



ASX / NZX / Media Release

Lion Nathan and Kirin sign Implementation Agreement

Sydney, 11 May 2009: Lion Nathan Limited (“Lion Nathan”) today announced that it had signed an Implementation Agreement (“IA”) with Kirin Holdings Company, Limited (“Kirin”).

The binding terms and conditions set out in the IA (attached in Appendix A) reflect the key commercial terms outlined in Lion Nathan’s announcement on 27 April 2009 relating to Kirin’s offer to acquire all of the issued shares in Lion Nathan that it does not already own for an offer consideration of \$12.22 per share (the “Offer”). Following a comprehensive review of how to most effectively structure the Offer consideration having regard to shareholders’ objectives, it has been agreed that the Offer consideration will comprise the following:

- Scheme cash consideration of \$11.50 per share; and
- Fully franked dividends of \$0.72 by Lion Nathan¹, comprising an interim dividend of \$0.22 and a special dividend of \$0.50 (the “Dividends”). The Dividends are expected to be fully franked with Australian franking credits and the special dividend is expected to be partly imputed utilising available New Zealand imputation credits.

Including the franking benefits attached to the Dividends, the Offer consideration has an estimated value of up to \$12.37 per share for certain classes of shareholders.

The transaction will be implemented via a scheme of arrangement (“Scheme”) and is subject to a limited number of customary conditions precedent, including obtaining all necessary regulatory approvals (including Australian FIRB and New Zealand OIO approvals), no material adverse effect, and an independent expert (“Independent Expert”) appointed by Lion Nathan concluding that the Scheme is in the best interests of Lion Nathan’s non-Kirin shareholders.

The Scheme is subject to the Court convening a meeting of Lion Nathan’s non-Kirin shareholders (“Scheme Meeting”). At the Scheme Meeting, a majority in number of non-Kirin shareholders voting (in person or by proxy), and who represent at least 75% of the votes cast, must approve the Scheme for it to succeed. If the requisite shareholder approval is obtained, the Scheme will then need to be approved by the Court at a second Court hearing. If the Court approves the Scheme, the Scheme will become binding on all of Lion Nathan’s non-Kirin shareholders in accordance with the Australian Corporations Act 2001.

In due course, Lion Nathan shareholders will receive documentation that will contain full details of the Offer and the Scheme (“Scheme Booklet”), including the basis for the Lion Nathan Independent Board Committee’s unanimous recommendation that Lion Nathan’s non-Kirin shareholders approve the Offer. Lion Nathan will appoint an Independent Expert to prepare a report on whether the Offer is in the best interests of Lion Nathan’s non-Kirin shareholders. The Independent Expert’s report will be included in the Scheme Booklet.

¹ An Australian tax ruling will be sought on behalf of shareholders. The obtaining of the tax ruling is not a condition of the implementation of the transaction.

Lion Nathan currently anticipates that it will lodge the Scheme Booklet with ASIC in July / August 2009, allowing time to obtain necessary regulatory approvals and tax rulings, and that the Scheme Meeting will be held in September / October 2009.

Lion Nathan shareholders should consult their stockbroker, accountant, tax or financial adviser if they are uncertain about the impact of the Offer on their particular investment objectives.

Lion Nathan will advise its shareholders of any further relevant developments as they occur.

The Independent Board Committee of Lion Nathan unanimously recommend that Lion Nathan’s non-Kirin shareholders vote in favour of the Scheme, subject to no superior proposal emerging and confirmation by the Independent Expert that the Scheme is in the best interests of non-Kirin shareholders and subject to those conditions the members of the Independent Board Committee intend to vote the Lion Nathan shares they own in favour of the Scheme.

Enquiries to:

<p>Media James Tait Corporate Affairs Director Phone: +61 2 9320 2236 Mobile: +61 (0) 400 304 147 Email: james.tait@lion-nathan.com.au</p> <p>Caliburn Partnership Ron Malek Joint Chief Executive Phone : +61 2 9229 1409 Mobile : +61 (0) 411 422 885</p>	<p>Investors Caroline Veitch Investor Relations Director Phone: +61 2 9290 6615 Mobile: +61 (0) 404 447681 Email: caroline.veitch@lion-nathan.com.au</p> <p>Caliburn Partnership Roger Feletto Managing Director Phone : +61 2 9229 1420 Mobile : +61 (0) 418 485 190</p>
--	---

Appendix A: Implementation Agreement

Implementation Agreement

Dated *10 May* 2009

Mallesons Stephen Jaques

Level 61
Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia
T +61 2 9296 2000
F +61 2 9296 3999
DX 113 Sydney
www.mallesons.com

Implementation Agreement

Contents

Details	1
General terms	2
1	Definitions and interpretation
1.1	Definitions
1.2	References to certain general terms
1.3	Next day
1.4	Next Business Day
1.5	Headings
2	Agreement to propose and implement Scheme
2.1	Agreement to implement Transaction
2.2	Lion Nathan to propose Scheme
2.3	Kirin to assist with the Scheme
2.4	Kirin nominee
2.5	Right to proceed by takeover bid
3	Conditions precedent
3.1	Conditions precedent
3.2	Benefit of certain Conditions Precedent
3.3	Waiver of Conditions Precedent
3.4	Reasonable endeavours
3.5	Regulatory matters
3.6	Notices in relation to Conditions Precedent
3.7	Effect of waiver or non-fulfilment
3.8	Consultation on failure of Condition Precedents
3.9	Failure to agree
3.10	Regulatory Approval
4	Scheme
4.1	Scheme
4.2	Payments
4.3	Tax Rulings and Franking of Special Payment and Interim Dividend
4.4	Kirin Payment
4.5	Undertakings held as agent
4.6	Payment to Scheme Participants
5	Co-operation and timing
5.1	General obligations
5.2	Lion Nathan's obligations
5.3	Kirin's obligations
5.4	Access to people and Lion Nathan information
5.5	Lion Nathan Achievement Rights
5.6	Third party approvals and consents
5.7	Cooperation and consultation
5.8	Kirin's right to separate representation
5.9	Scheme Booklet responsibility statements

6	Scheme Booklet	21
6.1	Preparation	21
6.2	Consultation on Scheme Booklet	22
6.3	Kirin information	23
6.4	Disagreement on content	23
6.5	Verification	23
7	Conduct of business	23
7.1	Overview	23
7.2	Prohibited actions	24
7.3	Deeds of access, indemnity and insurance	24
7.4	Appointment of Incoming Directors	24
7.5	Resignation of Lion Nathan Directors	24
8	Representations and warranties	24
8.1	Lion Nathan's representations and warranties	24
8.2	Lion Nathan's indemnity	24
8.3	Lion Nathan warranty certificate	25
8.4	Kirin's representations and warranties	25
8.5	Kirin's indemnity	25
8.6	Kirin warranty certificate	25
8.7	Matters disclosed	25
9	Court proceedings	25
9.1	Appeal process	25
9.2	Defence of proceedings	26
9.3	Costs	26
10	Termination	26
10.1	Termination events	26
10.2	Termination	27
10.3	Effect of Termination	27
10.4	Damages	27
11	Standstill	27
12	Public announcements	27
12.1	Required disclosure	27
12.2	Other announcements	28
13	Confidential Information	28
14	Notices and other communications	28
14.1	Form - all communications	28
14.2	Form - communications sent by email	28
14.3	Delivery	28
14.4	When effective	29
14.5	When taken to be received	29
14.6	Receipt outside business hours	29
15	Goods and services tax (GST)	29
15.1	Consideration does not include GST	29

15.2	Recovery of GST	29
15.3	Reimbursements	30
15.4	Interpretation	30
15.5	Survival	30
<hr/>		
16	Miscellaneous	30
16.1	Discretion in exercising rights	30
16.2	Partial exercising of rights	30
16.3	No liability for loss	30
16.4	Approvals and consents	30
16.5	Conflict of interest	31
16.6	Remedies cumulative	31
16.7	Variation and waiver	31
16.8	No merger	31
16.9	Indemnities	31
16.10	Enforceability	31
16.11	Further steps	31
16.12	Construction	31
16.13	Costs	32
16.14	Stamp duty	32
16.15	Disclosure	32
16.16	Entire agreement	32
16.17	Assignment	32
16.18	No representation or reliance	32
16.19	Governing law	33
16.20	Counterparts	33
Schedule 1 - Conditions Precedent (clause 3.1)		34
Schedule 2 - Timetable (clause 5.1)		37
Schedule 3 - Lion Nathan's Obligations (clause 5.2)		38
Schedule 4 - Kirin's Obligations (clause 5.3)		41
Schedule 5 - Lion Nathan's representations and warranties (clause 8.1)		42
Schedule 6 - Kirin's representations and warranties (clause 8.4)		44
Signing page		45
Annexure A - Scheme		46
Annexure B - Kirin Deed Poll		47

Implementation Agreement

Details

Parties	Kirin and Lion Nathan	
Kirin	Name	Kirin Holdings Company, Limited
	Incorporated in	Japan
	Address	c/- Blake Dawson [Ref: 02-2005-5192] 225 George Street Sydney NSW 2000
	Telephone	61-2-9258-6000
	Fax	61-2-9258-6999
	Attention	Ian Williams / David Ryan / Carl Della-Bosca
Lion Nathan	Name	Lion Nathan Limited
	ABN/ACN/ARBN	34 093 160 448
	Incorporated in	Australia
	Address	Level 7, 68 York Street Sydney, NSW, 2000, Australia
	Telephone	61-2-9320-2200
	Fax	61-2-9320-2264
	Attention	General Counsel and Company Secretary
Recitals	A	Lion Nathan and Kirin have agreed that Lion Nathan will become a wholly owned subsidiary of Kirin by means of a members' scheme of arrangement under Part 5.1 of the Corporations Act.
	B	At the request of Kirin, Lion Nathan intends to propose the Scheme and issue the Scheme Booklet.
	C	Lion Nathan and Kirin have agreed to implement the Scheme on the terms and conditions of this agreement.
Governing law	New South Wales	
Date of agreement	See Signing page	

Implementation Agreement

General terms

1 Definitions and interpretation

1.1 Definitions

These meanings apply unless the contrary intention appears.

ACCC means the Australian Competition and Consumer Commission.

ACCC Approval means the occurrence of any of the following:

- (a) the ACCC has not commenced or threatened to commence proceedings to restrain the Transaction; or
- (b) the ACCC has advised Kirin in writing that it does not intend to oppose, intervene or seek to prevent the implementation of the Transaction under or by reference to section 50 of the *Trade Practices Act 1974* (Cth), which notification is either unconditional or subject to conditions that are acceptable to Kirin.

Accounting Standards means:

- (a) accounting standards approved under the Corporations Act and its requirements about the preparation and content of accounts; and
- (b) generally accepted accounting principles, policies practices and procedures in Australia.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691), Australian Securities Exchange or the Australian Stock Exchange as appropriate.

Authorisation means:

- (a) an approval, authorisation, consent, declaration, exemption, licence, notarisation, permit or waiver, however it is described, and including any condition attaching to it; and
- (b) in relation to anything that could be prohibited or restricted by law if a Regulatory Authority acts in any way within a specified period, the expiry of that period without that action being taken,

including any renewal or amendment.

Authorised Officer means, in respect of a party, a director or secretary of the party or any other person appointed by a party to act as an Authorised Officer under this agreement.

Business Day means a business day as defined in the Listing Rules.

Competing Transaction means a transaction which, if completed, would mean a person (other than Kirin or its Related Bodies Corporate or Representatives) would:

- (a) directly or indirectly, acquire an interest, a Relevant Interest in or become the holder of:
 - (i) more than 10% of the shares in Lion Nathan or more than 10% of the shares in any of Lion Nathan's material subsidiaries; or
 - (ii) the whole or a material part of the business or property of Lion Nathan or any of its material subsidiaries;
- (b) acquire control of Lion Nathan, within the meaning of section 50AA of the Corporations Act; or
- (c) otherwise acquire or merge (including by way of a reverse takeover bid or dual listed companies structure) with Lion Nathan.

For the purposes of paragraph (a)(i) above, a subsidiary of Lion Nathan will be a material subsidiary if:

- (1) the business or property of the subsidiary contributes 50% or more of the consolidated net profit after tax of Lion Nathan; or
- (2) the business or property of the subsidiary represents 50% or more of the total consolidated assets of Lion Nathan.

For the purposes of paragraph (a)(ii) above, the acquisition of an interest in the business or property of Lion Nathan or any of its subsidiaries will be material if:

- (1) the relevant business or property contributes 50% or more of the consolidated net profit after tax of Lion Nathan; or
- (2) the business or property represents 50% or more of the total consolidated assets of Lion Nathan.

Conditions Precedent means the conditions precedent set out in schedule 1.

Confidentiality Deed means the Confidentiality Deed between Kirin and Lion Nathan dated on or about 26 April 2009.

Controller has the meaning it has in the Corporations Act.

Corporations Act means the Corporations Act 2001 (Cwlth).

Corporations Regulations means the Corporations Regulations 2001 (Cwlth).

Court means the Federal Court of Australia (New South Wales registry), or such other court of competent jurisdiction under the Corporations Act agreed in writing by the parties.

Details means the section of this agreement headed "Details".

Due Diligence Materials means the written information and documents made available to Kirin by Lion Nathan before the date of this agreement in a physical data room maintained at the offices of Mallesons Stephen Jaques, at Governor

Phillip Tower, 1 Farrer Place, Sydney NSW between the dates of Saturday 25 April 2009 and Thursday 30 April 2009.

Effective, when used in relation to the Scheme, means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to the Scheme, but in any event at no time before an office copy of the order of the Court is lodged with ASIC.

Effective Date in relation to the Scheme means the date on which the Scheme becomes Effective.

End Date means 31 December 2009 or such other date as Kirin and Lion Nathan agree.

Excluded Shareholder means any Lion Nathan Shareholder who is Kirin or a Related Body Corporate of Kirin.

FIRB means the Foreign Investment Review Board.

First Court Date means the first day on which an application made to the Court, in accordance with item 10 of schedule 3, for orders under section 411(1) of the Corporations Act convening the Members' Scheme Meeting to consider the Scheme is heard.

Implementation Date means the fifth Business Day following the Scheme Record Date or such other date as is agreed by Kirin and Lion Nathan.

Incoming Directors means each person nominated in writing by Kirin to Lion Nathan prior to the Second Court Date to be appointed to the Lion Nathan Board.

Independent Expert means any independent expert approved by Kirin and appointed by Lion Nathan under item 3 of schedule 3 to prepare the Independent Expert Report stating whether, in the expert's opinion the Scheme is in the best interest of Scheme Participants.

Independent Expert's Report means the report prepared by the Independent Expert.

A person is **Insolvent** if:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act);
- (b) it is in liquidation, in provisional liquidation, under administration or wound up or has had a Controller appointed to any part of its property;
- (c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this agreement);
- (d) an application or order has been made (and in the case of an application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of (a), (b) or (c) above;

- (e) it is taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand;
- (f) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which another party to this agreement reasonably deduces it is so subject);
- (g) it is otherwise unable to pay its debts when they fall due; or
- (h) something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

Interim Dividend means the amount of A\$0.22 per Lion Nathan Share referred to in clause 4.2(d).

Interim Dividend Payment Date means such date for payment of the Interim Dividend as determined by the Lion Nathan Board.

