



Warrnambool Cheese and Butter Factory Company Holdings Limited

ABN 15 071 945 232

Entitlement Offer Booklet

A 3 for 8 pro-rata renounceable entitlement offer of Warrnambool Cheese and Butter Factory Company Holdings Limited (**WCB** or **Company**) ordinary shares (**New Shares**) at an offer price of \$6.75 per New Share (**Offer Price**) to raise up to \$142.0 million (before costs) (**Entitlement Offer**).

The Entitlement Offer closes at 5.00pm (Melbourne time) on 29 June 2016 (unless extended).

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This Offer Booklet requires your immediate attention. It is an important document which is accompanied by a personalised Entitlement and Acceptance Form and both should be read in their entirety. This Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. Please consult your stockbroker, accountant or other professional adviser if you have any questions.

Important Notices

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES.

Defined terms used in these important notices have the meaning given in this Offer Booklet.

Future performance and forward looking statements

This Offer Booklet contains certain “forward looking statements” and comments about future matters. Forward looking statements can generally be identified by the use of forward looking words such as “expect”, “anticipate”, “likely”, “intend”, “propose”, “should”, “could”, “may”, “predict”, “plan”, “will”, “believe”, “forecast”, “estimate”, “target”, “outlook”, “guidance”, and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, the outcome and effects of the Entitlement Offer and the use of proceeds. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements. Any such statements, opinions and estimates in this Offer Booklet speak only as of the date hereof and are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance and estimates. Forward-looking statements are provided as a general guide only. The forward looking statements contained in this Offer Booklet are not indications, guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of WCB, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Refer to the “Summary of Key Risks” in Section 3 of this Offer Booklet for a non-exhaustive summary of certain general and specific risk factors that may affect WCB. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the key risk factors included in Section 3 of this Offer Booklet. Investors should consider the forward looking statements contained in this Offer Booklet in light of those risks and disclosures.

The forward looking statements are based on information available to WCB as at the date of this Offer Booklet. Except as required by law or regulation (including the ASX Listing Rules), WCB has no obligation to supplement, revise or update any forward looking statements, regardless of whether new information, future events or results or other factors affect the information contained in this Offer Booklet.

Past performance

Investors should note that past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guidance as to) future WCB performance including future share price performance.

No representation other than in this Offer Booklet

No person is authorised to provide any information or to make any representation in connection with the Entitlement Offer that is not contained in this Offer Booklet. Any information or representation not contained in this Offer Booklet may not be relied upon as having been authorised by WCB.

Not investment advice

This Offer Booklet does not provide investment advice and has been prepared without taking into account your investment objectives, financial situation or particular needs (including financial and taxation issues). It is important that you read this Offer Booklet in full before deciding to invest in New Shares and any Additional New Shares and consider the risks that could affect the performance of New Shares and Additional New Shares.

Jurisdictions

The information in this Offer Booklet does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or in any other jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Entitlement Offer, the Entitlements, the New Shares, any Additional New Shares, or otherwise permit a public offering of the New Shares or any Additional New Shares, in any jurisdiction outside of Australia and New Zealand. The Entitlements, the New Shares and any Additional New Shares have not been and will not be, registered under the US Securities Act 1933 (**Securities Act**) or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States, except in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable securities laws of any state or other jurisdiction in the United States.

Eligible Shareholders in New Zealand

This Offer Booklet is distributed to Eligible Shareholders in New Zealand in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand). It is a term of the Entitlement Offer that the offer of Entitlements, New Shares and any Additional New Shares to Eligible Shareholders in New Zealand is made in compliance with: (i) the law of the country, state, territory or province in which the relevant stock exchange is situated on which the Entitlements, New Shares and any Additional New Shares will be quoted; and (ii) any code, rules, or other requirements relating to the Entitlement Offer that apply in that country, state, territory, or province.

References to “you” and “your Entitlement”

In this Offer Booklet, references to “you” are references to Eligible Shareholders and references to “your Entitlement” (or “your Entitlement and Acceptance Form”) are references to the Entitlement (or Entitlement and Acceptance Form) of Eligible Shareholders.

Times and dates

Times and dates in this Offer Booklet are indicative only and subject to change. All times and dates refer to the time in Melbourne, Australia. Refer to the “Key Dates for the Entitlement Offer” section of this Offer Booklet for more details.

Currency

Unless otherwise stated, all dollar values in this Offer Booklet are in Australian dollars (A\$).

Trading Entitlements

WCB will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade Entitlements before they receive their personalised Entitlement and Acceptance Form, whether on the basis of confirmation of the allocation provided by WCB or the Share Registry or otherwise, or who otherwise trade or purport to trade Entitlements in error or which they do not hold or are not entitled to.

Status of New Shares

Investments in securities such as New Shares are subject to risks which could affect their performance, including loss of investment and income. WCB does not guarantee the market price of New Shares or any particular rate of return.

Information about the risks of investing in New Shares is detailed in Section 3.5.

Trading New Shares

WCB will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares or any Additional New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by WCB or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares or any Additional New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt, as to these matters you should first consult with your stockbroker, accountant or other professional adviser.

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Key Dates for the Entitlement Offer

Event	Date
Announcement of the Entitlement Offer	10 June 2016
Ex-date and Entitlement market opens on ASX	15 June 2016
Record Date for the Entitlement Offer	7.00pm (Melbourne time) 16 June 2016
Offer Booklet despatched, Entitlement Offer opens	20 June 2016
Entitlement market ceases on ASX	22 June 2016
New Shares commence trading on ASX on a deferred settlement basis	23 June 2016
Entitlement Offer closes	5.00pm (Melbourne time) 29 June 2016
WCB notifies ASX of under subscriptions (if any)	4 July 2016
Issue of New Shares (and any Additional New Shares)	6 July 2016
Despatch of holding statements for New Shares	6 July 2016
Trading of New Shares (and any Additional New Shares) on ASX on a normal settlement basis	7 July 2016

The timetable above is indicative only and may be subject to change. WCB reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, WCB reserves the right to extend the closing date of the Entitlement Offer, to accept late applications under the Entitlement Offer (either generally or in particular cases) and to withdraw the Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the issue date of New Shares (and any Additional New Shares).

The commencement of quotation of New Shares (and any Additional New Shares) is subject to confirmation from ASX.

Cooling off rights do not apply to an investment in New Shares or any Additional New Shares. You cannot withdraw your application once it has been accepted. Eligible Shareholders wishing to participate in the Entitlement Offer are encouraged to submit their Entitlement and Acceptance Form as soon as possible after the Entitlement Offer opens.

Letter from the Chairman

10 June 2016

Dear Shareholder,

Warrnambool Cheese and Butter Factory Company Holdings Limited (ASX: WCB) – Entitlement Offer

On behalf of the Board of Warrnambool Cheese and Butter Factory Company Holdings Limited, I am pleased to invite you to participate in a 3 for 8 pro-rata renounceable entitlement offer of New Shares at an Offer Price of \$6.75 per New Share to raise up to \$142.0 million (before costs).

