACN 166 135 486 (**Saputo**).

In accordance with section 647(3)(a)(ii) of the *Corporations Act 2001* (Cth) (**Act**), we attach a copy of Saputo's first supplementary bidder's statement dated 22 February 2017 in relation to its takeover bid for 100% of Warrnambool's shares on issue at the end of the offer period, which supplements Saputo's Bidder's Statement dated 31 January 2017 (**First Supplementary Bidder's Statement**).

Saputo has today lodged a copy of the First Supplementary Bidder's Statement with ASIC and served a copy of the same on Warrnambool. We intend to dispatch the First Supplementary Bidder's Statement to Warrnambool shareholders.

Yours faithfully

A handwritten signature in blue ink, appearing to read "Peter Shaw".

Peter Shaw
Director
e: pshaw@ashstreet.com.au
d: 61 2 8651 8706

Encl.

THIS IS AN IMPORTANT DOCUMENT

AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT ABOUT HOW TO DEAL WITH THIS DOCUMENT, YOU SHOULD
CONSULT YOUR LEGAL, FINANCIAL OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

First Supplementary Bidder's Statement

In relation to the Offer by
Saputo Dairy Australia Pty Ltd
ACN 166 135 486

to acquire all of your ordinary shares in

Warrnambool Cheese and Butter Factory Company Holdings Limited
ACN 071 945 232

**ACCEPT SAPUTO'S ALL-CASH OFFER OF \$9.05 PER
WARRNAMBOOL SHARE**

Date of the First Supplementary Bidder's Statement: 22 February 2017

First Supplementary Bidder's Statement

This document is the first supplementary bidder's statement dated 22 February 2017 under section 643 of the Corporations Act (**First Supplementary Bidder's Statement**). It is the first supplementary bidder's statement issued by Saputo Dairy Australia Pty Ltd ACN 166 135 486 (**Saputo**) in relation to its takeover offer for all Warrnambool Shares.

This First Supplementary Bidder's Statement supplements, and should be read together with, Saputo's bidder's statement dated 31 January 2017 lodged with ASIC (**Bidder's Statement**).

Unless the context otherwise requires, terms used in this First Supplementary Bidder's Statement have the meanings given in the Bidder's Statement. This First Supplementary Bidder's Statement prevails to the extent of any inconsistency with the Bidder's Statement.

The following principles of interpretation apply unless the context otherwise requires:

- 1.1.1 headings are for convenience only and do not affect the meaning of the paragraphs they introduce;
- 1.1.2 the singular includes the plural and vice versa;
- 1.1.3 words importing any gender include any other genders;
- 1.1.4 references to persons include corporations;
- 1.1.5 appendices and annexures to this First Supplementary Bidder's Statement form part of this First Supplementary Bidder's Statement;
- 1.1.6 references to **AUD** or **\$** are references to Australian currency;
- 1.1.7 references to sections, paragraphs, pages and headings in this document are to those in the First Supplementary Bidder's Statement.

A copy of this First Supplementary Bidder's Statement was lodged with ASIC on 22 February 2017. Neither ASIC nor any of its officers takes any responsibility for the contents of this First Supplementary Bidder's Statement.

This First Supplementary Bidder's Statement has been approved by a resolution of directors of Saputo.

Signed on behalf of Saputo Dairy Australia Pty Ltd ACN 166 135 486



Jeffery Goss
Director

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1. Increase in Offer Consideration

As announced on 21 February 2017, Saputo has increased the Consideration under its all-cash Offer as a **LAST AND FINAL PRICE** to \$9.05 per Warrnambool Share.

A copy of the announcement dated 21 February 2017 is attached as Annexure 1. A copy of the notice giving effect to this increase to the Consideration which was lodged with ASIC on 21 February 2017 is attached to this First Supplementary Bidder's Statement as Annexure 2.

The increase will apply to all Warrnambool Shareholders who accept the Offer, including the Warrnambool Shareholders who accepted the Offer before the increase.

SAPUTO'S PRICE OF \$9.05 PER WARRNAMBOOL SHARE IS LAST AND FINAL AND SAPUTO WILL NOT INCREASE THE OFFER CONSIDERATION DURING THE OFFER PERIOD.

Saputo will fund the additional cash Consideration from cash on hand and credit facilities available to it through Saputo Inc. as described in Section 5.3 of Part B of the Bidder's Statement. The maximum amount payable by Saputo to Warrnambool Shareholders under the Offer upon acquisition of those Warrnambool Shares, is approximately \$83,548,106.75 (not including any transaction costs).

2. Saputo's Offer is free of all Conditions

As announced on 21 February 2017, Saputo has now freed the Offer of the Condition which means the Warrnambool Shareholders who ACCEPT the Offer will be paid the Consideration within 5 Business Days after a valid acceptance is processed.

A copy of the notice freeing the Offer from the Condition which was lodged with ASIC on 21 February 2017 is attached to this First Supplementary Bidder's Statement as Annexure 3.

3. Extension of the Offer Period

On 22 February 2017 Saputo announced that it extended its Offer Period so that the Offer will not close before **7.00pm (Melbourne time) on 6 March 2017**. Saputo wishes to align the Offer close time with the time at which CHESS automatically finalizes processing of market trades and transfers for the day, being 7.00pm.