Interim Dividend Record Date means the date for determining entitlements to receive the Interim Dividend as determined by the Lion Nathan Board.

ITAA 97 means the *Income Tax Assessment Act 1997* (Cth).

Kirin has the meaning given in the Details.

Kirin Board means the board of directors of Kirin as constituted from time to time.

Kirin Deed Poll means a deed poll to be executed by Kirin Holdings Company, Limited substantially in the form set out in Annexure B of this agreement, or as otherwise agreed by Kirin and Lion Nathan.

Kirin Director means a director on the Kirin Board as constituted from time to time.

Kirin Funding Commitment means the securing of financial accommodation by Kirin pursuant to enforceable agreements, under which one or more banks or financial institutions agree to provide committed funding to finance the acquisition of the Scheme Shares pursuant to the Scheme, subject only to standard completion conditions precedent relating to formal matters concerning the drawdown of the funding.

Kirin Indemnified Parties means Kirin, its officers, employees and advisers, its Related Bodies Corporate and the officers, employees and advisers of each of its Related Bodies Corporate.

Kirin Information means the information regarding Kirin as is required to be included in the Scheme Booklet under the Corporations Act, the Corporations Regulations, the Listing Rules or ASIC Regulatory Guide 60 or 142. For the avoidance of doubt, Kirin Information does not include information about the Lion Nathan Group except to the extent it relates to any statement of Kirin's intentions relating to the Lion Nathan Group following the Effective Date, provided that Kirin has consented in writing to the inclusion of such statements in the Scheme Booklet.

Kirin Nominee Directors means Senji Miyake, Hirotake Kobayashi, and Fumio Miki.

Kirin Payment means the amount of A\$11.50 per Lion Nathan Share, less the Kirin Payment Adjustment Amount (if any).

Kirin Payment Adjustment Amount means the amount of any dividends or distributions declared or announced by Lion Nathan prior to the Implementation Date, except for the Special Payment and the Interim Dividend.

Lion Nathan has the meaning given in the Details.

Lion Nathan Achievement Right means an Achievement Right as defined in the Lion Nathan Achievement Rights Plan or any right awarded under the Share Scheme Section of the Lion Nathan Employee Benefit Plan (New Zealand), as amended from time to time.

Lion Nathan Achievement Rights Plan means the Lion Nathan Achievement Rights Plan established by Lion Nathan, as amended from time to time.

Lion Nathan Board means the board of directors of Lion Nathan as constituted from time to time.

Lion Nathan Director means a director on the Lion Nathan Board.

Lion Nathan Employee Share Acquisition Plan means:

- (a) the employee share scheme entitled the Lion Nathan Employee Share Acquisition Plan established by Lion Nathan, under which eligible employees may be granted Lion Nathan Shares; and
- (b) the Employee Share Benefit Section of the Lion Nathan Employee Benefit Plan (New Zealand).

Lion Nathan Group means Lion Nathan and its Subsidiaries.

Lion Nathan Group Director means a director on the board of a company which is a member of the Lion Nathan Group.

Lion Nathan Indemnified Parties means Lion Nathan, its officers, employees, and advisers and its Related Bodies Corporate and the officers, employees and advisers of each of its Related Bodies Corporate.

Lion Nathan Information means all information contained in the Scheme Booklet other than the Kirin Information and the Independent Expert's Report.

Lion Nathan Register means the register of members of Lion Nathan maintained by or on behalf of Lion Nathan in accordance with section 168(1) of the Corporations Act.

Lion Nathan Share means an issued fully paid ordinary share in the capital of Lion Nathan.

Lion Nathan Shareholder means each person who is registered in the Lion Nathan Register as a holder of Lion Nathan Shares.

Listing Rules means the Listing Rules of the ASX.

Losses means all claims, demands, damages, losses, costs, expenses and liabilities.

Management Responses means the written responses provided to Kirin by Lion Nathan and its advisers in response to questions submitted by Kirin and its advisers before the date of this agreement which have been agreed and initialled by the parties for the purposes of identification.

Material means, in relation to the concept of materiality, something reasonably likely to influence the decision of a bidder for Lion Nathan Shares in the position of Kirin whether or not to proceed with the Transaction.

Material Adverse Event means Specified Events which individually, or when aggregated with all Specified Events, have resulted in, or could reasonably be expected to result in:

- (a) the value of the consolidated net assets of the Lion Nathan Group being reduced by \$90 million or more; or
- (b) the value of consolidated annual net profit after tax of the Lion Nathan Group being reduced by \$30 million or more.

Members' Scheme Meeting means the meeting to be convened by the Court at which Scheme Participants will vote on the Scheme.

Merger Payment means the aggregate of the Kirin Payment, the Special Payment and the Interim Dividend referred to in clause 4.2(a).

Nominee has the meaning given to that term in clause 2.4.

NZCC means the New Zealand Commerce Commission.

NZCC Approval means the occurrence of any of the following:

- (a) the NZCC has not commenced or threatened to commence proceedings to restrain the Transaction; or
- (b) the NZCC has given clearance, or has granted authorisation, under the Commerce Act 1986 (**Commerce Act**) to the Transaction or the transfer of the Scheme Shares to Kirin or implementation of this agreement otherwise being or becoming lawful under the Commerce Act.

NZX means NZX Limited or the securities market which it operates, as the context requires.

OIO means Overseas Investment Office.

Prescribed Event means the occurrence of any of the following:

- (a) a member of Lion Nathan Group converting all or any of its securities into a larger or smaller number of securities;
- (b) a member of Lion Nathan Group resolving to reduce its capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its securities;
- (c) a member of Lion Nathan Group declaring, paying or distributing any dividend, bonus or other share of its profits or assets by way of dividend, capital reduction or otherwise (or announcing an intention to do so);

- (d) a member of Lion Nathan Group:
 - (i) entering into a buy-back agreement; or
 - (ii) resolving to approve the terms of a buy-back agreement under the Corporations Act;
- (e) a member of Lion Nathan Group issuing securities, or granting an option (including a Lion Nathan Achievement Right or other performance right) over its securities, or agreeing to make such an issue or grant such an option (including a Lion Nathan Achievement Right or other performance right), other than any issue or grant by Lion Nathan pursuant to or consistent with arrangements entered into before the date of this agreement (including invitations or offers made, and terms of participation, under the Lion Nathan Employee Share Acquisition Plan and the Lion Nathan Achievement Rights Plan);
- (f) a member of Lion Nathan Group issuing or agreeing to issue securities or other instruments convertible into equity or debt securities;
- (g) a member of Lion Nathan Group adopting a constitution or making any change or amendment to its existing constitution;
- (h) a member of Lion Nathan Group becoming Insolvent (other than a member of the Lion Nathan Group currently in liquidation),

provided that a Prescribed Event will not include an event:

- (i) which is required to be done or procured by Lion Nathan pursuant to this agreement or the Scheme;
- (j) the occurrence of which has been approved in writing by Kirin prior to the event occurring;
- (k) that has been fully and fairly disclosed in writing by Lion Nathan to Kirin before the date of this agreement;
- (l) which involves a declaration or determination relating to, or payment of, the Special Payment or Interim Dividend; or
- (m) which relates to an inter-company transaction done or agreed to be done solely between Lion Nathan or any member of the Lion Nathan Group and another member or members of the Lion Nathan Group.

Regulator's Draft means the draft of the Scheme Booklet in a form acceptable to both parties which is provided to ASIC for approval pursuant to section 411(2) of the Corporations Act.

Regulatory Approval means any approval of a Regulatory Authority which Kirin and Lion Nathan reasonably agree is necessary to implement any material aspect of the Transaction.

Regulatory Authority includes:

- (a) ASX, ACCC, ASIC, NZCC, NZX, FIRB, OIO;

- (b) a government or governmental, semi-governmental or judicial entity or authority including a Tax Authority;
- (c) a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; and
- (d) any regulatory organisation established under statute.

Regulatory Review Period means the period from the date on which the Regulator's Draft is submitted to ASIC to the date on which ASIC confirms that it does not intend to make any submissions at the Court hearing on the First Court Date or otherwise object to the Scheme.

Related Body Corporate has the meaning it has in the Corporations Act.

Relevant Interest has the same meaning as given by sections 608 and 609 of the Corporations Act.

Representative means, in relation to a party:

- (a) a Related Body Corporate;
- (b) a director, officer or employee of the party or any of the party's related bodies corporate; or
- (c) an adviser to the party or any of the party's related bodies corporate, where an "adviser" means, in relation to an entity, a financier, financial adviser, corporate adviser, legal adviser, or technical or other expert adviser or consultant who provides advisory services in a professional capacity to the market in general and who has been engaged by that entity.

Resigning Director means each Lion Nathan Director nominated in writing by Kirin to the Lion Nathan Board prior to the Second Court Date as being required to resign from the Lion Nathan Board.

Scheme means the scheme of arrangement between Lion Nathan and Scheme Participants under which all the Scheme Shares will be transferred to Kirin under Part 5.1 of the Corporations Act substantially in the form set out in Annexure A to this agreement, or as otherwise agreed by Kirin and Lion Nathan, subject to any amendment or condition made pursuant to section 411(6) of the Corporations Act.

Scheme Booklet means, in respect of the Scheme, the information booklet to be approved by the Court and despatched to Scheme Participants which must:

- (a) include the Scheme, the Kirin Deed Poll, the Independent Expert's Report and the notice of meeting and proxy form; and
- (b) include an explanatory statement that complies with the Corporations Act, Corporations Regulations, ASIC Regulatory Guide 60 and 142 and the Listing Rules.

Scheme Participant means each person who is a Lion Nathan Shareholder as at the Scheme Record Date, other than an Excluded Shareholder.

Scheme Record Date means 7.00pm on the fifth Business Day following the Effective Date or such other date (after the Effective Date) as Lion Nathan and Kirin agree.

Scheme Shares means all Lion Nathan Shares held by Scheme Participants as at the Scheme Record Date and for the avoidance of doubt includes any Lion Nathan Shares issued on or before the Scheme Record Date, including upon the exercise of any Lion Nathan Achievement Rights.

Second Court Date means the day on which the Court makes an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme.

Special Payment means the amount of A\$0.50 per Lion Nathan Share referred to in clause 4.2(c).

Special Payment Date means such date for payment of the Special Payment as determined by the Lion Nathan Board following agreement between Lion Nathan and Kirin, pursuant to clause 4.3(d).

Special Payment Record Date means the date for determining entitlements to receive the Special Payment as determined by the Lion Nathan Board following agreement between Lion Nathan and Kirin, pursuant to clause 4.3(d).

Specified Events means an event, occurrence or matter that:

- (a) occurs or fails to occur after the date of this agreement;
- (b) occurs or fails to occur before the date of this agreement but is only disclosed to Kirin, announced or publicly disclosed after the date of this agreement; or
- (c) will or is likely to occur after the date of this agreement and which has not been publicly announced or disclosed to Kirin prior to the date of this agreement,

but excludes:

- (a) any announcement, decision, determination, proposed change to legislation or regulations, or ruling issued by a Regulatory Authority (including in relation to Tax) which does not relate specifically to Lion Nathan's business;
- (b) any declaration or determination relating to, or payment of, the Special Payment or Interim Dividend; or
- (c) the de-recognition of any tax losses that arise from the Transaction.

Standstill Period means the period commencing on the date of this agreement and ending on the earlier of:

- (a) the termination of this agreement in accordance with its terms; and
- (b) the date on which a Competing Transaction is publicly announced.

Subsidiaries has the meaning it has in the Corporations Act.

Superior Proposal means a bona fide Competing Transaction that is publicly announced after the date of this agreement and which the Lion Nathan Board (other than the Kirin Nominee Directors), acting in good faith, and acting reasonably, after taking advice from its legal and financial advisers, determines is:

- (a) reasonably capable of being completed taking into account all aspects of the Competing Transaction; and
- (b) of higher financial value and more favourable to Scheme Participants than the Scheme, taking into account all terms and conditions of the Competing Transaction.

Tax means all forms of taxes, duties, imposts, charges, withholdings, rates, levies, clawbacks or other governmental impositions of whatever nature and by whatever authority imposed, assessed or charged together with all costs, charges, interest, penalties, fines and other additional statutory charges incidental or related to the imposition, assessment or charge of those amounts.

Tax Authority means any governmental authority responsible for the imposition, collection or recovery of any Tax.

Timetable means the timetable set out in schedule 2, subject to any amendments as the parties may agree in writing.

Transaction means the acquisition by Kirin of all the issued shares in Lion Nathan that Kirin does not already own, through the implementation of the Scheme and the other transactions contemplated by this agreement, including the payment of the Special Payment and the payment of the Interim Dividend.

Treasurer means the Treasurer of the Commonwealth of Australia.

1.2 References to certain general terms

Unless the contrary intention appears, a reference in this agreement to:

- (a) **(variations or replacement)** a document (including this agreement) includes any variation or replacement of it;
- (b) **(clauses, annexures and schedules)** a clause, annexure or schedule is a reference to a clause in or annexure or schedule to this agreement;
- (c) **(reference to statutes)** a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (d) **(law)** law means common law, principles of equity, and laws made by parliament (and laws made by parliament include State, Territory and Commonwealth laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
- (e) **(singular includes plural)** the singular includes the plural and vice versa;
- (f) **(person)** the word “person” includes an individual, a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association, or any Regulatory Authority;

- (g) **(executors, administrators, successors)** a particular person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (h) **(party)** a reference to a party to a document includes that party's successors and permitted assigns;
- (i) **(reference to a group of persons)** a group of persons or things is a reference to any two or more of them jointly and to each of them individually;
- (j) **(asset)** a reference to an asset includes all property of any nature, including, but not limited to, a business, and all rights, revenues and benefits;
- (k) **(dollars)** Australian dollars, dollars, A\$ or \$ is a reference to the lawful currency of Australia;
- (l) **(calculation of time)** a period of time dating from a given day or the day of an act or event, is to be calculated exclusive of that day;
- (m) **(defined meaning)** where a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;
- (n) **(reference to a day)** a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;
- (o) **(accounting terms)** an accounting term is a reference to that term as it is used in the Accounting Standards;
- (p) **(meaning not limited)** the words "include", "including", "for example" or "such as" when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind; and
- (q) **(time of day)** time is a reference to Sydney time.

1.3 Next day

If an act under this agreement to be done by a party on or by a given day is done after 5.30 pm on that day, it is taken to be done on the next day.

1.4 Next Business Day

If an event must occur on a stipulated day which is not a Business Day then the stipulated day will be taken to be the next Business Day.

1.5 Headings

Headings (including those in brackets at the beginning of paragraphs) are for convenience only and do not affect the interpretation of this agreement.

2 Agreement to propose and implement Scheme

2.1 Agreement to implement Transaction

The parties agree to implement the Transaction on the terms and conditions of this agreement.

2.2 Lion Nathan to propose Scheme

Lion Nathan agrees to propose the Scheme on and subject to the terms and conditions of this agreement.

2.3 Kirin to assist with the Scheme

Kirin agrees to assist Lion Nathan to propose the Scheme on and subject to the terms and conditions of this agreement.

2.4 Kirin nominee

Despite anything else in this agreement, Kirin may by notice to Lion Nathan not later than 5 Business Days before the Regulator's Draft is submitted to ASIC, nominate a wholly owned Subsidiary of Kirin ("**Nominee**") to pay the Kirin Payment and to which the Scheme Shares will be transferred in accordance with clause 4 if the Scheme becomes Effective.

