

AHF announces Share Purchase Plan

The Board of Australian Dairy Nutritionals Group (the **Group** or **AHF**) is pleased to offer securityholders the opportunity to participate in a Share Purchase Plan (**SPP**) to raise approximately \$1 million (before costs). Under the SPP, eligible securityholders will be invited to subscribe for up to a \$30,000 new fully paid ordinary stapled securities (**Stapled Securities**) at an issue price of \$0.06 per Stapled Security (**SPP Price**), free of brokerage and commissions. The SPP Price is the same as securities recently issued to sophisticated and professional investors under the placement announced on 15 December 2020 (**Placement**). Participation in the SPP is voluntary.

Use of Funds

The proceeds of the SPP will be aggregated with the proceeds of the Placement and will be applied toward:

- the acquisition of the high speed blend and packaging line including the cost to transport it to Camperdown, Victoria;
- investment in the launch of the Group's Future (Tummy Health) and Ecklin South Organic A2 infant formula brands including a comprehensive marketing and promotion plan for the new ranges; and
- general working capital and transaction costs.

Details of SPP

The offer of Stapled Securities under the SPP (**SPP Offer**) is being made exclusively to securityholders who were registered as holders of Stapled Securities at 7:00pm on Friday 8 January 2021 (**Record Date**) and whose registered address is in Australia or New Zealand (**Eligible Securityholders**).

The SPP Offer aims to raise approximately \$1 million by way of the issue of up to 16,666,667 Stapled Securities and entitles Eligible Securityholders, irrespective of the size of their holding, to purchase up to \$30,000 of new Stapled Securities at the SPP Price. The Company will accept over subscriptions of a further \$1 million, and will scale back applications pro rata to the extent that applications exceed \$2 million.

You may apply for parcels of new Stapled Securities with a minimum investment amount of \$2,000 up to a maximum investment of \$30,000, without incurring brokerage costs. The SPP Price of \$0.06 per new Stapled Security represents a discount of:

- 6.3% to the closing price of Stapled Securities on the Australian Securities Exchange (**ASX**) on Friday 8 January 2021, which was the last trading day prior to the announcement of the SPP;
- 4.0% to the volume weighted average price of Stapled Securities on the ASX during the 10 trading days immediately prior to the announcement of the SPP Offer on 11 January 2021.

The key dates for the SPP are set out further below.

Requirement to obtain securityholder approval to conduct the SPP

When AHF announced the Placement on 15 December 2020, it advised that it intended to seek securityholder approval to conduct an SPP at the same price as the Placement (being \$0.06 per stapled security). Securityholder approval is no longer required to conduct the SPP as the Group now intends to rely on Exception 5 of ASX Listing Rule 7.2 in order to conduct the SPP at the SPP Price.

The Directors will participate in the capital raising process through a separate placement (**Director Placement**), at the same price as the SPP Price, rather than participating in the SPP, subject to the

Director Placement being approved by securityholders at the upcoming extraordinary general meeting expected to be held on or about 18 February 2021.

SPP - Key Dates

The proposed timetable for the SPP Offer is set out below. The Directors reserve the right to vary the dates and times without notice:

Event	Date**
Record Date (date for determining securityholder entitlements to participate in the SPP Offer)	Friday 8 January 2021
Announcement of SPP Offer	Monday 11 January 2021
Despatch of SPP Offer documentation to Eligible Securityholders	Monday 18 January 2021
Opening Date for SPP Offer	Monday 18 January 2021
Closing Date for SPP Offer	Wednesday 10 February 2021
Issue of new Stapled Securities under the SPP Offer	Wednesday 17 February 2021
Quotation of new Stapled Securities on ASX	Thursday 18 February 2021

** All dates and times are subject to change. Eligible securityholders are encouraged to submit their applications early as the Directors reserve the right to close the SPP Offer early if oversubscribed.

Further Information

Full details of the SPP Offer will be contained in an offer booklet which is anticipated to be dispatched to Eligible Securityholders on 18 January 2021.

Securityholders are also encouraged to visit AHF's Investor Centre website to learn more about the Group and the Offer: <https://adnl.com.au/investor-centre>.

Ends.

AUSTRALIAN DAIRY NUTRITIONALS GROUP.

For additional company information or media enquiry matters please contact:

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About Australian Dairy Nutritionals Group

Australian Dairy Nutritionals Group (AHF) (previously named Australian Dairy Farms Group) is a vertically integrated Australian dairy group which owns high quality dairy farms and a processing facility (Camperdown Dairy Company) located in South Western Victoria, the 'Golden Triangle' of Australia's dairy industry. The Group is a trusted source of premium quality branded dairy products using milk sourced fresh from its farms.

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. Readers are cautioned not to place undue reliance on forward looking statements.