A copy of the Notice of Variation comprises Annexure 4 to this First Supplementary Bidder's Statement.

4. How to accept

Details on how to accept the Offer are set out in Section 7.15 of Part B of the Bidder's Statement.

5. Key Dates

The Offer is open for you to accept until 7.00pm (Melbourne time) on 6 March 2017, unless extended in accordance with the Corporations Act.

The following is a summary of some of the key dates in respect of the Offer:

Offer Period opens	6 February 2017
Saputo's Offer becomes unconditional	21 February 2017
Expected closing date of Offer (unless extended)	7.00pm (Melbourne time) on 6 March 2017 ¹

6. Additional Information

6.1.1 Saputo's relevant interest in Warrnambool

As at the date immediately prior to the date of this First Supplementary Bidder's Statement Saputo has received acceptances of the Offer in respect of 76,996 Warrnambool Shares and accordingly has a Relevant Interest and Voting Power, in Warrnambool of 88.12%.

6.1.2 No other material information

Except as set out in this First Supplementary Bidder's Statement (including any annexures), there is no other information that:

- (a) is material to the making of a decision by a Warrnambool Shareholder whether or not to accept the Offer;
- (b) is known to Saputo; and
- (c) has not previously been disclosed to Warrnambool Shareholders.

¹ This date may be extended as permitted by the Corporations Act.

7. Approval of the First Supplementary Bidder's Statement

The copy of this First Supplementary Bidder's Statement that is to be lodged with ASIC has been approved by a resolution passed by the directors of Saputo in accordance with Section 645(2)(a) of the Corporations Act.

22 February 2017

Signed for and on behalf of

Saputo Dairy Australia Pty Ltd ACN 166 135 486



Jeffery Goss

Director

PRESS RELEASE

For immediate release

ASX ANNOUNCEMENT

SAPUTO ANNOUNCES LAST AND FINAL UNCONDITIONAL OFFER AT AN IMPROVED PRICE

WARRNAMBOOL SHAREHOLDERS SHOULD ACCEPT NOW

(21 February 2017) –Saputo Dairy Australia Pty Ltd ACN 166 135 486 ("Saputo") today announced that it has:

- increased the Offer consideration from \$8.85 to **\$9.05 cash** per share – this increase is available to all shareholders regardless of when they accept including those who have already accepted the Saputo Offer;
- declared the Offer **unconditional** with effect from today; and
- declared the **UNCONDITIONAL ALL-CASH OFFER AS ITS LAST AND FINAL OFFER**.

The Offer will now close at 7.00pm (Melbourne time) on Monday 6 March 2017 unless further extended in accordance with the Corporations Act, 2001 (Cth).

Warrnambool shareholders who have already accepted Saputo's offer will be paid \$9.05 cash per share within 5 business days.

Saputo encourages Warrnambool shareholders to **ACT NOW and ACCEPT SAPUTO'S OFFER**.

- If Warrnambool shareholders accept Saputo's offer, they will receive **\$9.05 cash** per Warrnambool share within 5 business days after the processing of their valid acceptance.
- Acceptances must be received on or before the time of the scheduled close of the Offer if Warrnambool shareholders wish to be paid Saputo's Offer consideration.

For further information, please contact Computershare on 1300 783 664 (within Australia) or +61 3 9415 4250 (outside Australia).

For media enquiries, please contact:

Sandy Vassiadis
Saputo Inc.
+1 514 328 3347

About Saputo Inc.

Saputo produces, markets, and distributes a wide array of dairy products of the utmost quality, including cheese, fluid milk, extended shelf-life milk and cream products, cultured products and dairy ingredients. Saputo is one of the top ten dairy processors in the world, the largest cheese manufacturer and the leading fluid milk and cream processor in Canada, the third largest dairy processor in Argentina, and the fourth largest in Australia. In the US, Saputo ranks among the top

three cheese producers and is one of the largest producers of extended shelf-life and cultured dairy products. Our products are sold in several countries under well-known brand names such as *Saputo*, *Alexis de Portneuf*, *Armstrong*, *COON*, *Cracker Barrel**, *Dairyland*, *DairyStar*, *Friendship Dairies*, *Frigo Cheese Heads*, *La Paulina*, *Milk2Go/Lait's Go*, *Neilson*, *Nutralait*, *Scotsburn**, *Stella*, *Sungold*, *Treasure Cave* and *Woolwich Dairy*. Saputo Inc. is a publicly traded company and its shares are listed on the Toronto Stock Exchange under the symbol "SAP".

*Trademark used under licence.