From the date of receipt by Lion Nathan of the notice ("**Notification Date**"):

- (a) the parties agree that references to Kirin in this agreement (other than references to Kirin in the Details and in clauses 4.4 and 4.5 and clause 5.3 insofar as it relates to items 1, 2 and 8 of schedule 4) will be construed as references to the Nominee (without the need for further amendment); and
- (b) Kirin must procure that the Nominee complies with this agreement as if the Nominee were a party to it in place of Kirin.

Despite the above, Kirin will continue to be bound by all of the obligations of Kirin under this agreement and will not be released from any obligations or liabilities under this agreement following the Notification Date. However, Lion Nathan agrees that Kirin will not be in breach of this agreement for failing to discharge the obligation of Kirin under this agreement if the Nominee fully discharges that obligation.

2.5 Right to proceed by takeover bid

Kirin may propose, at any time prior to the date that the Regulator's Draft is provided to ASIC for approval pursuant to section 411(2) of the Corporations Act, that the Transaction be implemented by way of a takeover bid pursuant to Chapter 6 of the Corporations Act on the same commercial terms and conditions of the Scheme. If Kirin proposes that this alternative be pursued in that way, the parties must discuss and seek to agree in good faith an agreement to proceed in that way. If that agreement is reached, the parties must promptly amend this agreement to reflect that revised transaction structure or enter into a new agreement reflecting that transaction structure.

3 Conditions precedent

3.1 Conditions precedent

Subject to this clause 3, the Scheme will not become Effective and the obligations of Kirin under clause 4.4 are not binding unless each of the Conditions Precedent contained in schedule 1 are satisfied or waived to the extent and in the manner set out in clauses 3.2, 3.3 and 3.4.

3.2 Benefit of certain Conditions Precedent

A Condition Precedent may only be waived in writing by a party entitled to the benefit of that Condition Precedent as noted in the table set out in schedule 1 and will be effective only to the extent specifically set out in that waiver.

A party entitled to waive the breach or non-fulfilment of a Condition Precedent under this clause 3.2 may do so in its absolute discretion.

3.3 Waiver of Conditions Precedent

If either Lion Nathan or Kirin waives the breach or non-fulfilment of a Condition Precedent in accordance with this clause, then:

- (a) subject to subclause 3.3(b), that waiver precludes that party from suing the other for any breach of this agreement arising as a result of the breach or non-fulfilment of that Condition Precedent or arising from the same event which gave rise to the breach or non-fulfilment of that Condition Precedent; but
- (b) if the waiver of the Condition Precedent is itself conditional and the other party:
 - (i) accepts the condition, the terms of that condition apply notwithstanding any inconsistency with subclause 3.3(a); or
 - (ii) does not accept the condition, the Condition Precedent has not been waived.

3.4 Reasonable endeavours

Each of Lion Nathan and Kirin agree to use reasonable endeavours to procure that:

- (a) each of the Conditions Precedent for which they are responsible, as noted in the table set out in schedule 1:
 - (i) is satisfied as soon as practicable after the date of this agreement; and
 - (ii) continues to be satisfied at all times until the last time it is to be satisfied as noted in the table set out in schedule 1 (as the case may require); and
- (b) there is no occurrence that would prevent the Conditions Precedent for which they are responsible, as noted in the table set out in schedule 1, being satisfied.

3.5 Regulatory matters

Without limiting clause 3.4, each party:

- (a) **(Regulatory Approvals)** must promptly apply for all relevant Regulatory Approvals and take all steps it is responsible for as part of the approval process for the Scheme, including responding to requests for information at the earliest practicable time; and
- (b) **(consultation)** must use its reasonable endeavours to consult with the other party in advance in relation to all material communications with any Regulatory Authority relating to any Regulatory Approval.

3.6 Notices in relation to Conditions Precedent

Each party must:

- (a) **(notice of satisfaction)** promptly notify the other of satisfaction of a Condition Precedent and must keep the other informed of any material development of which it becomes aware that may lead to the breach or non-fulfilment of a Condition Precedent;
- (b) **(notice of failure)** immediately give written notice to the other of a breach or non-fulfilment of a Condition Precedent, or of any event which will prevent a Condition Precedent being satisfied; and
- (c) **(notice of waiver)** upon receipt of a notice given under sub-clause 3.6(b), give written notice to the other party as soon as possible (and in any event before 8.00am on the Business Day before the Second Court Date) as to whether or not it waives the breach or non-fulfilment of any Condition Precedent resulting from the occurrence of that event, specifying the Condition Precedent in question.

3.7 Effect of waiver or non-fulfilment

A waiver of such breach or non-fulfilment in respect of one Condition Precedent does not constitute:

- (a) a waiver of the breach or non-fulfilment of any other Condition Precedent resulting from the same event; or
- (b) a waiver of the breach or non-fulfilment of that Condition Precedent resulting from any other event.

3.8 Consultation on failure of Condition Precedents

If:

- (a) there is a breach or non-fulfilment of a Condition Precedent which is not waived in accordance with this agreement by any time or date specified in this agreement for the satisfaction of the Condition Precedent;
- (b) there is an act, failure to act or occurrence which will prevent a Condition Precedent being satisfied by any time or date specified in this agreement for the satisfaction of the Condition Precedent (and the breach or non-fulfilment which would otherwise occur has not already been waived in accordance with this agreement); or

- (c) if the Scheme has not become Effective by the End Date,
then the parties must consult in good faith with a view to determining whether:
- (d) the Scheme may proceed by way of alternative means or methods;
- (e) to extend the relevant time for satisfaction of the Condition Precedent or to adjourn or change the date of an application to the Court; or
- (f) to extend the End Date.

3.9 Failure to agree

If the parties are unable to reach agreement under clause 3.8 within 5 Business Days (or any shorter period ending at 8.00am on the Business Day before the Second Court Date):

- (a) subject to subclause 3.9(b), either party may terminate this agreement (and such termination will be in accordance with clause 10.1(e)(i)); or
- (b) if a Condition Precedent may be waived and exists for the benefit of one party only, that party only may waive that Condition Precedent or terminate this agreement (and such termination will be in accordance with clause 10.1(e)(ii));

in each case before 8.00am on the Second Court Date. A party will not be entitled to terminate this agreement pursuant to this clause 3.9 if the relevant Condition Precedent has not been satisfied or agreement cannot be reached as a result of:

- (c) a breach of this agreement by that party; or
- (d) a deliberate act or omission of that party.

3.10 Regulatory Approval

A Regulatory Approval will be regarded as having been obtained notwithstanding that a condition or conditions may have been attached to that Regulatory Approval if that condition is reasonably satisfactory to Kirin.

4 Scheme

4.1 Scheme

Subject to the terms and conditions of this agreement, Lion Nathan agrees to propose the Scheme to Scheme Participants under which:

- (a) all of the Scheme Shares will be transferred to Kirin; and
- (b) Scheme Participants will receive the Kirin Payment as set out in clause 4.2(b).

4.2 Payments

- (a) The Merger Payment payable pursuant to the Transaction will be A\$12.22 per Lion Nathan Share as set out below. The parties agree that

Kirin is not responsible for paying the Interim Dividend or the Special Payment.

- (b) Pursuant to the Scheme, Scheme Participants will receive the Kirin Payment for each Lion Nathan Share held by them at the Scheme Record Date in accordance with the Scheme and the Kirin Deed Poll.
- (c) Subject to clause 4.3, Lion Nathan will pay holders of Lion Nathan Shares as at the Special Payment Record Date an amount of A\$0.50 per Lion Nathan Share as a special payment on the Special Payment Date.
- (d) Lion Nathan will pay each holder of Lion Nathan Shares as at the Interim Dividend Record Date an amount of A\$0.22 per Lion Nathan Share as an interim dividend on the Interim Dividend Payment Date.

4.3 Tax Rulings and Franking of Special Payment and Interim Dividend

- (a) Subject to paragraph 4.3(b), 4.3(c) and 4.3(d), the parties intend that the amount of the franking credit allocated to the Special Payment and the Interim Dividend will be the maximum franking credit worked out using the formula in section 202-60(2) of the ITAA 97.
- (b) Lion Nathan will frank the Interim Dividend and Special Payment only to the extent that it does not cause Lion Nathan's franking account to be in deficit (as defined in section 205-40(2) of the ITAA 97) at the times set out in sections 205-45 and 709-60(3) of the ITAA 97.
- (c) Lion Nathan must provide Kirin with franking account information that is reasonably requested by Kirin.
- (d) The parties acknowledge and agree that matters in relation to the Special Payment are subject to further consultation and agreement between the parties. The parties must discuss and co-operate in good faith with each other in reaching agreement with respect to these matters. These matters include, but are not limited to, the form and manner of the Special Payment. Lion Nathan undertakes and agrees that it will not make the Special Payment otherwise than in accordance with the agreement of Kirin.
- (e) The parties must discuss and co-operate in good faith in relation to any applications for any rulings to a Tax Authority in connection with the Transaction and in the conduct of any such ruling application and determination (including, without limitation, by allowing Kirin and/or its legal advisers to review and comment on any ruling applications and to attend and participate in any meetings with any Tax Authorities), provided this does not result in any unreasonable delay having regard to the priority ruling process.
- (f) Lion Nathan will impute the Special Payment only to the extent of available New Zealand imputation credits. Lion Nathan must discuss and co-operate in good faith with Kirin with respect to any decisions that relevantly affect the New Zealand imputation credit position of the Lion Nathan Group, in relation to the current New Zealand imputation year ending 31 March 2010.

4.4 Kirin Payment

Kirin covenants in favour of Lion Nathan (in its own right and on behalf of each Scheme Participant) that in consideration of the transfer to Kirin of each Lion Nathan Share held by a Scheme Participant, Kirin will, on the date being two Business Days before the Implementation Date, pay to a trust account operated by Lion Nathan (as agent for each Scheme Participant) an amount equal to the aggregate of the Kirin Payment payable for all the Scheme Shares in accordance with the Scheme.

4.5 Undertakings held as agent

Lion Nathan acknowledges that the undertaking by Kirin in clause 4.4 is given to Lion Nathan in its capacity as agent for each Scheme Participant.

4.6 Payment to Scheme Participants

Lion Nathan must:

- (a) receive in a trust account in accordance with the Scheme and as agent for each Scheme Participant, the amount paid in accordance with clause 4.4 ;
- (b) pay to each Scheme Participant such moneys as each Scheme Participant is entitled to receive in accordance with the Scheme; and
- (c) otherwise comply with its obligations under the Scheme.

5 Co-operation and timing

5.1 General obligations

Lion Nathan and Kirin must each:

- (a) use all reasonable endeavours and commit necessary resources (including management and corporate relations resources and the resources of external advisers); and
- (b) procure that its officers and advisers work in good faith and in a timely and co-operative fashion with the other party (including by attending meetings and by providing information),

to produce the Scheme Booklet and implement the Scheme as soon as reasonably practicable and in accordance with the Timetable.

5.2 Lion Nathan's obligations

Lion Nathan must comply with the obligations of Lion Nathan set out in schedule 3 and take all reasonable steps that are necessary or reasonably requested by Kirin to implement the Scheme as soon as is reasonably practicable and in the most efficient manner for Scheme Participants and in any event prior to the End Date.

5.3 Kirin's obligations

Kirin must comply with the obligations of Kirin set out in schedule 4 and take all reasonable steps that are necessary or reasonably requested by Lion Nathan to

assist Lion Nathan to implement the Scheme as soon as is reasonably practicable and in the most efficient manner for Scheme Participants and in any event prior to the End Date.

5.4 Access to people and Lion Nathan information

Between the date of this agreement and the earlier of Implementation Date and the date this agreement is terminated, Lion Nathan must:

- (a) as soon as reasonably practicable provide Kirin and its officers and advisers with any documents, records, and other information (subject to any existing confidentiality obligations owed to third parties, or applicable privacy laws) reasonably requested by them;
- (b) provide Kirin and its officers and advisers with reasonable access to Lion Nathan's officers and advisers which Kirin reasonably requires, including for the purposes of:
 - (i) implementing the Scheme;
 - (ii) preparing for carrying on the business of Lion Nathan following implementation of the Scheme, including any changes in ownership structure or any restructuring of the business following implementation of the Scheme in accordance with Kirin's plans;
 - (iii) determining the ownership, tax and financing structure of Kirin or its Related Bodies Corporate in respect of the Transaction; and
 - (iv) any other purpose which is agreed in writing between the parties,

provided that such access does not place an unreasonable burden on the ability of Lion Nathan to run its business.

- (c) continue to provide Kirin with all financial, commercial and risk information, documents, records and reports consistent with its normal practice over the 12 month period prior to the date of this agreement, including but not limited to, Lion Nathan interim and quarterly reports, information provided to Lion Nathan's Finance and Risk Committee and other information required by Kirin for it to comply with Japanese accounting standards and rules.

5.5 Lion Nathan Achievement Rights

The parties must discuss in good faith and co-operate with each other to ensure that all outstanding Lion Nathan Achievement Rights are either acquired by Kirin, or otherwise dealt with to Kirin's satisfaction, before the Scheme Record Date.

The parties acknowledge and agree that they will work together in good faith so that as a consequence of the Transaction participants in the Lion Nathan Achievement Rights Plan will receive an aggregate sum equal to the sum of the Kirin Payment and the Special Payment for each Lion Nathan Achievement Right granted to the relevant participants prior to the Scheme Record Date that has not lapsed.

5.6 Third party approvals and consents

The parties agree to use their best endeavours and to work in good faith and in a timely and cooperative fashion to ensure that all Authorisations and consents from third parties which Kirin reasonably considers necessary or desirable to implement the Transaction or any material part of the Transaction, or to facilitate Kirin carrying on the business of Lion Nathan following implementation of the Scheme, are obtained prior to the Implementation Date of the Scheme.

5.7 Cooperation and consultation

Lion Nathan must use its best endeavours to involve Kirin in meetings or discussions with third parties relating to the obtaining of any Authorisation or third party consent required by Kirin under clause 5.6 and without limitation must:

- (a) keep Kirin informed of progress in obtaining any such Authorisation or third party consent;
- (b) provide Kirin with drafts of any material written communications to be sent to any person in relation to the Authorisation or third party consent and make such amendments as Kirin reasonably requires; and
- (c) provide copies of any written communications sent to or received from a third party in relation to an Authorisation or third party consent promptly upon despatch or receipt (as the case may be),

in each case to the extent it is reasonable to do so.

5.8 Kirin's right to separate representation

Kirin is entitled to separate representation at all Court proceedings relating to the Scheme. Nothing in this agreement is to be taken to give Lion Nathan any right or power to make or give undertakings to the Court for or on behalf of Kirin.

5.9 Scheme Booklet responsibility statements

The responsibility statement to appear in the Scheme Booklet, in a form to be agreed by the parties will contain words to the effect of:

- (a) Lion Nathan has provided, and is responsible for, the Lion Nathan Information in the Scheme Booklet, and that Kirin and its directors and officers (including the Kirin Nominee Directors) do not assume any responsibility for the accuracy or completeness of that Lion Nathan Information;
- (b) Kirin has provided, and is responsible for, the Kirin Information in the Scheme Booklet, and that Lion Nathan and its directors and officers do not assume any responsibility for the accuracy or completeness of that Kirin Information except to the extent that Lion Nathan has provided Kirin with information for the purpose of Kirin preparing information on the merged entity following implementation of the Scheme; and
- (c) the Independent Expert has provided and is responsible for the Independent Expert's Report and:

- (i) Kirin and its directors and officers do not assume any responsibility for the accuracy or completeness of the Independent Expert's Report; and
- (ii) Lion Nathan and its directors and officers do not assume any responsibility for the accuracy or completeness of the Independent Expert's Report.