All of the proceeds from the Entitlement Offer, less costs, will be used to repay debt. This will strengthen the balance sheet and provide greater financial flexibility to invest in strategic capital investment initiatives. This includes a planned capital project to expand capacity to manufacture cheese and other dairy products. This project will commence in FY17 and is expected to be completed in FY18 and will cost approximately \$40 million.

As at 31 March 2016, the Company had net debt of \$213.1 million, equating to a Net Debt / EBITDA (FY16A) ratio of 8.6x. Upon conclusion of the Entitlement Offer, pro-forma Net Debt / EBITDA (FY16A) as at 31 March 2016 will be reduced to 2.9x, assuming that all shareholders participate for their full Entitlement.

Entitlement Offer

Under the Entitlement Offer, Eligible Shareholders are entitled to subscribe for 3 New Shares at the Offer Price for every 8 fully paid ordinary Shares held at 7:00pm (Melbourne time) on the Record Date of 16 June 2016. Up to 21,037,049 New Shares will be issued under the Entitlement Offer. The Entitlement Offer is not underwritten.

The Offer Price of \$6.75 per New Share represents an 18.2% discount to the closing price of WCB Shares of \$8.25 per Share as at 9 June 2016, the last day before the Entitlement Offer was announced, and a 13.9% discount to the theoretical ex-rights price (**TERP**)¹.

The Entitlement Offer is renounceable, which means that Entitlements may be offered for sale on the ASX or otherwise transferred if Eligible Shareholders (as defined in Section 4.1 of this Offer Booklet) do not wish to take up some or all of their Entitlements. This provides the opportunity for Eligible Shareholders to potentially realise value for any Entitlements not taken up. All shareholders who are not Eligible Shareholders will not be entitled to participate in the Entitlement Offer.

Eligible Shareholders may also apply for additional New Shares in excess of their Entitlement (**Additional New Shares**) at the Offer Price under the Top Up Facility. For more information on the Top Up Facility, see Section 2.4.5 of this Offer Booklet.

I am pleased to advise that Saputo Inc. (**Saputo**), the ultimate holding company of the Company's 87.92% shareholder, Saputo Dairy Australia Pty Limited (**Saputo Dairy**), has provided an irrevocable commitment that Saputo Dairy will take up its full pro-rata share of the Entitlement Offer, providing the Company with approximately \$124.8 million of new equity under the Entitlement Offer. Saputo Dairy will not be applying for New Shares under the Top Up Facility.

¹ The theoretical ex-rights price (**TERP**) is the theoretical price at which WCB shares should trade immediately after the ex-date for the Entitlement Offer. The TERP is a theoretical calculation only and the actual price at which WCB shares trade immediately after the ex-date for the Entitlement Offer may vary from TERP. TERP is calculated by reference to WCB's closing price of \$8.25 per share on 9 June 2016, being the last trading day prior to the announcement of the Entitlement Offer.

New Shares and any Additional New Shares will rank equally with existing Shares in all respects from date of quotation.

The Entitlement Offer closes at 5.00pm (Melbourne time) on 29 June 2016 (unless extended).

Offer Booklet

This Offer Booklet contains important information about the Entitlement Offer, including:

- Key Dates
- Summary of Options Available to You
- Offer Details & How to Apply for New Shares (and Additional New Shares) under the Entitlement Offer
- Sources and uses of funds raised in the Entitlement Offer
- Summary of key risks associated with an investment in the Company
- Important Information that you should carefully consider, before deciding whether to participate in the Entitlement Offer
- Entitlement and Acceptance Form

Taking up your Entitlement

To participate in the Entitlement Offer, you need to ensure that your personalised Entitlement and Acceptance Form is completed in accordance with the instructions provided on the form and the instructions in this Offer Booklet under “Offer Details & How to Apply”. You may also apply for Additional New Shares under the Top Up Facility using the Entitlement and Acceptance Form.

To participate, you must ensure that you have completed your application by paying Application Monies by BPAY® before 5:00pm (Melbourne time) on 29 June 2016 or by lodging your completed Entitlement and Acceptance Form with your Application Monies paid by cheque or bank draft, so that they are received by the Share Registry before 5:00pm (Melbourne time) on 29 June 2016.

You may choose to sell or transfer all or part of your Entitlements to another person. For further information on this, please refer to Section 2.4.3 of this Offer Booklet. Taking no action will result in a lapse of your Entitlement and dilution of your percentage ownership in WCB. Please see below for how to participate in the Entitlement Offer.

Further information and application instructions

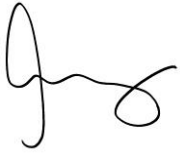
Further details of the Entitlement Offer, as well as the key risks associated with investing in the Entitlement Offer (see Section 3.5) are set out in this Offer Booklet which you should read carefully and in its entirety.

You should consult your stockbroker, accountant, or other professional adviser to evaluate whether or not to participate in the Entitlement Offer.

If you have any questions about the Entitlement Offer, please go to the WCB website at www.wcbf.com.au which will provide further information about the Entitlement Offer.

On behalf of the Board of Directors and management team of Warrnambool Cheese and Butter Factory Company Holdings Limited, I invite you to consider this investment opportunity and thank you for your continued support.

Yours faithfully

A handwritten signature in black ink, appearing to be 'L. Saputo', with a stylized, flowing script.

Lino A. Saputo, Jr.
Chairman

1 Summary of Options Available to You

If you are an Eligible Shareholder (see Section 4.1), you may take any of the following steps:

1. take up all or part of your Entitlement (see Section 2.4.1);
2. take up all of your Entitlement and apply for Additional New Shares in excess of your Entitlement (see Section 2.4.2);
3. sell or transfer all or part of your Entitlements to another person (see Section 2.4.3):
 - a) on ASX; or
 - b) by transferring it directly to another person; or
4. do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements (see Section 2.4.4).

Further information on each of these options is provided in more detail below.

If you are a shareholder that is not an Eligible Shareholder, you are an Ineligible Shareholder. Ineligible Shareholders are not entitled to participate in the Entitlement Offer. Refer to Section 2.5 for further information.

2 Offer Details & How to Apply

2.1 Overview of the Entitlement Offer

WCB intends to raise up to \$142.0 million under the Entitlement Offer. The Entitlement Offer is not underwritten.

Eligible Shareholders are being offered the opportunity to purchase 3 New Shares for every 8 existing Shares held as at the Record Date of 7.00pm (Melbourne time) on 16 June 2016, at the Offer Price of \$6.75 per New Share. The Offer Price of \$6.75 per New Share represents an 18.2% discount to the closing price of WCB Shares of \$8.25 per Share as at 9 June 2016, the last day before the Entitlement Offer was announced, and a 13.9% discount to TERP. Based on the number of Shares on issue as at the date of the Entitlement Offer, 21,037,049 New Shares (subject to rounding) will be issued under the Entitlement Offer.

Entitlements to New Shares may also be bought on the ASX, or privately from an Eligible Shareholder.

The Entitlement Offer provides Eligible Shareholders with the opportunity to take up all or part of their Entitlement. Entitlements under the Entitlement Offer are renounceable. Accordingly, Eligible Shareholders may seek to sell some or part of their Entitlements if they do not wish to take them up. A market will be established on ASX to facilitate trading of these Entitlements. The market to trade Entitlements on the ASX will open on 15 June 2016 and cease at 4:00pm (Melbourne time) on 22 June 2016.

