



Australian Dairy Farms Group

ASX Code: AHF

5 January 2016

Australian Dairy Farms Group Loyalty Options

Streamlined exercise process available

In line with the recent increase in the ASX traded security price of **Australian Dairy Farms Group** (AHF), many holders of AHF Loyalty Options (AHFOPT) have sought to exercise Loyalty Options held and enquired about the process.

In response to the significant enquiry, AHF has posted a new streamlined Notice of Exercise of Options Form on its website at www.adfl.com.au under the Forms tab - for use by Loyalty Option Holders and attached a copy to this advisory announcement.

The amended form offers additional payment and exercise notification methods including direct credit by electronic funds transfer (EFT) and notification by post, fax and email to speed up the process of exercising Loyalty Options and converting to ASX tradeable stapled securities.

About the Loyalty Options on issue

The Record Date for entitlements to Loyalty Options was 24 November 2014, following the formation and ASX listing of AHF. Holders of Stapled Securities at the Record Date were issued entitlements to Loyalty Options on the basis of 1 Loyalty Option entitlement for each 2 Stapled Securities held, subject to vesting conditions set out in the AHF Prospectus and Product Disclosure Statement lodged with ASIC and ASX on 17 November 2014.

On 27 February 2015, (Vesting Date) holders of valid entitlements to Loyalty Options that satisfied the vesting conditions were issued Loyalty Options which were then exercisable by the holder for conversion to fully paid Stapled Securities on payment of 25 cents per Loyalty Option at any time on or before 31 March 2016.

Holding Statements for Loyalty Options were dispatched by Link Market Services to registered holders of vested Loyalty Options in early March 2015 and the HIN or SRN identification number of the Loyalty Options holding was identical to that on the holding statement for Stapled Securities held at that Record Date and the Vesting Date.

A number of holders of Loyalty Options exercised them shortly after the Vesting Date, however in the last week, since the announcement of the proposed acquisition of CDC, a significant number of Loyalty Options holders have made payments and lodged forms to exercise some or all of their Loyalty Options and convert to fully paid, tradable Stapled Securities.

Process to exercise Loyalty Options

Registered holders of vested Loyalty Options may exercise all or part of their holding by completing and executing the Notice of Exercise of Options form available on the following link to the AHF website and returning the completed form to ADFG together with payment of the

AUSTRALIAN DAIRY FARMS LIMITED

ACN 057 046 607

Level 1, 41 Edward Street, Brisbane QLD 4000 | GPO Box 6, Brisbane Qld 4001

Phone: +61 07 3020 3020 | Fax: +61 07 3020 3080 | Email: shareholders@adfl.com.au

AUSTRALIAN DAIRY FARMS TRUST

ARSN 600 601 689

Exercise Fee. Payment may be made by cheque or EFT to the ADFG bank account set out in the form. <http://www.adfl.com.au/forms/>

If you require assistance please contact ADFG on +61 7 3020 3020 or email your query to shareholders@adfl.com.au

Attachments:

1. Notice of Exercise of Options Form template

Links

2. Prospectus and Product Disclosure Statement dated 17 November 2014

<http://www.adfl.com.au/announcements/>

About Australian Dairy Farms Group

Australian Dairy Farms Group (ADFG) is Australia's first ASX listed dairy farmer. Its focus is on aggregating high quality dairy farms in Victoria, initially in the South Western region with particular emphasis on the famous Golden Triangle region between Warrnambool and Colac south of the Princes Highway to the coast around Port Campbell.

On 23 December 2015, ADFG announced to ASX that it had entered into a contract to acquire Camperdown Dairy Company Pty Ltd – see announcement on <http://www.adfl.com.au/announcements>

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.



Australian Dairy Farms

ABN 36 057 046 607

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: +61 1300 554 474
Security Code: AHFOPT1
Website: www.linkmarketservices.com.au

Return this Form directly to Australian Dairy Farms Limited at one of the addresses below

REGISTERED NAME AND ADDRESS OF OPTIONHOLDER

Exercise Price per Option:

\$0.25

Expiry Date: **31/03/2016**

SRN/HIN (Please insert)

_____|_____|_____|_____|_____|_____|_____|_____|_____|_____|

NOTICE OF EXERCISE OF OPTIONS

PLEASE COMPLETE BELOW (using block letters)

I/We apply to exercise the following number of options and make payment in Australian currency drawn on an Australian branch of a financial institution for the amount payable. Please allot me/us fully paid AHF Stapled Securities calculated on the basis of one (1) Stapled Security for every one (1) Option which I/we exercise. I/We agree to accept such Shares subject to the Constitutions of Australian Dairy Farms Limited and Australian Dairy Farms Trust.

A NUMBER OF OPTIONS EXERCISED
(Exercise all or part of Options)

_____|_____|_____|_____|_____|_____|_____|_____|_____|_____|

at **\$0.25** per
Option Exercised **\$A**

B TOTAL PAYMENT REQUIRED
(\$0.25 per Option exercised)

_____|_____|_____|_____|_____|_____|_____|_____|_____|_____|

C METHODS FOR PAYMENT OF OPTIONS EXERCISED

- CHEQUES** must be drawn on an **Australian branch** of a financial institution in **Australian currency** and made payable to "Australian Dairy Farms Group" and crossed "Not Negotiable".
- DIRECT DEPOSITS / EFTs** may be made to the account of **Australian Dairy Farms Group BSB 063533 Account 1082 3081**

Your SRN / HIN Number / Cheque Number

BSB

Account Number

_____|_____|_____|_____|_____|_____|_____|_____|_____|_____|

_____|_____|_____|_____|_____|

_____|_____|_____|_____|_____|_____|_____|_____|_____|_____|

- Mail, Email or Fax this form to **Australian Dairy Farms Group** at one of the following addresses:

Mail GPO BOX 6 Brisbane QLD AUSTRALIA 4001

Email: shareholders@adfl.com.au

Fax: +61 7 3080 3080

D YOUR CONTACT DETAILS

Telephone Number

Telephone Number – after hours

Contact Name (PRINT)

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E SIGNATURE OF OPTIONHOLDER(S) – this MUST be signed

Optionholder 1

Optionholder 2

Optionholder 3

Sole Director / Sole Company Secretary

Director/Company Secretary

Director

DATE: / /

This form should be signed by the optionholder(s). Where the optionholder is an individual, a single signature is required. In the case of a joint holding, the signatures of each holder are required. Where the notice is signed by an attorney under power of attorney, please print the name of the attorney and state that the notice is signed under power of attorney and produce the power of attorney for noting purposes. Companies need to sign in accordance with their constitution, and the *Corporations Act 2001* (Cth).