6 Scheme Booklet

6.1 Preparation

Without limiting clauses 5.2 or 5.3:

- (a) **(preparation):** Lion Nathan is generally responsible for the preparation of the Scheme Booklet but will provide drafts to and consult with Kirin in accordance with clause 6.2;
- (b) **(compliance - Lion Nathan)** Lion Nathan must take all necessary steps to endeavour to ensure that the Lion Nathan Information included in the Scheme Booklet:
 - (i) complies with the requirements of:
 - (A) the Corporations Act;
 - (B) the Corporations Regulations;
 - (C) ASIC Regulatory Guide 60;
 - (D) ASIC Regulatory Guide 142; and
 - (E) the Listing Rules; and
 - (ii) is not, having regard to applicable disclosure requirements, misleading or deceptive in any material respect (including because of any material omission);
- (c) for the avoidance of doubt, the Kirin Nominee Directors have no obligations in relation to the preparation of the Scheme Booklet or the Lion Nathan Information;
- (d) **(compliance - Kirin)** Kirin must take all necessary steps to endeavour to ensure that the Kirin Information included in the Scheme Booklet:
 - (i) complies with the requirements of:
 - (A) the Corporations Act;
 - (B) the Corporations Regulations;
 - (C) ASIC Regulatory Guide 60;
 - (D) ASIC Regulatory Guide 142; and
 - (E) the Listing Rules; and

- (ii) is not, having regard to applicable disclosure requirements, misleading or deceptive in any material respect (including because of any material omission).

6.2 Consultation on Scheme Booklet

Without limiting clause 5.2, Lion Nathan must:

- (a) **(consult Kirin):**
 - (i) as soon as reasonably practicable after the date of this agreement, provide to Kirin an initial draft of the Scheme Booklet for the purpose of enabling Kirin to review and comment on that draft document;
 - (ii) provide to Kirin amended drafts of the Scheme Booklet as reasonably agreed for the purpose of enabling Kirin to review and comment on those draft documents;
 - (iii) take the comments made by Kirin into account in good faith when producing revised drafts of the Scheme Booklet; and
 - (iv) provide to Kirin a revised penultimate draft of the Scheme Booklet within a reasonable time before the Regulator's Draft is finalised and to enable Kirin to review the Regulator's Draft at least 5 Business Days before its submission;
- (b) **(amend Scheme Booklet)** implement such changes to those parts of the Scheme Booklet relating to Kirin which are provided in accordance with clause 6.2(a) as reasonably requested by Kirin and prior to finalising the Regulator's Draft;
- (c) **(approval of Regulators Draft)** as soon as reasonably practicable after finalisation of an advanced draft of the Regulator's Draft suitable for review by ASIC, procure that a meeting of the Lion Nathan Directors (other than the Kirin Nominee Directors) is convened to consider approving the Regulator's Draft as being in a form appropriate for provision to ASIC for review;
- (d) **(Regulatory Review Period)** during the Regulatory Review Period:
 - (i) promptly provide to Kirin, and include in a revised draft of the Scheme Booklet, any new information not included in the Regulator's Draft which is required by the Corporations Act, the Corporations Regulations, ASIC Regulatory Guide 60 or 142 or the Listing Rules to be included in the Scheme Booklet; and
 - (ii) keep Kirin informed of any matters raised by ASIC in relation to the Scheme Booklet and use all reasonable endeavours, in co-operation with Kirin, to resolve any such matters; and
- (e) **(Kirin Information)** obtain approval from Kirin for the form and context in which the Kirin Information appears in the Scheme Booklet which approval must not be unreasonably delayed or withheld.

6.3 Kirin information

Without limiting clause 5.3, Kirin:

- (a) consents to the inclusion of the Kirin Information in the Scheme Booklet; and
- (b) acknowledges that:
 - (i) it is responsible only for ensuring that the Kirin Information is not misleading or deceptive in any material respect (whether by omission or otherwise) and that Lion Nathan will not verify or edit the final form of that information in the Scheme Booklet; and
 - (ii) the Scheme Booklet will state that Kirin is responsible for the Kirin Information, in accordance with clause 5.9.

6.4 Disagreement on content

If Kirin and Lion Nathan disagree on the form or content of the Scheme Booklet, they must consult in good faith to try to settle an agreed form of the Scheme Booklet. If complete agreement is not reached after reasonable consultation, then:

- (a) if the disagreement relates to the form or content of the Kirin Information contained in the Scheme Booklet, Lion Nathan will make such amendments as Kirin reasonably requires; and
- (b) if the disagreement relates to the form or content of any other part of the Scheme Booklet, the Lion Nathan Board (other than the Kirin Nominee Directors) will, acting in good faith, decide the final form or content of the disputed part of the Scheme Booklet.

6.5 Verification

Each party must undertake appropriate verification processes for the information supplied by that party for the Scheme Booklet and must provide each other with full and free access to, and on request (acting reasonably), copies of all materials and documents used or created in connection with their respective verification processes, and must maintain those materials and documents for at least 7 years from the date of this document for that purpose.

7 Conduct of business

7.1 Overview

From the date of this agreement up to and including the Implementation Date, Lion Nathan must conduct its business in the ordinary and proper course consistent with business plans and budgets approved by the Lion Nathan Board from time to time and must regularly consult with Kirin on the manner of conduct of the business.

7.2 Prohibited actions

Other than with the prior approval of Kirin or as required by this agreement Lion Nathan must not, during the period referred to in clause 7.1:

- (a) **(Prescribed Event)** take any action which would be reasonably expected to give rise to a Prescribed Event; or
- (b) **(agreement)** agree to do anything which would be reasonably expected to give rise to a Prescribed Event.

7.3 Deeds of access, indemnity and insurance

- (a) From the Implementation Date, Kirin must procure that Lion Nathan and each member of the Lion Nathan Group preserve the indemnities and other rights under the deeds of indemnity access and insurance made by them in favour of their respective directors and officers from time to time and, in particular, must not take any action which would prejudice or adversely affect any directors' and officers run-off insurance cover taken out prior to the Implementation Date.
- (b) The undertakings contained in this clause 7.3 are subject to any restriction under the Corporations Act or any other applicable legislation and will be read down accordingly. Lion Nathan receives and holds the benefit of this clause 7.3, to the extent it relates to the directors and officers of Lion Nathan and other members of the Lion Nathan Group, as trustee for them.

7.4 Appointment of Incoming Directors

As soon as practicable after the Second Court Date, Lion Nathan must use its reasonable endeavours to cause the appointment of each Incoming Director to the Lion Nathan Board.

7.5 Resignation of Lion Nathan Directors

As soon as practicable after the Second Court Date, Lion Nathan must use its reasonable endeavours to cause the resignation of each Resigning Director from the Lion Nathan Board.

8 Representations and warranties

8.1 Lion Nathan's representations and warranties

Subject to clause 8.7, Lion Nathan represents and warrants to Kirin (on its own behalf and separately as trustee or nominee for each of the Kirin Directors) that each of the statements set out in schedule 5 is true and correct in all material respects as at the date of this agreement and as at 8.00am on the Second Court Date.

8.2 Lion Nathan's indemnity

Lion Nathan indemnifies the Kirin Indemnified Parties against all Losses incurred directly or indirectly as a result of any of the representations and warranties in clause 8.1 not being true and correct.

8.3 Lion Nathan warranty certificate

Lion Nathan must provide to Kirin by 8.00am on the Second Court Date a certificate signed by a director of Lion Nathan and made in accordance with a resolution of the Lion Nathan Board stating, as at that date, that the representations or warranties given by Lion Nathan in clause 8.1 remain true and accurate or, if any such representation or warranty is not true and accurate as at that date, providing complete particulars of the facts and matters which make the representation or warranty untrue or inaccurate.

8.4 Kirin's representations and warranties

Kirin represents and warrants to Lion Nathan (on its own behalf and separately as trustee or nominee for each of the Lion Nathan Directors) that each of the statements set out in schedule 6 is true and correct in all material respects as at the date of this agreement and as at 8.00am on the Second Court Date.

8.5 Kirin's indemnity

Kirin indemnifies the Lion Nathan Indemnified Parties against all Losses incurred directly or indirectly as a result of any of the representations and warranties in clause 8.4 not being true and correct.

8.6 Kirin warranty certificate

Kirin must provide to Lion Nathan by 8.00am on the Second Court Date a certificate signed by a director of Kirin and made in accordance with a resolution of the Kirin Board stating, as at that date, that the representations and warranties given by Kirin in clause 8.4 remain true and accurate or, if any such representation or warranty is not true and accurate as at that date, providing complete particulars of the facts and matters which make the representation or warranty untrue or inaccurate.

8.7 Matters disclosed

Each of the representations or warranties given by Lion Nathan in clause 8.1 is to be read down and qualified by any information which is within the actual knowledge of Kirin (including information within the actual knowledge of the Kirin Nominee Directors, obtained in their capacity as Lion Nathan Directors).

9 Court proceedings

9.1 Appeal process

If the Court refuses to make orders convening the Members' Scheme Meeting or approving the Scheme, Kirin and Lion Nathan must appeal the Court's decision to the fullest extent possible except to the extent that:

- (a) the parties agree otherwise; or
- (b) Queen's Counsel or Senior Counsel representing that party in relation to the Scheme indicates that, in their opinion, an appeal would likely have less than a 50% prospect of success,

in which case either party may terminate this agreement in accordance with clause 10.1(e)(iii).

9.2 Defence of proceedings

Each of Kirin and Lion Nathan must vigorously defend, or must cause to be vigorously defended, any lawsuits or other legal proceeding brought against it (or any of its Subsidiaries) challenging this agreement or the completion of the Transaction. Neither Kirin nor Lion Nathan will settle or compromise (or permit any of its Subsidiaries to settle or compromise) any claim brought in connection with this agreement without the prior written consent of the other, such consent not to be unreasonably withheld.

9.3 Costs

Any costs incurred as a result of the operation of this clause 9 will be borne equally by each party.

10 Termination

10.1 Termination events

Without limiting any other provision of this agreement (including clauses 3.9 and 9.1), this agreement may be terminated:

- (a) **(End Date)** by either party, if the Scheme has not become Effective by the End Date; or
- (b) **(lack of support or breach)** at any time prior to 8.00am on the Second Court Date:
 - (i) by Kirin if the Lion Nathan Board (other than the Kirin Nominee Directors) changes its recommendation to the Scheme Participants that they vote in favour of the resolution to approve the Scheme, including any adverse modification to its recommendation, or otherwise makes a public statement indicating that it no longer supports the Scheme; or
 - (ii) by either Kirin or Lion Nathan if the other is in material breach of any clause of this agreement (excluding a representation or warranty set out in schedule 5 or schedule 6), taken in the context of the Transaction as a whole, provided that either Kirin or Lion Nathan, as the case may be, has, if practicable, given notice to the other setting out the relevant circumstances and stating an intention to terminate and, the relevant circumstances continue to exist 5 Business Days (or any shorter period ending at 8:00am on the Second Court Date) after the time such notice is given; or
- (c) **(not approved)** by either party if the resolution submitted to the Members' Scheme Meeting is not approved by the requisite majorities;
- (d) **(restraint)** by either party if a Court or other Regulatory Authority has issued a final and non-appealable order, decree or ruling or taken other action which permanently restrains or prohibits the Scheme;
- (e) **(consultation or appeal failure)** in accordance with and pursuant to:
 - (i) clause 3.9(a);

- (ii) clause 3.9(b); or
- (iii) clause 9.1;
- (f) **(agreement)** if agreed to in writing by Kirin and Lion Nathan.

10.2 Termination

Where a party has a right to terminate this agreement, that right for all purposes will be validly exercised if the party delivers a notice in writing to the other party stating that it terminates this agreement.

10.3 Effect of Termination

In the event that a party terminates this agreement, or if this agreement otherwise terminates in accordance with its terms, then in either case all further obligations of the parties under this agreement, other than the obligations set out in clauses 9.1, 11, 13, 14, 15 and 16 will immediately cease to be of further force and effect without further liability of any party to the other, provided that nothing in this clause releases any party from liability for any pre-termination breach of this agreement.

10.4 Damages

In addition to the right of termination under clause 10.1 where there is no appropriate remedy for the breach in the agreement (other than termination), the non-defaulting party is entitled to damages for Losses suffered by it and expenses incurred by it as a result of the breach of the terms of this agreement.

11 Standstill

During the Standstill Period Kirin must not, and must procure that none of its directors or Related Bodies Corporate:

- (a) acquire, agree to acquire or make any offer to acquire a Relevant Interest or other economic interest in the shares of the other party or (other than in the ordinary course of business) any assets of the other party or any Related Body Corporate of the other party; or
- (b) advise, assist or encourage any other person to do any of the things referred to in sub-clause (a),

unless such action is taken with the prior written consent of Lion Nathan.

For the avoidance of doubt, this clause does not apply to any action taken or required to be taken by Kirin, Related Bodies Corporate of Kirin or directors of Kirin under the Scheme.

12 Public announcements

12.1 Required disclosure

Where a party is required by law, the Listing Rules or a memorandum of understanding with a Regulatory Authority to make any announcement or make any disclosure relating to a matter the subject of the Transaction, it may do so

only after it has given the other party as much notice as possible and has consulted to the fullest extent possible in the circumstances with the other party and its legal advisers.

12.2 Other announcements

Subject to clause 12.1, no party may make any public announcement in connection with the Transaction other than in a form approved by each party (acting reasonably). Each party will use all reasonable endeavours to provide such approval as soon as practicable.

13 Confidential Information

Each party acknowledges and agrees that it continues to be bound by the Confidentiality Deed (for so long as that document remains in force) in respect of all information received by it from the other party on, before or after the date of this agreement.

14 Notices and other communications

14.1 Form - all communications

Unless expressly stated otherwise in this agreement, all notices, certificates, consents, approvals, waivers and other communications in connection with this agreement must be:

- (a) in writing;
- (b) in English or accompanied by a certified translation into English;
- (c) signed by the sender (if an individual) or an Authorised Officer of the sender; and
- (d) marked for the attention of the person identified in the Details or, if the recipient has notified otherwise, then marked for attention in the way last notified.

14.2 Form - communications sent by email

Communications sent by email need not be marked for attention in the way stated in clause 14.1. However, the email must state the first and last name of the sender.

Communications sent by email are taken to be signed by the named sender.

14.3 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details;
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details;
- (c) sent by fax to the fax number set out or referred to in the Details;

- (d) sent by email to the address set out or referred to in the Details; or
- (e) given in any other way permitted by law.

However, if the intended recipient has notified a changed address, fax number or email address, then communications must be to that address, fax number or email address.

14.4 When effective

Communications take effect from the time they are received or taken to be received under clause 14.5 (whichever happens first) unless a later time is specified.