If an Eligible Shareholder does nothing, their Entitlement will lapse.

Eligible Shareholders who take up all of their Entitlement can also apply for Additional New Shares under the Top Up Facility.

You have a number of decisions to make in respect of your Entitlement. You should read this Offer Booklet carefully before making any decisions in relation to your Entitlement.

The Entitlement Offer opens on 20 June 2016 and will close at 5.00pm (Melbourne time) on 29 June 2016 (unless extended).

Saputo, the ultimate holding company of the Company's 87.92% shareholder, Saputo Dairy, has provided an irrevocable commitment that Saputo Dairy will take up its full pro-rata share of the Entitlement Offer, providing the Company with approximately \$124.8 million of new equity.

Further details on the Entitlement Offer are set out below.

2.2 Your Entitlement

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and calculated on the basis of 3 New Shares for every 8 existing Shares you hold as at the Record Date. If the result is not a whole number, your Entitlement will be rounded up to the nearest whole number of New Shares.

If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have a separate Entitlement for each separate holding.

New Shares and any Additional New Shares issued under the Entitlement Offer will be fully paid and rank equally in all respects with existing Shares.

2.3 Consider the Entitlement Offer carefully in light of your particular investment objectives and circumstances

The Entitlement Offer is being made pursuant to provisions of the Corporations Act which allow entitlement offers to be made without a prospectus. This Offer Booklet does not contain all of the information which may be required in order to make an informed decision regarding an application for New Shares and any Additional New Shares under the Entitlement Offer.

As a result, it is important for you to read carefully and understand the information on WCB and the Entitlement Offer that has been made publicly available, prior to deciding whether to take up all or part of your Entitlement, apply for any Additional New Shares, sell or transfer part or all of your Entitlement, or do nothing in respect of your Entitlement. In particular, please refer to this Offer Booklet and other announcements made available on the ASX website (www.asx.com.au) relating to WCB or WCB's website (www.wcbf.com.au).

Please consult with your stockbroker, accountant or other professional adviser if you have any queries or are uncertain about any aspect of the Entitlement Offer. You should also refer to the "Summary of Key Risks" which is included in Section 3 of this Offer Booklet.

2.4 Options available to you

2.4.1 If you wish to take up all or part of your Entitlement

If you wish to take up all or part of your Entitlement, please either:

- complete and return the personalised Entitlement and Acceptance Form (indicating the number of New Shares) with the requisite Application Monies; or
- pay your Application Monies via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form;

in each case, so that they are received by the Share Registry by no later than 5.00pm (Melbourne time) on 29 June 2016.

WCB will treat you as applying for as many New Shares as your payment will pay for in full. If you are paying by BPAY®, please make sure to use the specific biller code and unique reference number on your personalised Entitlement and Acceptance Form. If you receive more than one personalised Entitlement and Acceptance Form, please only use the reference number specific to the Entitlement on that Entitlement and Acceptance Form.

If you take up and pay for all of your Entitlement before the close of the Entitlement Offer, it is expected that you will be issued New Shares on 6 July 2016.

The Company's decision on the number of New Shares to be issued to you will be final. WCB also reserves the right (in its absolute discretion) to reduce the number of New Shares issued if the Company believes an applicant's claim to be overstated or if an applicant or their nominees or custodians fail to provide information to substantiate their claims to the Company's satisfaction or to accept late applications.

2.4.2 If you wish to take up all of your Entitlement and apply for Additional New Shares

If you wish to take up all of your Entitlement and apply for Additional New Shares pursuant to the Top Up Facility (see Section 2.4.5), please either:

- complete and return the personalised Entitlement and Acceptance Form (indicating the number of New Shares and Additional New Shares) with the requisite Application Monies; or
- pay your Application Monies via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form,

in each case, by no later than 5.00pm (Melbourne time) on 29 June 2016.

WCB treat you as applying for as many New Shares and Additional New Shares as your payment will pay for in full.

Additional New Shares will only be available to the extent that there are Entitlements which are not taken up by other Eligible Shareholders. For further details on the allocation of any Additional New Shares, please see Section 2.4.5.

If you take up and pay for all of your Entitlement (and apply and pay for your Additional New Shares) before the close of the Entitlement Offer, it is expected that you will be issued New Shares and any Additional New Shares on 6 July 2016.

2.4.3 If you wish to sell or transfer part or all of your Entitlements

Your Entitlements are renounceable and can be traded on the ASX. The market for trading Entitlements commences on a deferred settlement basis on ASX at 10:00am (Melbourne time) on 15 June 2016 and ceases at 4:00pm (Melbourne time) on 22 June 2016. If you do not wish to take up any of your Entitlements, you may attempt to sell or transfer your Entitlements by following the instruction set out below. There is no guarantee that there will be a liquid market in traded Entitlements. A lack of liquidity may impact your ability to sell your Entitlements on the ASX and the price you may be able to achieve. Please note you may incur brokerage if you choose to sell your Entitlements on ASX.

To sell your Entitlements

If you wish to sell your Entitlements in full, you must instruct your stockbroker personally and provide them with the necessary details as provided in your Entitlement and Acceptance Form. Allow sufficient time for your instructions to be carried out.

Taking up only part of your Entitlements and selling the balance

If you wish to take up part of your Entitlements and sell the balance, you must:

- instruct your stockbroker personally and provide them with the necessary details as provided on your Entitlement and Acceptance Form (allowing sufficient time for your instructions to be carried out); and
- complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on the form, indicating the number of New Shares you wish to take up (being less than your Entitlement as specified on the Entitlement and Acceptance Form). Ensure your completed Entitlement and Acceptance Form (together with Application Monies) is received at the address set out in Section 2.7 before the Entitlement Offer closes.

Transferring your Entitlement to another person other than on the ASX

If you wish to transfer your Entitlement to another person other than by selling on the ASX, you must:

- complete the Entitlement and Acceptance Form in respect of any part of your Entitlements that you wish to take up and make payment in accordance with Section 2.4.2 above; and
- complete a standard renunciation and transfer form (obtainable from your stockbroker or the Share Registry) in favour of the transferee.

The completed renunciation and transfer form and the transferee's payment for the number of New Shares taken up must be sent by the transferee to the address set out in Section 2.7. These documents must be received by no later than 5.00pm (Melbourne time) on 29 June 2016. Note that if either the buyer or seller is a CHESS holder then the transfer and subsequent take up of the Entitlement must be managed by the controlling participant(s), normally your stockbroker.

2.4.4 If you do nothing, your Entitlement will lapse and you will receive no value for those lapsed Entitlements

If you take no action you will not be allocated New Shares and your Entitlement will lapse. Shareholders who do not take up their Entitlement or do not seek to sell or transfer their Entitlement will not receive any payment or value for those Entitlements.

Eligible Shareholders who do not participate fully in the Entitlement Offer will have their percentage holding in WCB diluted.

2.4.5 Top Up Facility

Eligible Shareholders may also apply for Additional New Shares in excess of their Entitlement at the same issue price of \$6.75 per New Share under the Top Up Facility. Saputo Dairy will not be applying for New Shares under the Top Up Facility.