Annexure 2

Increase of Consideration Notice dated 21 February 2017

Saputo Dairy Australia Pty Ltd
ACN 166 135 486
(Company)

Corporations Act 2001 (Cth)
Section 650D

NOTICE OF VARIATION – INCREASE IN OFFER CONSIDERATION

To: Australian Securities and Investments Commission (ASIC)

Warrnambool Cheese and Butter Factory Company Holdings Limited ACN 071 945 232
(Warrnambool)

Each person to whom an offer was made pursuant to the off-market takeover bid made by Saputo Dairy Australia Pty Limited ACN 166 135 486 (Saputo) to acquire all Warrnambool Shares (offer) pursuant to the Bidder's Statement dated 31 January 2017 (Bidder's Statement)

Saputo gives notice under section 650D(1) of the Corporations Act that it varies the Offer by increasing the Consideration (as defined in the Bidder's Statement) to \$9.05 per Warrnambool Share.

Accordingly the Bidder's Statement is amended by replacing all references to "\$8.85" when referring to the Offer Consideration, with references to "\$9.05". However statements, calculations, and graphs which are based on the original Offer Consideration of \$8.85, including those relating to the value of the Offer compared to other offers for Warrnambool Shares and the Offer Consideration premium compared to various Warrnambool Share trading prices, remain correct on the basis of the original Offer Consideration of \$8.85 per Warrnambool Share and are not changed.

The increased Consideration will apply to all Warrnambool Shareholders who accept the Offer, including those Warrnambool Shareholders who have already accepted the Offer.

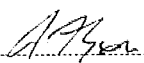
Unless the context requires otherwise, terms defined in the Bidder's Statement have the same meaning when used in this notice.

A copy of this notice was lodged with ASIC on 21 February 2017. Neither ASIC nor any of its officers takes any responsibility for the contents of this notice.

This notice has been approved by a unanimous resolution passed by all directors of Saputo.

Dated: 21 February 2017

Signed for and on behalf of Saputo Dairy Australia Pty Limited ACN 166 135 486.


.....

Jeffery Goss

Director

Saputo Dairy Australia Pty Limited ACN 166 135 486

Annexure 3

**Notice Freeing the Offer of the Condition dated 21
February 2017**

Saputo Dairy Australia Pty Ltd

ACN 166 135 486

(Company)

Corporations Act 2001 (Cth), Section 650F

NOTICE DECLARING OFFER FREE OF THE CONDITION

To: Warrnambool Cheese and Butter Factory Company Holdings Limited ACN 071 945 232
(Warrnambool)

ASX Limited

Saputo Dairy Australia Pty Ltd ACN 166 135 486 (Saputo) hereby gives notice under section 650F of the *Corporations Act 2001* (Cth) in relation to its offer in relation to Saputo's takeover bid for 100% of Warrnambool's shares on issue at the end of the offer period (Offer) as set out in Section 7 of its bidder's statement dated 31 January 2017 (Bidder's Statement), that as at the date of this notice:

1. Saputo declares each Offer as set out in the Bidder's Statement and each contract formed by the acceptance of any such offer to be free from the following condition:

(Minimum Acceptance Condition) During, or by the end of, the Offer Period, Saputo has a Relevant Interest in at least 90% (by number) of Warrnambool Shares;

2. At the time of lodgment of this notice for publication, the voting power of Saputo in Warrnambool was approximately 88.11% comprising 67,914,253 ordinary shares in Warrnambool out of a total of 77,079,624 ordinary shares in Warrnambool presently on issue.

This notice is dated 21 February 2017.

Signed for and on behalf of Saputo Dairy Australia Pty Ltd ACN 166 135 486 by its authorised representative, Jeffery Goss.

.....
Jeffery Goss
Director

21 February 2017
.....
Date

Saputo Dairy Australia Pty Ltd
ACN 166 135 486
(Company)

Corporations Act 2001 (Cth)
Section 650D

NOTICE OF VARIATION – EXTENSION OF OFFER PERIOD

To: Australian Securities and Investments Commission (ASIC)

Warrnambool Cheese and Butter Factory Company Holdings Limited ACN 071 945 232
(Warrnambool)

Each person to whom an offer was made pursuant to the off-market takeover bid made by Saputo Dairy Australia Pty Limited ACN 166 135 486 (Saputo) to acquire all Warrnambool Shares (Offer) pursuant to the bidder's statement dated 31 January 2017 (Bidder's Statement)

Saputo gives notice under section 650D(1) of the *Corporations Act 2001 (Cth)* (Corporations Act) that pursuant to section 650C of the Corporations Act it varies the Offer by extending the Offer Period (as defined in the Bidder's Statement) so as to change the close of the Offer Period from 5.00pm (Melbourne time) 6 March 2017 to 7.00pm (Melbourne time) 6 March 2017 (unless further extended).

The Offer is therefore varied by replacing '5.00pm (Melbourne time) on 6 March 2017' with '7.00pm (Melbourne time) on 6 March 2017' in each place it appears in the Bidder's Statement.

Unless the context requires otherwise, terms defined in the Bidder's Statement have the same meaning when used in this notice.

A copy of this notice was lodged with ASIC on 22 February 2017. Neither ASIC nor any of its officers takes any responsibility for the contents of this notice.

This notice has been approved by a unanimous resolution passed by all directors of Saputo.

Dated: 22 February 2017

Signed for and on behalf of Saputo Dairy Australia Pty Limited ACN 166 135 486.

.....
Jeffery Goss
Director
Saputo Dairy Australia Pty Limited ACN 166 135 486