14.5 When taken to be received

Communications are taken to be received:

- (a) if sent by post, three days after posting (or seven days after posting if sent from one country to another);
- (b) if sent by fax, at the time shown in the transmission report as the time that the whole fax was sent; or
- (c) if sent by email:
 - (i) when the sender receives an automated message confirming delivery; or
 - (ii) four hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered,

whichever happens first.

14.6 Receipt outside business hours

Despite clauses 14.4 and 14.5, if communications are received or taken to be received under clause 14.5 after 5.00pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

15 Goods and services tax (GST)

15.1 Consideration does not include GST

The consideration specified in this agreement does not include any amount for GST.

15.2 Recovery of GST

If GST is payable on any supply made under this agreement, for which the consideration is not expressly stated to include GST, the recipient agrees to pay to the supplier an additional amount equal to the GST at the same time that the consideration for the supply is to be provided. However:

- (a) the recipient need not pay the additional amount until the supplier gives the recipient a tax invoice or an adjustment note; and
- (b) if an adjustment event arises in respect of the supply, the additional amount will be adjusted to reflect the adjustment event and the recipient or the supplier (as the case may be) must make any payments necessary to reflect the adjustment.

15.3 Reimbursements

If a party is required under this agreement to indemnify another party or pay or reimburse costs of another party, that party agrees to pay:

- (a) the relevant amount less any input tax credits to which the other party (or to which the representative member for a GST group of which the other party is a member) is entitled; and
- (b) if the indemnity or payment or reimbursement is subject to GST, an amount equal to that GST, in accordance with clause 15.2.

15.4 Interpretation

All expressions used in this clause 15 which are defined in the GST Law have the meanings given to them in the GST Law. GST Law has the same meaning it has in the *A New Tax System (Goods and Services Tax) Act 1999 (Cwlth)*.

15.5 Survival

This clause will survive termination of this agreement.

16 Miscellaneous

16.1 Discretion in exercising rights

A party may exercise a right or remedy or give or refuse its consent in any way it considers appropriate (including by imposing conditions), unless this agreement expressly states otherwise.

16.2 Partial exercising of rights

If a party does not exercise a right or remedy fully or at a given time, the party may still exercise it later.

16.3 No liability for loss

A party is not liable for loss caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising a right or remedy under this agreement.

16.4 Approvals and consents

By giving its approval or consent a party does not make or give any warranty or representation as to any circumstance relating to the subject matter of the consent or approval.

16.5 Conflict of interest

The parties' rights and remedies under this agreement may be exercised even if it involves a conflict of duty or a party has a personal interest in their exercise.

16.6 Remedies cumulative

The rights and remedies in this agreement are in addition to other rights and remedies given by law independently of this agreement.

16.7 Variation and waiver

A provision of this agreement or a right created under it, may not be waived or varied except in writing, signed by the party or parties to be bound.

16.8 No merger

The warranties, undertakings and indemnities in this agreement do not merge on the Implementation Date.

16.9 Indemnities

The indemnities in this agreement are continuing obligations, independent from the other obligations of the parties under this agreement and continue after this agreement ends. It is not necessary for a party to incur expense or make payment before enforcing a right of indemnity under this agreement.

16.10 Enforceability

For the purpose of this agreement:

- (a) Lion Nathan is taken to be acting as agent and trustee on behalf of and for the benefit of all Lion Nathan Indemnified Parties; and
- (b) Kirin is taken to be acting as agent and trustee on behalf of and for the benefit of all Kirin Indemnified Parties,

and all of those persons are to this extent taken to be parties to this agreement.

16.11 Further steps

Each party agrees, at its own expense, to do anything the other party reasonably requests (such as obtaining consents, signing and producing documents and getting documents completed and signed):

- (a) to bind the party and any other person intended to be bound under this agreement; or
- (b) to show whether the party is complying with this agreement.

16.12 Construction

No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of, or seeks to rely on, this agreement or any part of it.

16.13 Costs

The parties agree to pay their own legal and other costs and expenses in connection with the preparation, execution and completion of this agreement and other related documentation except for stamp duty.

16.14 Stamp duty

- (a) Kirin agrees to pay all stamp duty (including fines and penalties) payable and assessed by legislation or by any revenue office on this agreement or the Scheme and in respect of a transaction contemplated by or related to this agreement or the Scheme.
- (b) Before and after the Implementation Date, Lion Nathan must provide to Kirin in a timely manner any assistance and any information or record in the Lion Nathan Group's possession or control which Kirin reasonably requests to:
 - (i) apply to any Tax Authority for any corporate reconstruction stamp duty relief, stamp duty rulings or stamp duty pre-determinations which Kirin determines are necessary or desirable in connection with the Transaction or any restructuring of Kirin or its Related Bodies Corporate in connection with the Transaction; or
 - (ii) satisfy the requirements of any Tax Authority for assessment of any duty referred to in clause 16.14(a) (for example, information for identifying and valuing land and other property held by the Lion Nathan Group in particular States and Territories of Australia).

Kirin agrees to pay all of Lion Nathan's reasonable third party costs in complying with these requests.

16.15 Disclosure

Each party may disclose information relating to the Transaction to a Tax Authority for the purpose of obtaining any Tax relief, pre-determinations, exemptions, approvals or rulings from a Tax Authority.

16.16 Entire agreement

Except for the Confidentiality Deed, this agreement constitutes the entire agreement of the parties about its subject matter and supersedes all previous agreements, understandings and negotiations on that subject matter.

16.17 Assignment

A party may not assign or otherwise deal with its rights under this agreement or allow any interest in them to arise or be varied in each case, without the consent of the other party.

16.18 No representation or reliance

Each party acknowledges that:

- (a) no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this agreement, except for representations or inducements expressly set out in this agreement;
- (b) it does not enter into this agreement in reliance on any representation or other inducement by or on behalf of any other party, except for any representation or inducement expressly set out in this agreement; and
- (c) sub-clauses 16.18(a) and 16.18(b) above do not prejudice any rights a party may have in relation to information which had been filed by the other party with any Regulatory Authority.

16.19 Governing law

This agreement is governed by the law in force in the place specified in the Details. Each party submits to the non-exclusive jurisdiction of the courts of that place.

16.20 Counterparts

This agreement may be executed in counterparts. All counterparts when taken together are to be taken to constitute one instrument.

EXECUTED as an agreement

Implementation Agreement

Schedule 1 - Conditions Precedent (clause 3.1)

Condition	Party entitled to benefit	Party responsible
1. Regulatory Approvals		
Before 8.00am on the Second Court Date:		
(a) (ASIC and ASX) ASIC and ASX have issued or provided (and not withdrawn, revoked or varied) such consents, waivers, modifications, and/or approvals or have done such other acts which are necessary or the parties agree are reasonably desirable to implement the Scheme. If such consents, waivers, modifications, and/or approvals are subject to conditions those conditions must be acceptable to Kirin and Lion Nathan.	Both	Both
(b) (FIRB approval) prior to the Second Court Date, either:	Cannot be waived	Kirin
(i) the Treasurer (or his delegate) has provided written advice that there are no objections under Australia's foreign investment policy to the proposed Transaction and that advice is unconditional or subject to conditions that are acceptable to Kirin; or		
(ii) following notice of the proposed Transaction having been given by Kirin to the Treasurer under the Foreign Acquisitions and Takeovers Act 1975 (Cwlth), the Treasurer has ceased to be empowered to make any order under Part II of that Act because of lapse of time.		

Condition	Party entitled to benefit	Party responsible
(c) (OIO consent) consent is given to and received by Kirin under the <i>Overseas Investment Act 2005</i> (NZ) and the <i>Overseas Investment Regulations 2005</i> (NZ) to the Transaction, and such consent is not withdrawn.	Cannot be waived	Kirin
(d) (ACCC) ACCC Approval is received.	Both	Both
(e) (NZCC) NZCC Approval is received.	Both	Both
(f) (Regulatory Authority) all other approvals of a Regulatory Authority (other than any ruling issued by a Tax Authority) which Kirin and Lion Nathan agree, acting reasonably, are necessary to implement any material aspect of the Transaction are obtained, on an unconditional basis or subject to conditions that are acceptable to Kirin.	Both	Both
(g) (Court orders) no Court or Regulatory Authority has issued or taken steps to issue an order, temporary restraining order, preliminary or permanent injunction, decree or ruling or taken any action enjoining, restraining or otherwise imposing a legal restraint or prohibition preventing the implementation of any material aspect of the Transaction and no such order, decree, ruling, other action or refusal is in effect.	Both	Both
2. Scheme approvals		
(Scheme) Scheme Participants approve the Scheme by the requisite majorities in accordance with the Corporations Act.	Cannot be waived	Lion Nathan
3. Court approvals		
The Court approves the Scheme in accordance with section 411(4)(b) of the Corporations Act.	Cannot be waived	Lion Nathan

Condition	Party entitled to benefit	Party responsible
4. Lion Nathan matters		
(a) (Lion Nathan’s representations and warranties) Lion Nathan’s representations and warranties as set out in schedule 5 are true and correct, in all Material respects, in each case as at the date of this agreement and as at 8.00am on the Second Court Date.	Kirin	Lion Nathan
(b) (No Material Adverse Event) no Material Adverse Event occurs between the date of this agreement and 8.00am on the Second Court Date.	Kirin	Lion Nathan
5. Kirin events		
(Kirin’s representations and warranties) Kirin’s representations and warranties as set out in schedule 6 are true and correct, in all material respects, in each case as at the date of this agreement and as at 8.00am on the Second Court Date.	Lion Nathan	Kirin
6. No termination	Both	Both
This agreement has not been terminated in accordance with clause 10.		
7. Independent Expert Report	Lion Nathan	Lion Nathan
The Independent Expert issues a report which concludes that the Scheme is in the best interest of Scheme Participants before the date on which the Scheme Booklet is lodged with ASIC.		

Implementation Agreement

Schedule 2 - Timetable (clause 5.1)

Dates are indicative only

Event	Date
Lodge Scheme Booklet with ASIC	July / August 2009
Application in respect of the Court hearing to be held on the First Court Date, filed with the Court, served on ASIC and delivered to ASX	July / August 2009
First Court Date	August / September 2009
Printing of Scheme Booklet	August / September 2009
Despatch of Scheme Booklet	August / September 2009
Members' Scheme Meeting held	September / October 2009
Second Court Date	October 2009
Lodge Court order with ASIC (Effective Date)	October 2009
Scheme Record Date	October 2009
Implementation Date	October 2009

Implementation Agreement

Schedule 3 - Lion Nathan's Obligations (clause 5.2)

- 1 **(Lion Nathan Information)** ensure that the Lion Nathan Information included in the Scheme Booklet complies with the Corporations Act, the Corporations Regulations, the Listing Rules and ASIC Regulatory Guides 60 and 142.
- 2 **(Further Lion Nathan Information)** provide to Kirin and Scheme Participants such further or new Lion Nathan Information as may arise after the Scheme Booklet has been sent until the date of the Members' Scheme Meeting as may be necessary to ensure that the Lion Nathan Information contained in the Scheme Booklet is not, having regard to applicable disclosure requirements, false, misleading or deceptive in any material respect (including because of any material omission).
- 3 **(Independent Expert)** promptly appoint the Independent Expert and provide any assistance and information reasonably requested by the Independent Expert to enable it to prepare the Independent Expert's Report for the Scheme Booklet.
- 4 **(Provide a copy of the Independent Expert's Report)** on receipt, provide Kirin with a copy of the final draft Independent Expert's Report received from the Independent Expert for review for factual accuracy.
- 5 **(Directors' recommendation)** state in the Scheme Booklet and the public announcement issued after execution of this agreement (on the basis of statements made to Lion Nathan by each member of the Lion Nathan Board (other than the Kirin Nominee Directors)) that each of the directors of the Lion Nathan Board (other than the Kirin Nominee Directors) recommends to Scheme Participants that the Scheme be approved in the absence of a Superior Proposal and subject to the Independent Expert expressing an opinion that the Scheme is in the best interest of the Scheme Participants.
- 6 **(Directors' voting)** use its reasonable endeavours to procure that:
 - (a) each member of the Lion Nathan Board (other than the Kirin Nominee Directors) votes any Scheme Shares in which they have a Relevant Interest in favour of the Scheme and any other resolution submitted to Scheme Participants for their approval in connection with the Scheme; and
 - (b) each member of the Lion Nathan Board (other than the Kirin Nominee Directors) does not change that voting intention,unless the Directors recommendation is withdrawn or modified.
- 9 **(Section 411(17)(b) statement)** apply to ASIC for the production of a statement pursuant to section 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme.

- 10 **(Court application and representation)** apply to the Court for an order under section 411(1) of the Corporations Act directing Lion Nathan to convene the Members' Scheme Meeting and engage suitable senior counsel to represent Lion Nathan in all Court proceedings related to the Scheme and consult with Kirin in relation to the content of the document required for the purpose of the Scheme (including originating process, affidavits, submissions and draft minutes of Court orders) and take into account all reasonable comments provided for and on behalf of Kirin in relation to such documents.
- 11 **(Registration of explanatory statement)** request ASIC to register the explanatory statement included in the Scheme Booklet in relation to the Scheme in accordance with section 412(6) of the Corporations Act.
- 12 **(Send Scheme Booklet)** send the Scheme Booklet to Scheme Participants as soon as practicable after the Court orders Lion Nathan to convene the Members' Scheme Meeting.
- 13 **(Members' Scheme Meeting)** convene the Members' Scheme Meeting in accordance with any such orders made by the Court and seek the approval of Scheme Participants for the Scheme and, for this purpose, the directors of Lion Nathan must participate in reasonable efforts to promote the merits of the Scheme, including meeting with key Scheme Participants at the reasonable request of Kirin.
- 14 **(Court order)** apply to the Court for an order approving the Scheme in accordance with sections 411(4)(b) and 411(6) of the Corporations Act.
- 15 **(Certificate)** provide the Court on the Second Court Date with a certificate confirming (in respect of matters within its knowledge) whether all the conditions precedent as set out in schedule 1 (other than the condition relating to Court approval of the Scheme - item 3) have been satisfied or waived in accordance with the terms of this agreement.
- 16 **(Lodge)** lodge with ASIC an office copy of any such Court order approving the Scheme as approved by the Scheme Participants at the Members' Scheme Meeting in accordance with section 411(10) of the Corporations Act.
- 17 **(Lion Nathan Register information)** close the Lion Nathan Register as at 5.00pm on the Scheme Record Date.
- 18 **(Registration)** register all transfers of Scheme Shares to Kirin on the Implementation Date.
- 19 **(Listing)** take all reasonable steps to maintain Lion Nathan's listing on ASX and NZX, notwithstanding any suspension of the quotation of Lion Nathan Shares, up to and including the Implementation Date, including making appropriate applications to ASX, ASIC and NZX.
- 20 **(Compliance with laws)** use its reasonable endeavours to do everything reasonably within its power to ensure that the Scheme are effected in accordance with all laws and regulations applicable in relation to the Scheme.
- 21 **(Incentive plans)** subject to Court approval of the Scheme, but with effect from the Implementation Date or such later date agreed by the parties acting reasonably, terminate all of its executive and employee incentive plans that will or could result in securities in Lion Nathan being issued to Lion Nathan Group Directors or employees.

- 22 **(Achievement Rights)** ensure that no Lion Nathan Achievement Rights are issued or granted after the Scheme Record Date.
- 23 **(Other steps)** do all other things necessary to give effect to the Scheme and the orders of the Court approving the Scheme.