Additional New Shares will be drawn from New Shares that relate to Entitlements which have not been taken up under the Entitlement Offer.

There is no guarantee regarding the number of Additional New Shares (if any) that will be available to Eligible Shareholders under the Top Up Facility, in addition to their Entitlement under the Entitlement Offer. This will depend on how many Entitlements are taken up. If all Entitlements are taken up under the Entitlement Offer then there will be no Additional New Shares available.

An Eligible Shareholder will not be issued any Additional New Shares under the Top Up Facility if WCB has formed the opinion, acting reasonably, that the issue of such Additional New Shares would cause WCB or that Eligible Shareholder to breach any applicable law, including section 606 of the Corporations Act or the Foreign Acquisitions and Takeovers Act. Eligible Shareholders should seek their own advice to determine whether they are entitled under relevant laws to participate in the Top Up Facility.

In the event that demand for Additional New Shares under the Top Up Facility exceeds the number of Additional New Shares that are available then, subject to the above, the number of Additional New Shares issued to Eligible Shareholders under the Top Up Facility will be scaled back on a pro-rata basis.

Decisions regarding the operation of the Top Up Facility (including the issue of any Additional New Shares) and any necessary scale back will be made by the Directors in their absolute discretion.

If there is any shortfall under the Entitlement Offer (following the issue of New Shares and any Additional New Shares), no further Shares will be issued pursuant to this Entitlement Offer.

2.5 Ineligible Shareholders

All Shareholders who are not Eligible Shareholders (see Section 4.1) are Ineligible Shareholders. Ineligible Shareholders will not be entitled to participate in the Entitlement Offer.

WCB has determined that it is unreasonable to make offers under the Entitlement Offer to shareholders who have registered addresses outside Australia and New Zealand, having regard to the number of such holders in those places and the number and value of the New Shares that they would be offered, and the cost of complying with the relevant legal and regulatory requirements in those places.

WCB reserves the right (in its absolute discretion) to extend the Entitlement Offer to shareholders who have registered addresses outside of the above jurisdictions in accordance with applicable law.

The Company intends to appoint a nominee for the Ineligible Shareholders pursuant to Listing Rule 7.7.1(c) to arrange the sale of the Entitlements of Ineligible Shareholders on ASX if there is a viable market in the Entitlements and a premium over the expenses of sale can be obtained. Any sale will be at a price or prices and on such terms as the nominee determines in good faith, with the objective of achieving the best price reasonably obtainable at the time of the sale given conditions in the market for Entitlements. Any interest earned on the proceeds of sale of the Entitlements will be applied against the expenses of such sale including any brokerage.

The proceeds of sale (if any) will be distributed pro-rata to each Ineligible Shareholder (after deducting the costs of the sale and net of any withholdings required by law). Neither the Company nor the nominee will be liable for any failure to sell the Entitlements of Ineligible Shareholders at all or at any particular price.

If there is no viable market for the Entitlements, the Entitlements of Ineligible Shareholders will be allowed to lapse. There is also no guarantee that any proceeds will be realised from the sale of Entitlements that would otherwise have been offered to Ineligible Shareholders.

2.6 Payment

You can pay in the following ways:

- by BPAY®; or

- by cheque or bank draft.

Cash payments will not be accepted. Receipts for payment will not be issued. The Company may, in its complete discretion, accept payment by other means.

WCB will treat you as applying for as many New Shares (up to your Entitlement) or Additional New Shares as your payment will pay for in full.

Any Application Monies received for more than your final allocation of New Shares and any Additional New Shares will be refunded as soon as practicable after the close of the Entitlement Offer. No interest will be paid to applicants on any Application Monies received or refunded.

Payment by BPAY®

For payment by BPAY®, please follow the instructions on your personalised Entitlement and Acceptance Form. You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your application will not be recognised as valid.

Please note that should you choose to pay by BPAY®:

- you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (Melbourne time) on 29 June 2016. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment.

Payment by cheque or bank draft

For payment by cheque or bank draft, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by a cheque or bank draft in Australian currency for the amount of the Application Monies, payable to "WCB - Entitlement Offer" and crossed "Not Negotiable".

Your cheque or bank draft must be:

- for an amount equal to \$6.75 multiplied by the number of New Shares and any Additional New Shares that you are applying for; and
- in Australian currency drawn on an Australian branch of a financial institution. Payment cannot be made in New Zealand dollars. New Zealand resident shareholders must arrange for payment to be made in Australian dollars.

You should ensure that sufficient funds are held in relevant account(s) to cover the Application Monies, as your cheque will be processed on the day of receipt. If the amount of your cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares and any Additional New Shares you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower whole number of New Shares and any Additional New Shares as your cleared Application Monies will pay for (and to have specified that number of New Shares and any Additional New Shares on your personalised Entitlement and Acceptance Form). Alternatively, your application will not be accepted.

Payment for Entitlements purchased on the ASX

It is WCB's expectation that you will have given specific and clear settlement instructions to the stockbroker who you have purchased Entitlements from on the ASX. Check with the stockbroker how Application Monies are to be put into their hands and by when.

Your broker will be expected to complete an "Appendix E" Acceptance Form in accordance with the normal market instructions. That form and cheque, bank draft or money order in Australian currency for the amount of the Application Monies must be received by the Share Registry by no later than 5.00pm (Melbourne time) on 29 June 2016.

2.7 Mail

To participate in the Entitlement Offer, your payment must be received no later than the close of the Entitlement Offer, being 5.00pm (Melbourne time) on 29 June 2016. If you make payment via cheque or bank draft, you should mail your completed personalised Entitlement and Acceptance Form together with Application Monies to:

Mailing Address

Warrnambool Cheese and Butter Factory Company Holdings Limited
C/- Link Market Services Limited
GPO Box 3560
Sydney NSW 2001

Hand Delivery

Warrnambool Cheese and Butter Factory Company Holdings Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

Personalised Entitlement and Acceptance Forms and Application Monies will not be accepted at other offices of the Share Registry or if mailed to the Company's registered or corporate offices.

2.8 Representations by acceptance

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be deemed to have represented to WCB that you are an Eligible Shareholder and:

- acknowledge that you have read and understand this Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- agree to be bound by the terms of the Entitlement Offer, the provisions of this Offer Booklet (including Section 4.1), and WCB's Constitution;
- authorise WCB to register you as the holder(s) of New Shares and any Additional New Shares issued to you;

- declare that all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- declare you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- acknowledge that once WCB receives your personalised Entitlement and Acceptance Form or any payment of Application Monies via BPAY®, you may not withdraw your application or funds provided except as permitted by law;
- agree to apply for and be issued up to the number of New Shares and any Additional New Shares specified in the personalised Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY®;
- authorise WCB, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares and any Additional New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- acknowledge that the information contained in this Offer Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares and any Additional New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- acknowledge that this Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in WCB and is given in the context of WCB's past and ongoing continuous disclosure announcements to ASX;
- acknowledge (and have read) the statement of risks included in Section 3 of this Offer Booklet, and acknowledge that investments in WCB are subject to risk;
- acknowledge that none of WCB or its related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of WCB, nor do they guarantee the repayment of capital;
- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and, should you choose to do so, the Top Up Facility, and of your holding of Shares on the Record Date;
- authorise WCB to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- represent and warrant (for the benefit of WCB and its related bodies corporate and affiliates) that you are not an Ineligible Shareholder and are otherwise eligible to participate in the Entitlement Offer;
- represent and warrant that the law of any place does not prohibit you from being given this Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares or Additional New Shares and that you are otherwise eligible to participate in the Entitlement Offer;

