

Market Announcement

30 November 2016

FONTERRA – NOTICE TO CAPITAL NOTE HOLDERS

Fonterra Co-operative Group Limited (**Fonterra**) has elected for the applicable requirements of the Financial Markets Conduct Act 2013 (**Act**) to apply to it with effect from 30 November 2016 in respect of the capital notes issued pursuant to the capital notes trust deed dated 22 March 2001 between Fonterra and The New Zealand Guardian Trust Company Limited as supplemented by the initial supplemental deed dated 24 October 2001, each as modified from time to time.

Accordingly, Fonterra has amended the capital notes trust deed to comply with and reflect the Act. In addition, Fonterra has made consequential amendments to the initial supplemental deed.

As required by the Act, capital note holders will shortly receive a notice in the form attached providing further details.

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