Implementation Agreement

Schedule 4 - Kirin's Obligations (clause 5.3)

- 1 **(Committed Funding)** secure the Kirin Funding Commitment by 8.00am on the Second Court Date, or any earlier time required by the Court or ASIC.
- 2 **(Funding requirements from Court or ASIC)** do everything required by ASIC or the Court in relation to confirming funding for the proposed acquisition of the Scheme Shares under the Scheme.
- 3 **(Kirin Information)** provide to Lion Nathan for inclusion in the Scheme Booklet such Kirin Information as Lion Nathan reasonably requires to prepare and issue the Scheme Booklet (including any information required under the Corporations Act, the Corporations Regulations, the Listing Rules or ASIC Regulatory Guide 60 or 142).
- 4 **(Further Kirin Information)** provide to Lion Nathan such further or new Kirin Information as may arise after the Scheme Booklet has been sent until the date of the Members' Scheme Meeting as may be necessary to ensure that the Kirin Information contained in the Scheme Booklet is not, having regard to applicable disclosure requirements, false, misleading or deceptive in any material respect (including because of any material omission).
- 5 **(Independent Expert information)** provide any assistance or information reasonably requested by the Independent Expert in connection with the preparation of the Independent Expert's Report to be included in the Scheme Booklet.
- 6 **(Representation)** procure that it is represented by counsel at the court hearings convened for the purposes of section 411(4)(b) of the Corporations Act, at which, through its counsel Kirin must undertake (if requested by the court) to do all such things and take all such steps within its power as may be necessary in order to ensure the fulfilment of its obligations under this agreement and the Scheme.
- 7 **(Certificate)** provide the Court on the Second Court Date with a certificate confirming (in respect of matters within its knowledge) whether all the conditions precedent as set out in schedule 1 (other than the condition relating to Court approval of the Scheme - item 3) have been satisfied or waived in accordance with the terms of this agreement.
- 8 **(Kirin Deed Poll)** prior to the Scheme Booklet being sent to Scheme Participants, sign and deliver the Kirin Deed Poll.
- 9 **(Other steps)** do all other things necessary to give effect to the Scheme and the orders of the Court approving the Scheme.

Implementation Agreement

Schedule 5 - Lion Nathan's representations and warranties (clause 8.1)

- 1 **(Incorporation)** it is a valid existing corporation registered under the laws of its place of incorporation.
- 2 **(Execution)** the execution and delivery of this agreement has been properly authorised by all necessary corporate action of Lion Nathan.
- 3 **(Corporate power)** it has full corporate power and lawful authority to execute and deliver this agreement and to consummate and perform or cause to be performed its obligations under this agreement in accordance with its terms.
- 4 **(Binding obligations)** (subject to laws generally affecting creditors' rights and the principles of equity) this agreement constitutes legal, valid and binding obligations on it.
- 5 **(Lion Nathan Information)** the Lion Nathan Information provided in accordance with this agreement and included in the Scheme Booklet, as at the date of the Scheme Booklet, will not contain any material statement which is misleading or deceptive nor contain any material omission having regard to applicable disclosure requirements and will comply in all material respects with the requirements of the Corporations Act, the Corporations Regulations, the Listing Rules and ASIC Regulatory Guides 60 and 142.
- 6 **(Further information)** Lion Nathan will, as a continuing obligation, provide to Kirin all such further or new information which may arise after the date of the Scheme Booklet until the date of the Members' Scheme Meeting which may be necessary to ensure that there would be no breach of clause 5 of this schedule if it applied as at the date upon which that information arose.
- 7 **(Periodic disclosure)** the periodic financial disclosures made by Lion Nathan in its annual financial report and half-yearly financial report were not misleading or deceptive when made and are prepared in accordance with the Corporations Act and with all relevant Accounting Standards and give a true and fair view of the financial position and performance of the Lion Nathan Group as at the date they were made.
- 8 **(Continuous disclosure)** Lion Nathan is not in breach of its continuous disclosure obligations under the Corporations Act and the Listing Rules.
- 9 **(Information)** to the best of the knowledge of the Lion Nathan executives who provided the Management Responses as at the date of this agreement, all the Due Diligence Materials and Management Responses were prepared in good faith with due care, skill and diligence and are true and accurate in all material respects when considered in aggregate, as at the date of this agreement.

10 **(Compliance)** as at the date of this agreement and to the best of the knowledge of the Lion Nathan executives who provided the Management Responses, Lion Nathan and its Subsidiaries have complied in all material respects with all laws applicable to them and orders of Australian and foreign governmental agencies having jurisdiction over them and have all material licenses, permits and franchises necessary for them to conduct their respective businesses as presently being conducted.

11 **(Insolvency)** no member of the Lion Nathan Group is Insolvent (other than a member of the Lion Nathan Group currently in liquidation).

12 **(Securities)** Lion Nathan's issued securities as at the date of this agreement are:

- (a) 534,240,495 ordinary shares quoted on ASX; and
- (b) 1,538,351 Lion Nathan Achievement Rights not quoted on ASX,

and the Lion Nathan Group has not issued, or agreed to issue, any other securities or instruments which are still in force and may convert into Lion Nathan Shares or any other securities in Lion Nathan other than:

- (c) Lion Nathan Achievement Rights issued pursuant to or consistent with arrangements entered into before the date of this agreement (including invitations or offers made, and terms of participation, under the Lion Nathan Achievement Rights Plan); and
- (d) Lion Nathan Shares to be issued on the exercise of:
 - (i) Lion Nathan Achievement Rights; or
 - (ii) Lion Nathan Achievement Rights to be issued pursuant to arrangements referred to in paragraph (c).

Implementation Agreement

Schedule 6 - Kirin's representations and warranties (clause 8.4)

- 1 **(Incorporation)** it is a valid existing corporation registered under the laws of its place of incorporation.
- 2 **(Execution)** the execution and delivery of this agreement has been properly authorised by all necessary corporate action of Kirin.
- 3 **(Corporate power)** it has full corporate power and lawful authority to execute and deliver this agreement and to consummate and perform or cause to be performed its obligations under this agreement in accordance with its terms.
- 4 **(Binding obligations)** (subject to laws generally affecting creditors' rights and the principles of equity) this agreement constitutes legal, valid and binding obligations on it.
- 5 **(Kirin Information)** the Kirin Information provided in accordance with this agreement and included in the Scheme Booklet, as at the date of the Scheme Booklet, will not contain any material statement which is misleading or deceptive nor contain any material omission having regard to applicable disclosure requirements and will comply in all material respects with the requirements of the Corporations Act, the Corporations Regulations, the Listing Rules and ASIC Regulatory Guide 60 and 142.
- 6 **(Further information)** Kirin will, as a continuing obligation, provide to Lion Nathan all such further or new information which may arise after the date of the Scheme Booklet until the date of the Members' Scheme Meeting which may be necessary to ensure that there would be no breach of clause 6 if it applied as at the date on which that information arose.

Implementation Agreement

Signing page

DATED: 10 May 2009

SIGNED on behalf of KIRIN HOLDINGS COMPANY, LIMITED, a corporation incorporated in Japan, by KAZUYASU KATO (a person who, in accordance with the laws of that place is authorised to sign this document for that corporation) and sealed and delivered as a deed by that corporation in the presence of:

Shinro Fujita
Signature of witness

SHINRO FUJITA
Name of witness

Kazu Kato
Signature of authorised signatory

KAZUYASU KATO
Name of authorised signatory

EXECUTED by LION NATHAN LIMITED in accordance with section 127(1) of the Corporations Act 2001 (Cwlth) by authority of its directors:

.....
Signature of director

.....
Name of director (block letters)

.....
Signature of director/company secretary*
*delete whichever is not applicable

.....
Name of director/company secretary* (block letters)
*delete whichever is not applicable

Implementation Agreement

Signing page

DATED: 10/5/09

SIGNED on behalf of **KIRIN HOLDINGS COMPANY, LIMITED**, a corporation incorporated in Japan, by _____ (a person who, in accordance with the laws of that place is authorised to sign this document for that corporation) and sealed and delivered as a deed by that corporation in the presence of:

Signature of witness

Signature of authorised signatory


Name of witness

Name of authorised signatory

EXECUTED by **LION NATHAN LIMITED** in accordance with section 127(1) of the Corporations Act 2001 (Cwlth) by authority of its directors:


.....
Signature of director

ROBERT ANDREW MURRAY
.....
Name of director (block letters)


.....
Signature of ~~director~~/company secretary*

*delete whichever is not applicable

DWAN MAKEIG
.....
Name of ~~director~~/company secretary* (block letters)

*delete whichever is not applicable

Implementation Agreement

Annexure A - Scheme

Scheme of Arrangement

Dated

Lion Nathan Limited (ACN 093 160 448) ("**Lion Nathan**")

Scheme Participants

Mallesons Stephen Jaques

Level 61

Governor Phillip Tower

1 Farrer Place

Sydney NSW 2000

Australia

T +61 2 9296 2000

F +61 2 9296 3999

DX 113 Sydney

www.mallesons.com

Contents

Details	1
General terms	2
1 Definitions and interpretation	2
1.1 Definitions	2
1.2 Interpretation	4
2 Preliminary	5
2.1 Lion Nathan	5
2.2 Kirin	6
2.3 Nominee	6
2.4 Deed Poll	6
3 Conditions precedent	6
3.1 Conditions precedent to Scheme	6
3.2 Certificate in relation to conditions precedent	7
3.3 Certificate	7
3.4 Termination of Implementation Agreement	7
4 Scheme	7
4.1 Effective Date of this Scheme	7
4.2 End Date	7
5 Implementation of Scheme	7
5.1 Lodgement of Court order	7
5.2 Transfer of Scheme Shares	8
5.3 Entitlement to Scheme Consideration	8
6 Provision of Scheme Consideration	8
6.1 Consideration under this Scheme	8
6.2 Joint holders	8
6.3 Satisfaction of obligations	9
6.4 Payment of Scheme Consideration	9
6.5 New Zealand Shareholders	9
6.6 Unclaimed monies	9
7 Dealings in Lion Nathan Shares	10
7.1 Dealings in Lion Nathan Shares by Scheme Participants	10
7.2 No disposals after Effective Date	10
7.3 Maintenance of Lion Nathan Register	10
7.4 Effect of certificates and holding statements	10
8 General provisions	11
8.1 Appointment of Lion Nathan as agent and attorney	11
8.2 Scheme Participants' consent	11
8.3 Scheme Participant's agreements	11
8.4 Warranty by Scheme Participants	11
8.5 Transfer free of encumbrances	12

8.6	Title to Scheme Shares	12
8.7	Appointment of Kirin as sole proxy	12
8.8	Scheme alterations and conditions	12
8.9	Effect of Scheme	13
8.10	Enforcement of Deed Poll	13
8.11	No liability when acting in good faith	13
8.12	Notices	13
8.13	Further assurances	13
8.14	Stamp duty	13
<hr/>		
9	Governing law and jurisdiction	13
9.1	Governing law	13
9.2	Jurisdiction	14

Details

Parties	Lion Nathan and Scheme Participants	
Lion Nathan	Name	Lion Nathan Limited
	ACN	093 160 448
	Address	Level 7, 68 York Street Sydney, NSW, 2000, Australia
	Telephone	61-2-9320-2200
	Fax	61-2-9320-2264
	Attention	General Counsel and Company Secretary
Scheme Participants	Name	Lion Nathan Shareholders as at the Scheme Record Date, other than an Excluded Shareholder.
Governing law	New South Wales	
Date of agreement	See Signing page	

General terms

1 Definitions and interpretation

1.1 Definitions

In this Scheme, unless the context requires otherwise:

Account Trustee means the trustee appointed by Lion Nathan to manage the Trust Account.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691), Australian Securities Exchange or the Australian Stock Exchange as appropriate.

Business Day means a business day as defined in the Listing Rules.

CHESS means the clearing house electronic sub-register system for the electronic transfer of securities operated by ASX Settlement and Transfer Corporation Pty Limited (ABN 49 008 504 532).

Corporations Act means the Corporations Act 2001 (Cwlth).

Court means the Federal Court of Australia (New South Wales registry), or such other court of competent jurisdiction under the Corporations Act agreed in writing by Lion Nathan and Kirin.

Deed Poll means the deed poll executed by Kirin substantially in the form of Annexure B of the Implementation Agreement or as otherwise agreed by Kirin and Lion Nathan under which Kirin covenants in favour of each Scheme Participant to perform its obligations under this Scheme.

Details means the section of this agreement headed "Details".

Effective, when used in relation to this Scheme, means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) of the Corporations Act in relation to this Scheme, but in any event at no time before an office copy of the order of the Court is lodged with ASIC.

Effective Date in relation to the Scheme means the date on which the Scheme becomes Effective.

End Date means 31 December 2009 or such other date as Kirin and Lion Nathan agree.

Excluded Shareholder means any Lion Nathan Shareholder who is Kirin or a Related Body Corporate of Kirin.

FASTER means NZX's Fully Automated Screen Trading and Electronic Registration system.

Immediately Available Funds means a bank cheque or other form of cleared funds acceptable to Lion Nathan.

Implementation Agreement means the Implementation Agreement between Kirin and Lion Nathan dated on or about 8 May 2009 under which, amongst other things, Lion Nathan has agreed to propose this Scheme to Lion Nathan Shareholders and each of Kirin and Lion Nathan has agreed to take certain steps to give effect to this Scheme.

Implementation Date means the fifth Business Day following the Scheme Record Date, or such other date as is agreed by Kirin and Lion Nathan.

Interim Dividend means the interim dividend of A\$0.22 per Lion Nathan Share that Lion Nathan will pay each holder of Lion Nathan Shares.

Kirin means Kirin Holdings Company, Limited, a company incorporated in Japan, with its address at 10-1 Shinkawa 2-chome, Cho-ku, Tokyo, 104-8288, Japan.

Lion Nathan has the meaning given in the Details.

Lion Nathan Achievement Right means an Achievement Right as defined in the Lion Nathan Achievement Rights Plan or any right awarded under the Share Scheme Section of the Lion Nathan Employee Benefit Plan (New Zealand), as amended from time to time.

Lion Nathan Achievement Rights Plan means the Lion Nathan Achievement Rights Plan established by Lion Nathan, as amended from time to time.

Lion Nathan Board means the board of directors of Lion Nathan as constituted from time to time.

Lion Nathan Register means the register of members of Lion Nathan maintained by or on behalf of Lion Nathan in accordance with section 168(1) of the Corporations Act.

Lion Nathan Share means an issued fully paid ordinary share in the capital of Lion Nathan.

Lion Nathan Shareholder means each person who is registered in the Lion Nathan Register as a holder of Lion Nathan Shares.

Listing Rules means the Listing Rules of the ASX.

New Zealand Shareholder means a Lion Nathan Shareholder whose registered address as shown on the Lion Nathan Register is located in New Zealand.

Nominee has the meaning given to that term in clause 2.3 of this Scheme.

NZX means NZX Limited or the securities market which it operates, as the context requires.

Related Body Corporate has the meaning it has in the Corporations Act.