- represent and warrant that you, and each person on whose account you are acting, are not in the United States;
- you, and each person on whose account you are acting, understand and acknowledge that neither the New Shares nor the Additional New Shares have been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia and New Zealand and accordingly, the Entitlements may not be taken up, and the New Shares and Additional New Shares may not be offered, sold or otherwise transferred, directly or indirectly, in the United States, except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws;
- you have not and you will not send this Offer Booklet, the Entitlement and Acceptance Form or any other materials relating to the Entitlement Offer to any person in the United States;
- if in the future you decide to sell or otherwise transfer the New Shares or any Additional New Shares, you will only do so in transactions exempt from, or not subject to, the registration requirements of the Securities Act. Notwithstanding the foregoing, after quotation and the commencement of trading of the New Shares and any Additional New Shares, you may sell such New Shares or Additional New Shares in regular way transactions on the ASX or otherwise where neither you nor any person acting on your behalf know, or has reason to know, that the sale has been pre-arranged with, or that purchaser is, a person in the United States; and
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand or such other country that does not prohibit the beneficial holder from being given this Offer Booklet or the personalised Entitlement and Acceptance Form, or prohibit the beneficial holder from making an application for New Shares or Additional New Shares and is not in the United States, and you have not sent this Offer Booklet, the Entitlement and Acceptance Form or any other materials relating to the Entitlement Offer to any such person.

2.9 Enquiries

If you have not received or you have lost your personalised Entitlement and Acceptance Form, a replacement can also be requested during the period of the Entitlement Offer by calling the Share Registry on 1300 554 474 (inside Australia) or +61 1300 554 474 (outside Australia). Alternatively, you can access information about the Entitlement Offer online at www.wcbf.com.au. If you have any further questions, you should contact your stockbroker, accountant or other professional adviser.

3 Details of the Entitlement Offer

3.1 Company overview

WCB is Australia's oldest dairy processor and has been producing high quality dairy products for over 125 years. The Company is located at Allansford in south west Victoria, one of the best dairy regions in Australia.

Its products include cheese, butter and butter blends, milk, cream and dairy ingredients which are sold in Australia and to various customers around the world under well-known brand names including *Sungold*, *Coon*, *Cracker Barrel*² and *Mil Lel*. Sales are well-balanced between domestic and export markets.

Manufacturing operations occur at a factory site in Allansford, near Warrnambool, in south-west Victoria. The site comprises separate manufacturing facilities for cheese and other dairy products, and a cheese cut and wrap operation acquired as part of the acquisition of Lion's everyday cheese business on 25 May 2015 (**EDC Business**). WCB also operates a specialty cheese plant in Mil Lel, just north of Mt Gambier, in South Australia.

WCB employs over 650 people. WCB has been listed on ASX since 2004, and in 2014, Saputo acquired 87.92% of WCB shares.

Recent financial performance

WCB released its FY16A results on 25 May 2016. As set out in the results announcement, WCB delivered a NPAT of \$4.2 million for the year ended 31 March 2016 (FY16A), a decrease of \$30.1 million or 87.8% compared with the 9 months ended 31 March 2015 (FY15A). EBITDA decreased by \$32.3 million or 56.6% to \$24.8 million compared to \$57.1 million in FY15A. The decrease in profits was due to declines in global international commodity prices and a high raw milk cost relative to market conditions. This was partially offset by profits from the Company's consumer goods business, which includes the EDC Business, and the positive effect of the depreciation in the Australian dollar. The Company also incurred acquisition costs of \$2.1 million associated with the acquisition of the EDC Business.

Market outlook and strategy

WCB continues to expect international dairy prices to remain weak in FY17, with global milk production remaining high and a limited change in demand. Raw milk cost is expected to be more closely aligned with market conditions for the coming 2016-17 milk season. The Australian dollar remains volatile. WCB intends to continue to improve its efficiencies, while remaining committed to producing quality products, innovation and growth.

3.2 Rationale for the Entitlement Offer

All of the proceeds from the Entitlement Offer, less costs, will be used to repay debt. This will strengthen the balance sheet and provide greater financial flexibility to invest in strategic capital investment initiatives.

² Trademark used under license.

The sources and uses of funds from the Entitlement Offer is outlined below:

Sources of funds	A\$m	Uses of funds	A\$m
Saputo Dairy new equity based on irrevocable undertaking	124.8	Repayment of outstanding bank facilities	141.3
Non-Saputo Dairy new equity	17.2	Costs of the Entitlement Offer	0.7
Total Sources	142.0	Total Uses	142.0

The Total Sources amount of \$142.0 million shown in the table above assumes that all shareholders participate in the Entitlement Offer for their full Entitlement. As noted in Section 2.1, Saputo has provided an irrevocable commitment to WCB that Saputo Dairy will take up its full pro-rata share of the Entitlement Offer. To the extent that Eligible Shareholders other than Saputo Dairy subscribe for less than \$17.2 million of their Entitlements under the Entitlement Offer, then the repayment of outstanding bank facilities by WCB will be reduced by an equivalent amount.

As at 31 March 2016, the Company had net debt of \$213.1 million, equating to a Net Debt / EBITDA (FY16A) ratio of 8.6x. Upon conclusion of the Entitlement Offer, pro-forma Net Debt / EBITDA (FY16A) as at 31 March 2016 will be reduced to 2.9x, assuming that all shareholders participate for their full Entitlement. Accordingly, the Company will have a strengthened balance sheet and greater financial flexibility to invest in strategic capital investment initiatives, such as:

- **increase manufacturing capacity:** Expanding capacity to manufacture cheese by an additional 15,000 MT per annum and also enhancing manufacturing volumes of other dairy products. This project will commence in FY17 and is expected to be completed in FY18, and will cost approximately \$40 million; and
- **enterprise resource planning (ERP) system:** Streamlining WCB's business processes through a new ERP system. This project will commence in FY17 and is expected to be completed in FY20, and will cost approximately \$10 million.

3.3 Pro-forma balance sheet

The pro-forma balance sheet as at 31 March 2016 has been prepared in accordance with the recognition and measurement principles contained in Australian Accounting Standards, although it is in an abbreviated form insofar as it does not include all the disclosures, statements or comparative information as required by Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act. The pro-forma balance sheet is based on the audited statutory consolidated financial statements as at 31 March 2016 after adjusting for certain pro-forma transactions as if they had occurred at 31 March 2016. The information in this section should be read in conjunction with the Risk Factors set out in section 3.5 and other information contained in this Offer Booklet.

Pro-forma balance sheet (A\$m)	WCB Mar-16	Entitlement Offer pro forma adjustments¹	Pro forma WCB Mar-16
Current assets			
Cash and cash equivalents	26		26
Trade and other receivables	133		133
Inventories	195		195
Other	16		16
Total current assets	370		370
Non-current assets			
Property plant and equipment	109		109
Intangible assets	29		29
Other	45		45
Total non-current assets	183		183
Total assets	552		552
Current liabilities			
Trade and other payables	65		65
Borrowings	142	(44)	98
Other	16		16
Total current liabilities	223	(44)	178
Non-current liabilities			
Borrowings	97	(97)	0
Other	1		1
Total non-current liabilities	98	(97)	1
Total liabilities	321	(141)	180
Net assets	231	141	373
Opening contributed equity	231		231
Equity raised		142	142
Issue costs		(1)	(1)
Closing contributed equity	231	141	373
Net debt	213		72
Net debt / EBITDA (FY16A)	8.6x		2.9x

Notes

- (1) Represents A\$142.0 million in new equity (assuming all shareholders participate) less the costs associated with the Entitlement Offer; If less than A\$142.0 million is received as part of the Entitlement Offer, then repayment of outstanding bank facilities by WCB will be reduced by an equivalent amount.

3.4 Implications of minority shareholders not taking up their Entitlements under the Entitlement Offer

There are various possible scenarios in relation to the Entitlement Offer that may arise each with varying impacts on the control of WCB. The outcome of these scenarios will largely depend on the extent to which Eligible Shareholders other than Saputo Dairy take up their Entitlements. The

Entitlement Offer is structured as a renounceable pro-rata issue with a Top Up Facility, which may facilitate that take-up of Entitlements and reduce the effect of the issue of the New Shares and Additional New Shares on the control of WCB.

Saputo, the ultimate holding company of WCB's 87.92% shareholder, Saputo Dairy, has provided an irrevocable commitment that Saputo Dairy will take up its full pro-rata share of the Entitlement Offer.

Depending on whether other Eligible Shareholders elect to take up their full Entitlement, there are a range of potential ownership outcomes which may eventuate as a result of the Entitlement Offer, a number of which are shown below:

- if all Eligible Shareholders take up their full Entitlement, then each Eligible Shareholder's percentage ownership interest (and voting power) in WCB will remain the same and there will be no effect on the control of WCB;
- if an Eligible Shareholder does not take up all of their Entitlement, their percentage ownership interest (and voting power) in WCB will be diluted;
- if only Lion-Dairy & Drinks Pty Ltd (**Lion**) and Saputo Dairy take up their Entitlement, Lion's ownership interest (and voting power) will increase by 0.05% to 10.27% and Saputo Dairy's ownership interest (and voting power) will increase by 0.45% to 88.37%;
- if Saputo Dairy and all minority shareholders other than Lion take up their Entitlement (and no Additional New Shares), then Saputo Dairy's ownership interest (and voting power) will increase by 2.52% to 90.44%;
- if no Eligible Shareholders other than Saputo Dairy take up their Entitlement, Saputo Dairy's ownership interest (and voting power) in WCB could increase to a maximum of 90.92%.

An independent board committee of WCB was formed for the purposes of considering the terms and pricing of the Entitlement Offer with support from external advisors. The independent board committee has reviewed and approved the terms and pricing of the Entitlement Offer.

Ownership of WCB following the Entitlement Offer

The table below illustrates the effect of the Entitlement Offer on the control of WCB where all Eligible Shareholders take up their Entitlement.

Shareholder	Number of ordinary WCB shares held (pre-Entitlement Offer)	Number of ordinary WCB shares held (post-Entitlement Offer)	% of total ordinary WCB shares on issue (post-Entitlement Offer)
Saputo Dairy	49,321,980	67,817,723	87.92%
Lion	5,733,400	7,883,425	10.22%
Other shareholders	1,043,417	1,434,698	1.86%
Shares on issue	56,098,797	77,135,846	100%

The table below illustrates the effect of the Entitlement Offer on the control of WCB where only Saputo Dairy and Lion take up their Entitlement.

Shareholder	Number of ordinary WCB shares held (pre-Entitlement Offer)	Number of ordinary WCB shares held (post-Entitlement Offer)	% of total ordinary WCB shares on issue (post-Entitlement Offer)
Saputo Dairy	49,321,980	67,817,723	88.37%
Lion	5,733,400	7,883,425	10.27%
Other shareholders	1,043,417	1,043,417	1.36%
Shares on issue	56,098,797	76,744,565	100%

The table below illustrates the effect of the Entitlement Offer on the control of WCB where all Eligible Shareholders other than Lion take up their Entitlement.

Shareholder	Number of ordinary WCB shares held (pre-Entitlement Offer)	Number of ordinary WCB shares held (post-Entitlement Offer)	% of total ordinary WCB shares on issue (post-Entitlement Offer)
Saputo Dairy	49,321,980	67,817,723	90.44%
Lion	5,733,400	5,733,400	7.65%
Other shareholders	1,043,417	1,434,698	1.91%
Shares on issue	56,098,797	74,985,821	100%

The table below illustrates the effect of the Entitlement Offer on the control of WCB where only Saputo Dairy takes up its Entitlement.

Shareholder	Number of ordinary WCB shares held (pre-Entitlement Offer)	Number of ordinary WCB shares held (post-Entitlement Offer)	% of total ordinary WCB shares on issue (post-Entitlement Offer)
Saputo Dairy	49,321,980	67,817,723	90.92%
Lion	5,733,400	5,733,400	7.69%
Other shareholders	1,043,417	1,043,417	1.40%
Shares on issue	56,098,797	74,594,540	100%

If Saputo Dairy's participation in the Entitlement Offer results in an increase in Saputo Dairy's shareholding in WCB to 90% or more, Saputo Dairy will be entitled under Part 6A.2 of the Corporations Act to compulsorily buy-out the minority shareholders of WCB within 6 months after the date on which Saputo Dairy's shareholding in WCB reaches 90% or more.

Compulsory acquisition is commenced by lodging a compulsory acquisition notice with ASIC and sending the notice to the ASX and all minority Shareholders. The notice must include a report from an ASIC nominated expert as to whether the proposed terms give fair value for the shares. Shareholders have statutory rights to challenge compulsory acquisition, but if Saputo establishes to the satisfaction of a court that the consideration being offered for the securities represents fair value, the court must approve the compulsory acquisition on those terms.

Saputo's present intentions in respect of the compulsory acquisition of WCB

This section sets out the present intention of Saputo, as the ultimate holding company of Saputo Dairy, if it becomes entitled to proceed to compulsory acquisition following the Entitlement Offer.

Saputo has advised WCB that it has not yet made a decision as to whether it would procure Saputo Dairy to exercise the right to proceed with the compulsory acquisition of any WCB shares not owned by Saputo Dairy, and such a decision would depend on a number of variables, including:

- Saputo's assessment of whether the compulsory acquisition of all minority shareholders' WCB shares represents a commercially attractive transaction having regard to market conditions at the relevant time;
- Saputo's assessment of the fair value of WCB shares at the relevant time; and
- the ability of Saputo and Saputo Dairy to obtain any necessary regulatory approvals.

Any final decisions on the matters referred to above will only be made having regard to all material facts known to Saputo and the circumstances at the relevant time.