Scheme means this scheme of arrangement between Lion Nathan and Scheme Participants under which all the Scheme Shares will be transferred to Kirin (or if applicable, the Nominee) under Part 5.1 of the Corporations Act as described in clause 5, in consideration for the Scheme Consideration, subject to any alterations or conditions made or required by the Court pursuant to section 411(6) of the Corporations Act to the extent they are approved in writing by Lion Nathan and Kirin in accordance with clause 8.8 of this Scheme.

Scheme Consideration means the amount of A\$11.50 per Lion Nathan Share held by a Scheme Participant as at the Scheme Record Date, less the Scheme Consideration Adjustment Amount (if any).

Scheme Consideration Adjustment Amount means the amount of any dividends or distributions declared or announced by Lion Nathan prior to the Implementation Date, except for the Special Payment or the Interim Dividend.

Scheme Meeting means the meeting of Lion Nathan Shareholders ordered by the Court to be convened pursuant to section 411(1) of the Corporations Act to consider this Scheme.

Scheme Participant means each person who is a Lion Nathan Shareholder as at the Scheme Record Date, other than an Excluded Shareholder.

Scheme Record Date means 7.00pm on the fifth Business Day following the Effective Date or such other date (after the Effective Date) as Lion Nathan and Kirin agree.

Scheme Shares means all Lion Nathan Shares held by Scheme Participants as at the Scheme Record Date and for the avoidance of doubt includes any Lion Nathan Shares issued on or before the Scheme Record Date including upon the exercise of any Lion Nathan Achievement Rights.

Second Court Date means the day on which the Court makes an order pursuant to section 411(4)(b) of the Corporations Act approving the Scheme.

Share Scheme Transfer means, for each Scheme Participant, a duly completed and executed proper instrument of transfer of the Scheme Shares held by that Scheme Participant for the purposes of section 1071B of the Corporations Act, which may be a master transfer of all Scheme Shares.

Special Payment means the amount of A\$0.50 per Lion Nathan Share that Lion Nathan will pay holders of Lion Nathan Shares in accordance with the Implementation Agreement.

Subsidiaries has the meaning it has in the Corporations Act.

Trust Account means the trust account operated by Lion Nathan to hold the Scheme Consideration on trust for the purpose of paying the Scheme Consideration to the Scheme Participants in accordance with clause 6.4.

1.2 Interpretation

In this Scheme, unless the context requires otherwise:

- (a) a reference:

- (i) to the singular includes the plural and vice versa;
- (ii) to a gender includes all genders;
- (iii) to an agreement, document or instrument is a reference to that document or instrument as amended, consolidated, supplemented, novated or replaced;
- (iv) to a party means a party to this Scheme;
- (v) to a clause, paragraph, Schedule or Annexure is to a clause, paragraph, Schedule or Annexure of or to this Scheme;
- (vi) to a person (including a party) includes:
 - (A) an individual, company, other body corporate, association, partnership, firm, joint venture, trust or government agency; and
 - (B) the person's successors, permitted assigns, substitutes, executors and administrators;
- (vii) to a law includes any legislation, judgment, rule of common law or equity or rule of any applicable stock exchange, and is a reference to that law as amended, consolidated, supplemented or replaced and includes a reference to any regulation, by-law or other subordinate legislation;
- (viii) to any time is to Sydney time;
- (ix) to "\$" is to the lawful currency of Australia; and
- (b) the word "includes" in any form is not a word of limitation;
- (c) where a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (d) headings are for convenience only and do not affect interpretation;
- (e) if a payment or other act must (but for this clause) be made or done on a day that is not a Business Day, then it must be made or done on the next Business Day; and
- (f) if a period must be calculated from, after or before a day or the day of an act or event, it must be calculated excluding that day.

2 Preliminary

2.1 Lion Nathan

Lion Nathan is:

- (a) a public company limited by shares incorporated in Australia;
- (b) registered in the state of New South Wales; and

- (c) admitted to the official list of ASX and NZX.

2.2 Kirin

Kirin is a company incorporated in Japan.

2.3 Nominee

Pursuant to clause 2.4 of the Implementation Agreement, Kirin may nominate a wholly owned Subsidiary of Kirin (“**Nominee**”) to pay the Scheme Consideration and to which the Scheme Shares are to be transferred in accordance with clause 5 of this Scheme.

If Kirin nominates a Nominee, then clause 2.4(b) of the Implementation Agreement provides that Kirin must procure that the Nominee complies with the Implementation Agreement as if the Nominee were a party to it in place of Kirin.

2.4 Deed Poll

Kirin has entered into the Deed Poll for the purpose of covenanting in favour of Scheme Participants to perform (or procure the performance of) the obligations contemplated of it (or if applicable, the Nominee) under this Scheme.

3 Conditions precedent

3.1 Conditions precedent to Scheme

This Scheme is conditional on, and will have no force or effect until, the satisfaction of each of the following conditions precedent, and the provisions of this Scheme will not come into effect unless and until each of these conditions have been satisfied:

- (a) as at 8.00 am on the Second Court Date, the Deed Poll not having been terminated;
- (b) as at 8.00 am on the Second Court Date, all of the conditions precedent set out in Schedule 1 of the Implementation Agreement (other than the condition precedent set out in item 3 of Schedule 1) having been satisfied or waived in accordance with the terms of that agreement;
- (c) the Court having approved this Scheme, with or without modification, pursuant to section 411(4)(b) of the Corporations Act, and if applicable, Lion Nathan and Kirin having accepted in writing any modification or condition made or required by the Court under section 411(6) of the Corporations Act; and
- (d) the coming into effect, pursuant to section 411(10) of the Corporations Act, of the orders of the Court made under section 411(4)(b) of the Corporations Act (and, if applicable, section 411(6) of the Corporations Act) in relation to this Scheme.

3.2 Certificate in relation to conditions precedent

On the Second Court Date, Lion Nathan and Kirin will each provide to the Court a certificate confirming (in respect of matters within their knowledge) whether or not all of the conditions precedent set out in clause 3.1 of this Scheme (other than the conditions precedent in clauses 3.1(c) and 3.1(d) of this Scheme) have been satisfied or waived as at 8.00 am on the Second Court Date.

3.3 Certificate

The giving of a certificate by each of Lion Nathan and Kirin under clause 3.2 confirming that any conditions precedent set out in clause 3.1 (other than the conditions precedent in clauses 3.1(c) and 3.1(d) of this Scheme) have been satisfied or waived as at 8.00 am on the Second Court Date will be conclusive evidence for the purpose only of assessing whether the conditions precedent referred to in clause 3.1 (other than the conditions precedent in clauses 3.1(c) and 3.1(d) of this Scheme) have been satisfied or waived.

3.4 Termination of Implementation Agreement

Without limiting rights under the Implementation Agreement, in the event that the Implementation Agreement is terminated in accordance with its terms before 8.00am on the Second Court Date, Lion Nathan and Kirin are each released from:

- (a) any further obligation to take steps to implement this Scheme;
- (b) any liability with respect to the Scheme; and
- (c) in the case of Kirin, any liability under the Deed Poll.

4 Scheme

4.1 Effective Date of this Scheme

Subject to clause 4.2, this Scheme will become Effective on and from the Effective Date.

4.2 End Date

This Scheme will lapse and be of no further force or effect if the Effective Date has not occurred on or before the End Date.

5 Implementation of Scheme

5.1 Lodgement of Court order

If the conditions precedent set out in clause 3.1 of this Scheme (other than the condition precedent in clause 3.1(d)) of this Scheme are satisfied, Lion Nathan must lodge with ASIC in accordance with section 411(10) of the Corporations Act an office copy of the Court order approving this Scheme as soon as possible after, and in any event by no later than 4.00 pm on the

Business Day following, the date on which the Court approves this Scheme or such other Business Day as Kirin and Lion Nathan agree in writing.

5.2 Transfer of Scheme Shares

On the Implementation Date, but subject to Kirin making (or procuring) the payment of the Scheme Consideration for the Scheme Shares in the manner contemplated by clause 6, and Kirin having provided Lion Nathan with written confirmation thereof:

- (a) all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares as at the Implementation Date (excluding any entitlement to receive the Special Payment), will be transferred to Kirin without the need for any further act by any Scheme Participant (other than acts performed by Lion Nathan as attorney and agent for Scheme Participants under this Scheme) by:
 - (i) Lion Nathan delivering to Kirin (or if applicable, the Nominee) a duly completed Share Scheme Transfer executed on behalf of the Scheme Participants for execution by Kirin (or if applicable, the Nominee); and
 - (ii) Kirin (or if applicable, the Nominee) duly executing the Share Scheme Transfer and delivering it to Lion Nathan for registration; and
- (b) Lion Nathan will enter the name and address of Kirin (or if applicable, the Nominee) in the Lion Nathan Register as the holder of all of the Scheme Shares as soon as practicable following receipt of the duly executed Share Scheme Transfer from Kirin (or if applicable, the Nominee) under clause 5.2(a)(ii).

5.3 Entitlement to Scheme Consideration

On the Implementation Date, in consideration for the transfer to Kirin (or if applicable, the Nominee) of the Scheme Shares, each Scheme Participant will be entitled to receive the Scheme Consideration in respect of each of their Scheme Shares in accordance with clause 6.

6 Provision of Scheme Consideration

6.1 Consideration under this Scheme

No later than two Business Days before the Implementation Date, Lion Nathan must procure Kirin to pay (or procure the payment of) the Scheme Consideration to the Trust Account in accordance with clauses 6.3.

6.2 Joint holders

In the case of Scheme Shares held in joint names, the Scheme Consideration is payable to, and must be paid to, the holder whose name appears first in the Lion Nathan Register as at the Scheme Record Date.

6.3 Satisfaction of obligations

The obligation of Lion Nathan to procure payment of the Scheme Consideration pursuant to clause 6.1 will be satisfied by Lion Nathan procuring Kirin, no later than two Business Days before the Implementation Date, to deposit (or procure the deposit of) the aggregate amount of the Scheme Consideration payable to all Scheme Participants in Immediately Available Funds into the Trust Account (provided that the amount of any interest on the amount deposited in the Trust Account (less bank fees and other charges) will be credited to Kirin's account).

6.4 Payment of Scheme Consideration

- (a) Subject to clause 6.5, within 10 Business Days after the Implementation Date, subject to receipt of the Scheme Consideration from Kirin in accordance with clause 6.3, Lion Nathan must pay to each Scheme Participant an amount equal to the Scheme Consideration in consideration for each Scheme Share transferred to Kirin (or if applicable, the Nominee) on the Implementation Date by that Scheme Participant in accordance with clause 5.2.
- (b) Subject to clause 6.5, the amounts referred to in clause 6.4(a) must be paid by direct credit or sending a cheque drawn in Australian currency to each Scheme Participant by pre-paid post to their address recorded in the Lion Nathan Register as at the Scheme Record Date.

6.5 New Zealand Shareholders

- (a) Unless a New Zealand Shareholder advises Lion Nathan in writing prior to the Effective Date that it wishes to receive the Scheme Consideration in Australian currency, each New Zealand Shareholder who is a Scheme Participant will be paid the amounts referred to in clause 6.4(a) by direct credit or cheque drawn in New Zealand currency sent by pre-paid post to their address recorded in the Lion Nathan Register as at the Scheme Record Date.
- (b) To the extent that the Scheme Consideration is paid in New Zealand currency, the Scheme Consideration will be converted into New Zealand currency at an exchange rate between New Zealand dollars and Australian dollars applying on the date of payment of the Scheme Consideration to each New Zealand Shareholder.

6.6 Unclaimed monies

Lion Nathan may direct the Account Trustee to cancel a cheque issued under clause 6.4 or clause 6.5 if the cheque:

- (a) is returned to Lion Nathan or the Account Trustee; or
- (b) has not been presented for payment within six months after the date on which the cheque was sent.

During the period of one year commencing on the Implementation Date, on request from a Scheme Participant, Lion Nathan must, or must cause the

Account Trustee to, reissue a cheque that was previously cancelled under this clause.

7 Dealings in Lion Nathan Shares

7.1 Dealings in Lion Nathan Shares by Scheme Participants

For the purpose of determining the persons that are Scheme Participants, dealings in Lion Nathan Shares will be recognised by Lion Nathan provided that:

- (a) in the case of dealings to be effected on CHESSE or through FASTER, the transferee is registered in the Lion Nathan Register as the holder of the relevant Lion Nathan Shares on or by the Scheme Record Date; and
- (b) in all other cases, registrable transfers or transmission applications in respect of those dealings are received at the place where the Lion Nathan Register is kept by 5.00pm on the day which is the Scheme Record Date (in which case Lion Nathan must register such transfers by the Scheme Record Date),

and Lion Nathan will not accept for registration, or recognise for the purpose of establishing who are Scheme Participants, any transmission application or transfer in respect of Lion Nathan Shares received after such times on the Scheme Record Date.

7.2 No disposals after Effective Date

If this Scheme becomes Effective, a Scheme Participant (and any person claiming through that holder) must not dispose of, or purport to agree to dispose of, any Lion Nathan Shares or any interest in them after the Effective Date in any way except as set out in this Scheme and any such disposal will be void and of no legal effect whatsoever.

7.3 Maintenance of Lion Nathan Register

For the purpose of determining entitlements to the Scheme Consideration, Lion Nathan will, until the Scheme Consideration has been provided and Kirin (or if applicable, the Nominee) has been entered in the Lion Nathan Register as the holder of all of the Scheme Shares, maintain or procure the maintenance of the Lion Nathan Register in accordance with this clause 7.3. The Lion Nathan Register in this form will solely determine entitlements to the Scheme Consideration.

7.4 Effect of certificates and holding statements

After the Scheme Record Date (other than statements of holding in favour of Kirin (or if applicable, the Nominee) and its successors in title after the Implementation Date), all certificates and holding statements for the Scheme Shares will cease to have effect as documents of title. Subject to provision of the Scheme Consideration by Kirin and registration of the transfer to Kirin (or if applicable, the Nominee) contemplated in clause 5.2, after the Scheme Record Date, each entry on the Lion Nathan Register at the Scheme Record

Date (other than entries in respect of Kirin (or if applicable, the Nominee) and its successors in title) will cease to have any effect other than as evidence of an entitlement to the Scheme Consideration.

8 General provisions

8.1 Appointment of Lion Nathan as agent and attorney

Each Scheme Participant, without the need for any further act, irrevocably appoints Lion Nathan as its agent and attorney for the purpose of:

- (a) executing any document or doing any other act necessary or desirable to give full effect to this Scheme and the transactions contemplated by it, including executing a Share Scheme Transfer; and
- (b) enforcing the Deed Poll against Kirin,

and Lion Nathan accepts such appointment. Lion Nathan, as agent of each Scheme Participant, may sub-delegate its functions, authorities or powers under this clause 8.1 to all or any of its directors and officers (jointly, severally or jointly and severally).

8.2 Scheme Participants' consent

Each Scheme Participant irrevocably consents to Lion Nathan and Kirin (or if applicable, the Nominee) doing all things and executing all deeds, instruments, transfers and other documents as may be necessary or desirable to give full effect to this Scheme and the transactions contemplated by it.

8.3 Scheme Participant's agreements

Under this Scheme each Scheme Participant agrees to the transfer of their Scheme Shares, together with all rights and entitlements attaching to those Scheme Shares (excluding any entitlement to receive the Special Payment), to Kirin (or if applicable, the Nominee) in accordance with the terms of this Scheme.