3.5 Summary of Key Risks

3.5.1 Introduction

This Section describes some of the potential risks associated with WCB's business and an investment in WCB. An investment in WCB exposes investors to the specific and general risks facing WCB's business. Each of these risks could, if they eventuate, have a material adverse effect on your investment. If any of the risks eventuate, they could have a material adverse effect on WCB's business, financial condition, operating and financial performance and return to shareholders. Many of the circumstances giving rise to these risks are beyond the control of WCB, its directors and management.

The risk factors set out below are not exhaustive. Additional risks that WCB is unaware of or that WCB currently considers to be immaterial also have the potential to have a material adverse effect on WCB's business, financial condition and operating and financial performance.

Shareholders should carefully consider and evaluate the Company and its business and whether the New Shares are suitable to acquire having regard to their own investment objectives and financial circumstances and taking into consideration the material risk factors, as set out below. Shareholders should examine the full content of this Offer Booklet and may wish to consult their financial or other advisors before deciding to apply for New Shares.

3.5.2 Risks related to WCB's business

Product and food safety risk

WCB's operations are subject to certain dangers and risks of liability faced by all food processors, such as the potential contamination of ingredients or products by bacteria or other external agents that may be introduced into products or packaging. The occurrence of such a problem could result in a costly product recall and serious damage to WCB's reputation for product quality. All of these circumstances may have a material and adverse effect on WCB.

Failure to grow, or a reduction in, milk supply

If there was a significant reduction in milk supply available for processing by WCB, including because of suppliers choosing to cease supplying WCB, suppliers not investing in the growth of their supply, WCB being unable to recruit new suppliers, adverse weather conditions, a reduction in the number of dairy farms, increases in input costs, a decrease in the relative returns of dairy farming, increased competition for milk supply or other actions of competitors, then this would reduce WCB's ability to successfully pursue its strategy. Such circumstances may also adversely impact on WCB's production cost base and expected return on capital investment. Any of these circumstances may materially and adversely affect WCB.

Failure to maintain a sustainably competitive farmgate milk price

WCB is dependent on its suppliers for access to milk. The price that WCB pays its suppliers for milk is important in ensuring WCB's continued access to sufficient milk supply and for WCB to grow its milk supply. If WCB fails to deliver its suppliers a sustainably competitive farmgate milk price, there is a risk that some of its Suppliers will discontinue their milk supply to WCB, which may have a material and adverse effect on WCB.

Volatility of commodity prices

Dairy commodity prices can be volatile with substantial increases and decreases over a relatively short period. An adverse change in overall dairy commodity prices or the price of WCB's products may have a material and adverse effect on WCB.

Decrease in demand for WCB's products

WCB's business depends on there being an active market domestically and internationally for WCB's products. Consequently, any decrease in demand for WCB's dairy products including due to increased product and price competition, changing consumer preferences and tastes, behaviour from key customers which reduces demand for WCB's products, performance and reliability, WCB's reputation, changes in law or regulation or economic and market conditions, may adversely affect sales of WCB's dairy products and may have a material and adverse effect on WCB.

Exchange rate fluctuation

WCB's export sales may be adversely affected by changes in Australian dollar exchange rates. Depending on international dairy commodity prices, approximately 40-45% of WCB's revenue is derived from sales of its dairy products on the international market, which is mainly denominated in US dollars. Fluctuations in Australian dollar exchange rates can, and often do, impact upon the Australian dollar returns on WCB's export sales and may have a material and adverse effect on WCB.

Loss of key customers

WCB could lose key customers due to a range of events including as a result of failure to renew a contract, weakening of customer relationships or disputes with customers, failure to remedy a contractual breach, failure to deliver products on time, consolidation of customers, insolvency of customers, increased competition or lack of milk supply. Any loss of key customers may materially and adversely affect WCB.

Economic conditions

The performance of WCB is affected by the general prevailing economic and business conditions, in Australia and globally. Economic conditions may be affected by levels of business spending, inflation, increased rates, consumer confidence, access to debt and capital markets and government fiscal, monetary and regulatory policies. A downturn in either the Australian or global economies may have a material and adverse effect on WCB.

Force majeure events

Events may occur within or outside Australia that could impact upon the economy and the operations of WCB. The events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, droughts, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that can have an adverse effect on the demand for WCB's products and its ability to conduct business.

Business interruption

WCB is dependent on the ongoing, efficient operations of its systems and infrastructure. Inherent risks include natural disasters, failure of critical machinery, power, gas, water supply and computer equipment and industrial action. Unanticipated business interruptions may have a material and adverse effect on WCB.

Environmental risks

Given that WCB is a milk processor and dairy product manufacturer, environmental issues relating to noise, air, waste water emissions and contamination arise from time to time. WCB is subject to environmental laws and regulations in the jurisdictions in which it operates, and requires various environmental licences to conduct its business. WCB may be required to pay clean-up costs, compensation costs and penalties as a result of legacy or new environmental contamination, which could also give rise to breaches of WCB's licence conditions or environmental laws and regulations. This could have a material and adverse effect on WCB. Further, environmental legislation or licence conditions may be amended in the future, which could lead to WCB facing increased compliance costs in order to continue its operations.

Regulatory and free trade issues

The dairy food processing industry is regulated by government legislation and regulation. Any changes in legislation, regulation or codes of practice including the imposition of or increases in levies, taxes or other imposts which could restrict or complicate WCB's activities and increase its compliance costs, may have an adverse effect on WCB. As a substantial part of WCB's products are exported worldwide, the business is subject to risks common to other exporters such as international trade barriers and international trade regulation.

Key customer credit risk

In the normal course of WCB's business, WCB is exposed to a risk of loss if a key customer fails to perform its financial obligations to WCB. Such failure may affect WCB's cash flow and its ability to meet its own financial commitments.

Interest rates

Given that WCB partly funds its operations with debt, it has an exposure to changes in interest rates which may affect WCB's profitability.

Information systems

WCB is increasingly dependent upon integrated information technology applications for its business. The main risks relate to confidentiality, data integrity and interruption of computer services. Therefore, any failure of these applications or communication networks or security failures with respect to data centres or networks may impede or slow down production, delay or taint certain decisions and result in financial losses for WCB. In addition, any unauthorised access to information systems or malicious use could compromise WCB's data integrity or result in disclosure or loss of data which may have a material and adverse effect on WCB. Also, WCB is currently undertaking technology initiatives regarding a new ERP system. There is no guarantee that the implementation of the new ERP system will not disrupt or reduce the efficiency of WCB's operations.

3.5.3 Risks related to the Offer

Investment risk

There are general risks associated with investments in equity capital. The trading price of shares in WCB may fluctuate with movements in equity capital markets in Australia and internationally. This may result in the market price for New Shares being less or more than the Offer Price. Generally applicable factors which may affect the market price of shares include general movements in Australian and international stock markets, investor sentiment, Australian and international economic conditions and outlook, changes in interest rates and the rate of inflation, changes to government regulation and policies, announcement of new technologies and geo-political instability, including international hostilities and act of terrorism.