8.4 Warranty by Scheme Participants

Each Scheme Participant is deemed to have warranted to Kirin (and, if applicable, the Nominee), and is deemed to have authorised Lion Nathan to warrant to Kirin (and, if applicable, the Nominee) as agent and attorney for the Scheme Participant by virtue of this clause, that:

- (a) all of their Scheme Shares (including any rights and entitlements attaching to those shares excluding any entitlement to receive the Special Payment) transferred will, on the date of the transfer of them to Kirin (or if applicable, the Nominee) under this Scheme, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests and other interests of third parties of any kind, whether legal or otherwise, and restrictions on transfer of any kind; and

- (b) they have the full power and capacity to sell and transfer their Scheme Shares (including any rights and entitlements attaching to those shares).

8.5 Transfer free of encumbrances

To the extent permitted by law, all Lion Nathan Shares (including any rights and entitlements attaching to those shares excluding any entitlement to receive the Special Payment) which are transferred to Kirin (or if applicable, the Nominee) under this Scheme will, at the date of the transfer of them to Kirin (or if applicable, the Nominee), vest in Kirin free from all mortgages, charges, liens, encumbrances and interests of third parties of any kind, whether legal or otherwise, and free from any restrictions on transfer of any kind not referred to in this Scheme.

8.6 Title to Scheme Shares

Subject to provision of the Scheme Consideration for the Scheme Shares in the manner contemplated by clauses 5.3 and 6, on and from the Implementation Date and pending registration by Lion Nathan of Kirin (or if applicable, the Nominee) in the Lion Nathan Register as the holder of all of the Scheme Shares, Kirin (or if applicable, the Nominee) will be beneficially entitled to all of the Scheme Shares transferred to it under this Scheme.

8.7 Appointment of Kirin as sole proxy

On and from the Implementation Date and pending registration by Lion Nathan of Kirin (or if applicable, the Nominee) in the Lion Nathan Register as the holder of all of the Scheme Shares, each Scheme Participant:

- (a) is deemed to have irrevocably appointed the President of Kirin as their sole proxy and, where applicable, corporate representative, to attend shareholders' meetings of Lion Nathan, exercise the votes attached to the Scheme Shares registered in their name and sign any shareholders' resolutions, whether in person, by proxy or by corporate representative;
- (b) must not attend or vote at any shareholders' meetings of Lion Nathan, or sign any resolutions, whether in person, by proxy or by corporate representative, other than in accordance with this clause 8.7; and
- (c) must take all other actions in the capacity of the registered holder of Scheme Shares as Kirin directs.

Lion Nathan undertakes in favour of each Scheme Participant that it will appoint the President of Kirin as that Scheme Participant's proxy or, where applicable, corporate representative, in accordance with this clause 8.7.

8.8 Scheme alterations and conditions

If the Court proposes to approve this Scheme subject to any alterations or conditions, Lion Nathan may, by its counsel or solicitors, and with the consent of Kirin, consent to those alterations or conditions on behalf of all persons concerned, including, for the avoidance of doubt, all Scheme

Participants, provided that in no circumstances will Lion Nathan be obliged to do so.

8.9 Effect of Scheme

This Scheme binds Lion Nathan and all Scheme Participants (including those who do not attend the Scheme Meeting, do not vote at that meeting or vote against this Scheme) and, to the extent of any inconsistency and to the extent permitted by law, overrides the constitution of Lion Nathan.

8.10 Enforcement of Deed Poll

Lion Nathan undertakes in favour of each Scheme Participant to enforce the Deed Poll against Kirin on behalf of and as agent and attorney for the Scheme Participants.

8.11 No liability when acting in good faith

Neither Lion Nathan nor Kirin, nor any of their respective officers, will be liable for anything done or omitted to be done in the performance of this Scheme in good faith.

8.12 Notices

- (a) Where a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to Lion Nathan, it will not be deemed to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at Lion Nathan's registered office.
- (b) The accidental omission to give notice of the Scheme Meeting to, or the non-receipt of such notice by, any Lion Nathan Shareholder will not, unless so ordered by the court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

8.13 Further assurances

Lion Nathan will execute all documents and do all acts and things (on its own behalf and on behalf of each Scheme Participant) as may be necessary or desirable to give full effect to this Scheme and the transactions contemplated by it.

8.14 Stamp duty

Kirin will pay all stamp duty (including any fines, penalties and interest) payable on the transfer by Scheme Participants of the Scheme Shares to Kirin (or if applicable, the Nominee).

9 Governing law and jurisdiction

9.1 Governing law

This Scheme is governed by the laws of New South Wales.

9.2 Jurisdiction

Each party irrevocably and unconditionally:

- (a) submits to the non-exclusive jurisdiction of the courts of New South Wales; and
- (b) waives, without limitation, any claim or objection based on absence of jurisdiction or inconvenient forum.

Implementation Agreement

Annexure B - Kirin Deed Poll

Deed Poll

By Kirin Holdings Company, Limited ("Kirin") in favour of each Scheme Participant

Dated

Mallesons Stephen Jaques
Level 61
Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia
T +61 2 9296 2000
F +61 2 9296 3999
DX 113 Sydney
www.mallesons.com

Lion Nathan Ordinary Shares Deed Poll

Contents

1	Definitions and interpretation	2
1.1	Definitions	2
1.2	Interpretation	2
1.3	Nature of Deed Poll	2
2	Conditions precedent and termination	2
2.1	Conditions precedent	2
2.2	Termination	3
2.3	Consequences of termination	3
3	Performance of obligations generally	3
4	Provision of Scheme Consideration	3
4.1	Scheme Consideration	3
4.2	Manner of payment	3
5	Representations and warranties	3
6	Continuing obligations	4
7	Notices	4
7.1	Form - all communications	4
7.2	Delivery	4
7.3	When effective	5
7.4	When taken to be received	5
7.5	Receipt outside business hours	5
8	General	5
8.1	Stamp duty	5
8.2	Waiver	5
8.3	Variation	6
8.4	Rights cumulative	6
8.5	No assignment	6
8.6	Further assurances	6
8.7	Governing law and jurisdiction	6

Lion Nathan Ordinary Shares Deed Poll

Details

Parties	Kirin
----------------	--------------

Kirin	Name	Kirin Holdings Company, Limited
	Address	c/- Blake Dawson [Ref: 02-2005-5192] 225 George Street Sydney NSW 2000
	Fax	61 2 9258 6999
	Attention	Ian Williams / Carl Della-Bosca / David Ryan

In favour of	Each person who is registered as the holder of fully paid ordinary shares in the capital of Lion Nathan Limited (ACN 093 160 448) of Level 7, 68 York Street, Sydney, NSW, 2000, Australia (“ Lion Nathan ”) as at the Scheme Record Date, other than an Excluded Shareholder (“ Scheme Participants ”).
Recitals	A Kirin and Lion Nathan have entered into the Implementation Agreement. F Kirin is entering into this Deed Poll for the purpose of covenanting in favour of Scheme Participants to perform its obligations under the Scheme.

Governing law	New South Wales
----------------------	-----------------

Date of agreement	See Signing page
--------------------------	------------------

Lion Nathan Ordinary Shares Deed Poll

General terms

1 Definitions and interpretation

1.1 Definitions

In this Deed Poll:

- (a) *Authorised Officer* means, in respect of a party, a director or secretary of the party or any other person appointed by a party to act as an Authorised Officer under this agreement;
- (b) *Implementation Agreement* means the Implementation Agreement between Kirin and Lion Nathan dated on or about 8 May 2009 under which, amongst other things, Lion Nathan has agreed to propose the Scheme to Lion Nathan Shareholders and each of Kirin and Lion Nathan has agreed to take certain steps to give effect to the Scheme;
- (c) *Scheme* means the scheme of arrangement between Lion Nathan and Scheme Participants under which all the Scheme Shares will be transferred to Kirin (or if applicable, the Nominee) under Part 5.1 of the Corporations Act substantially in the form set out in Annexure A of the Implementation Agreement, or as otherwise agreed by Kirin and Lion Nathan, subject to any alterations or conditions made or required by the Court pursuant to section 411(6) of the Corporations Act to the extent they are approved by Lion Nathan and Kirin in accordance with clause 8.8 of the Scheme; and
- (d) unless the context requires otherwise, all other words and phrases defined in the Scheme have the same meaning in this Deed Poll.

1.2 Interpretation

Clause 1.2 of the Scheme applies to the interpretation of this Deed Poll except that references to "this Scheme" in that clause are to be read as references to "this Deed Poll".

1.3 Nature of Deed Poll

Kirin acknowledges that this Deed Poll may be relied on and enforced by any Scheme Participant in accordance with its terms even though the Scheme Participants are not party to it.

2 Conditions precedent and termination

2.1 Conditions precedent

Kirin's obligations under clause 4 are subject to the Scheme becoming Effective.

2.2 Termination

Kirin's obligations under this Deed Poll will automatically terminate and the terms of this Deed Poll will be of no further force or effect if:

- (a) the Implementation Agreement is terminated in accordance with its terms; or
- (b) the Scheme does not become Effective by the End Date.

2.3 Consequences of termination

If this Deed Poll is terminated under clause 2.2, then, in addition and without prejudice to any other rights, powers or remedies available to Scheme Participants:

- (a) Kirin is released from its obligations to further perform this Deed Poll except those obligations contained in clause 8.1 and any other obligations which by their nature survive termination; and
- (b) each Scheme Participant retains the rights, powers or remedies the Scheme Participant has against Kirin in respect of any breach of this Deed Poll which occurs before it is terminated.

3 Performance of obligations generally

Kirin will comply with its obligations under the Implementation Agreement to do all acts and things as may be necessary or desirable on its part to give full effect to the Scheme.

4 Provision of Scheme Consideration

4.1 Scheme Consideration

Subject to clause 2, Kirin undertakes in favour of each Scheme Participant to pay, or procure payment of, the Scheme Consideration to the Trust Account in accordance with the Scheme.

4.2 Manner of payment

Kirin's obligation to pay, or procure payment of, the Scheme Consideration pursuant to clause 4.1 will be satisfied by Kirin, no later than two Business Days before the Implementation Date, depositing (or procuring the deposit of) the aggregate amount of the Scheme Consideration payable to all Scheme Participants in Immediately Available Funds into the Trust Account (provided that the amount of any interest on the amount deposited in the Trust Account (less bank fees and other charges) will be credited to Kirin's account).

5 Representations and warranties

Kirin represents and warrants that:

- (a) it is a corporation validly existing under the laws of its place of registration;
- (b) it has the corporate power to enter into and perform its obligations under this Deed Poll and to carry out the transactions contemplated by this Deed Poll;
- (c) it has taken all necessary corporate action to authorise the entry into this Deed Poll and has taken or will take all necessary corporate action to authorise the performance of this Deed Poll and to carry out the transactions contemplated by this Deed Poll; and
- (d) this Deed Poll is valid and binding upon it and enforceable against it in accordance with its terms.

6 Continuing obligations

This Deed Poll is irrevocable and, subject to clause 2, remains in full force and effect until:

- (a) Kirin has fully performed its obligations under this Deed Poll; or
- (b) the earlier termination of this Deed Poll under clause 2.2.

7 Notices

7.1 Form - all communications

Unless expressly stated otherwise in this agreement, all notices, certificates, consents, approvals, waivers and other communications in connection with this agreement must be:

- (a) in writing;
- (b) signed by the sender (if an individual) or an Authorised Officer of the sender; and
- (c) marked for the attention of the person identified in the Details or, if the recipient has notified otherwise, then marked for attention in the way last notified.

7.2 Delivery

Communications must be:

- (a) left at the address set out or referred to in the Details;
- (b) sent by prepaid ordinary post (airmail if appropriate) to the address set out or referred to in the Details;
- (c) sent by fax to the fax number set out or referred to in the Details; or
- (d) given in any other way permitted by law.

However, if the intended recipient has notified a changed address or fax number, then communications must be to that address or fax number.

7.3 When effective

Communications take effect from the time they are received or taken to be received under clause 7.4 (whichever happens first) unless a later time is specified.

7.4 When taken to be received

Communications are taken to be received:

- (a) if sent by post, three days after posting (or seven days after posting if sent from one country to another); or
- (b) if sent by fax, at the time shown in the transmission report as the time that the whole fax was sent.

7.5 Receipt outside business hours

Despite clauses 7.3 and 7.4, if communications are received or taken to be received under clause 7.4 after 5.00pm in the place of receipt or on a non-Business Day, they are taken to be received at 9.00am on the next Business Day and take effect from that time unless a later time is specified.

8 General

8.1 Stamp duty

Kirin will:

- (a) pay all stamp duty (including fines, penalties and interest) on or in connection with this Deed Poll, the performance of this Deed Poll and each transaction effected by or made, or any instrument executed, under this Deed Poll (including the transfer of the Scheme Shares to Kirin (or if applicable, the Nominee)); and
- (b) indemnify each Scheme Participant on demand against any liability arising from failure to comply with clause 8.1(a).

8.2 Waiver

- (a) Waiver of any right arising from a breach of this Deed Poll or of any right, power, authority, discretion or remedy arising upon default under this Deed Poll must be in writing and signed by the party granting the waiver.
- (b) A failure or delay in exercise, or partial exercise, of:
 - (i) a right arising from a breach of this Deed Poll; or
 - (ii) a right, power, authority, discretion or remedy created or arising upon default under this Deed Poll,

does not result in a waiver of that right, power, authority, discretion or remedy.

- (c) A party is not entitled to rely on a delay in the exercise or non-exercise of a right, power, authority, discretion or remedy arising from a breach of this Deed Poll or on a default under this Deed Poll as constituting a waiver of that right, power, authority, discretion or remedy.
- (d) A party may not rely on any conduct of another party as a defence to exercise of a right, power, authority, discretion or remedy by that other party.

8.3 Variation

A provision of this Deed Poll may not be varied unless:

- (a) before the Second Court Date, the variation is agreed to in writing by Lion Nathan; or
- (b) on or after the Second Court Date, the variation is agreed to in writing by Lion Nathan and is approved by the Court,

in which event Kirin will enter into a further deed poll in favour of each Scheme Participant giving effect to the amendment.

8.4 Rights cumulative

The rights, powers and remedies of Kirin and of each Scheme Participant under this Deed Poll are cumulative and do not exclude any other rights, powers or remedies provided by law or equity independently of this Deed Poll.

8.5 No assignment

The rights and obligations of Kirin and of each Scheme Participant under this Deed Poll are personal and must not be assigned, encumbered or otherwise dealt with at law or in equity and no person may attempt or purport to do so without the prior written consent of Kirin and Lion Nathan.

8.6 Further assurances

Kirin will execute all deeds and other documents and do all acts and things (on its own behalf or on behalf of each Scheme Participant) as may be necessary or desirable to give full effect to this Deed Poll and the transactions contemplated by it.

8.7 Governing law and jurisdiction

This Deed Poll is governed by the laws of New South Wales. Kirin irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of New South Wales.

EXECUTED as a deed poll

Lion Nathan Ordinary Shares Deed Poll

Signing page

DATED: _____

SIGNED on behalf of **KIRIN HOLDINGS COMPANY, LIMITED**, a corporation incorporated in Japan, by _____ (a person who, in accordance with the laws of that place is authorised to sign this document for that corporation) and sealed and delivered as a deed by that corporation in the presence of:

Signature of witness

Signature of authorised signatory

Name of witness

Name of authorised signatory