Risks of renouncing Entitlements

Prices obtainable for Entitlements may rise and fall over the entitlement trading period. If you sell your Entitlement at one stage in the Entitlement trading period, you may receive a higher or lower price than a shareholder who sells their Entitlement at a different stage in the Entitlement trading period. If you are a shareholder and renounce your Entitlement by doing nothing under the Entitlement Offer, there is no guarantee that any value will be received for your renounced Entitlement. The ability to sell Entitlements and the ability to obtain any value for them will be dependent upon various factors, including market conditions and liquidity. There is no guarantee that there will be a viable market during, or on any particular day in the Entitlement trading period on which to sell Entitlements on the ASX. You should note that if you sell or do not take up all or part of your Entitlement, then your percentage shareholding in the Company will be diluted by not participating to the full extent in the Entitlement Offer and you will not be exposed to further increases or decreases in WCB's share price in respect of the New Shares which could have been issued to you had you taken up all of your Entitlement. The tax consequences from selling Entitlements or from doing nothing may be different. Before selling Entitlements or choosing to do nothing in respect of Entitlements, you should seek independent tax advice and may wish to refer to the tax disclosure in the Offer Booklet.

Liquidity risk

The two major shareholders in the company currently hold over 98% of the Shares in the Company. The size of these holdings results in a lack of liquidity in the trading of the Shares on the ASX. There can be no guarantee that an active market in the Shares will develop. There may be relatively few potential buyers or sellers of the Shares on ASX at any time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less or more than the price that Shareholders paid. There is also a risk that illiquidity will mean that Shareholders will be unable to realise their investment in the Company at an acceptable price or at all.

Dilution risks

You should note that if you do not take up all or part of those New Shares offered to you under the Offer, then your percentage shareholding in WCB will be diluted by not participating to the full extent in the Offer and you will not be exposed to future increases or decreases in WCB's share price in respect of those New Shares which would have been issued to you had you taken up all of your entitlement.

Control implications

Saputo has provided an irrevocable undertaking that it will take up 100% of its pro rata entitlement. This means that the control impact of the Offer will largely depend on the participation of other WCB shareholders.

If Saputo Dairy's participation in the Entitlement Offer results in an increase in Saputo Dairy's shareholding in WCB to 90% or more, Saputo Dairy will be entitled under Part 6A.2 of the Corporations Act to compulsorily buy-out the minority shareholders of WCB within 6 months after the date on which Saputo Dairy's shareholding in WCB reaches 90% or more.

Saputo has advised WCB that it has not yet made a decision as to whether it would procure Saputo Dairy to exercise the right to proceed with the compulsory acquisition of any WCB shares not owned by Saputo Dairy.

Refer to Section 3.4 for further information.

Taxation implications

Future changes in Australian taxation law, or changes in the interpretation or application of the law, may affect taxation treatment of an investment in WCB Shares or the holding and disposal of those shares.

New Zealand Shareholders

New Zealand Shareholders should also consider the taxation and currency risks associated with investing in New Shares.

4 Important Information

This Offer Booklet and your personalised Entitlement and Acceptance Form (**Information**) have been prepared by WCB.

This Information is dated 9 June 2016. The Information remains subject to change without notice and, except as required by law or regulation (including the ASX Listing Rules), WCB is not responsible for updating this Information.

There may be additional announcements made by WCB after the date of this Offer Booklet and throughout the period that the Entitlement Offer is open that may be relevant to your consideration to apply for New Shares and any Additional New Shares. Therefore, it is prudent that you check whether any further announcements have been made by WCB (by visiting the ASX website at www.asx.com.au) before submitting your application to apply for New Shares and any Additional New Shares.

No party other than WCB has authorised or caused the issue of this Information, or takes any responsibility for, or makes, any statements, representations or undertakings in this Information.

This Information is important and requires your immediate attention.

You should read this Information carefully and in its entirety before deciding how to deal with your Entitlement. In particular, you should consider the key risk factors included in Section 3 of this Offer Booklet, any of which could affect the operating and financial performance of WCB or the value of an investment in WCB.

You should consult your stockbroker, accountant or other professional adviser to evaluate whether or not to participate in the Entitlement Offer.

4.1 Eligible Shareholders

This Information contains an offer of New Shares to Eligible Shareholders and has been prepared in accordance with section 708AA of the Corporations Act as modified by ASIC Corporations Instrument 2016/84.

Eligible Shareholders are those persons who:

- are registered as a holder of existing Shares as at 7.00pm on the Record Date;
- have a registered address on the WCB share register in Australia or New Zealand at the Record Date;
- are not in the United States; and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

Shareholders who are not Eligible Shareholders are Ineligible Shareholders.

WCB reserves the right to determine whether a shareholder is an Eligible Shareholder or an Ineligible Shareholder.

By returning a completed personalised Entitlement and Acceptance Form or making a payment by BPAY®, you will be taken to have represented and warranted that you satisfy each of the criteria listed above to be an Eligible Shareholder. Nominees and custodians are therefore advised to seek independent professional advice as to how to proceed.

WCB has determined that it is unreasonable to make offers under the Entitlement Offer to shareholders who have registered addresses outside Australia and New Zealand, having regard to the number of such holders in those places and the number and value of the New Shares that they would be offered, and the cost of complying with the relevant legal and regulatory requirements in those places.

WCB reserves the right (in its absolute discretion) to extend the Entitlement Offer to shareholders who have registered addresses outside of the above jurisdictions in accordance with applicable law.

4.2 Ranking of New Shares

New Shares and any Additional New Shares issued under the Entitlement Offer will be fully paid and rank equally in all respects with existing Shares. The rights and liabilities attaching to the New Shares are set out in WCB's Constitution.

4.3 No cooling off rights

Cooling off rights do not apply to an investment in New Shares and any Additional New Shares. You cannot withdraw your application once it has been accepted.

4.4 Rounding of Entitlements

Where fractions arise in the calculation of an Entitlement, they will be rounded up to the nearest whole number of New Shares.

Where fractions arise in the calculation of Additional New Shares for which an Eligible Shareholder may apply (by application of any pro-rata scale back), the Additional New Shares will be rounded up to the nearest whole number of Additional New Shares.

4.5 Capital structure

After the issue of New Shares under the Entitlement Offer, the capital structure of WCB is expected to be as follows (subject to rounding of fractional Entitlements):

Shares on issue as at 9 June 2016	56,098,797
Maximum number of New Shares to be issued under the Entitlement Offer	21,037,049
Maximum Shares on issue on completion of the Entitlement Offer	77,135,846

4.6 Potential dilution and effect on control of WCB

You should note that if you do not participate in the Entitlement Offer, your holdings may be diluted by as much as approximately 24.8% (as compared to your holdings and number of Shares on issue as at the date of this Offer Booklet).

Illustrative examples of how any dilution may impact you if you do not participate in the Entitlement Offer are provided in Section 3.4.

4.7 Notice to nominees and custodians

If WCB believes you hold Shares as a nominee or custodian, you will have received (or will shortly receive) a letter in respect of the Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter.

WCB is not required to determine whether or not any registered holder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of existing Shares or Entitlements.

Where any person is acting as a nominee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Entitlement Offer by the beneficiary complies with applicable foreign laws. WCB is not able to advise on foreign laws.

Persons acting as nominees and custodians for other persons must not take up any Entitlement on behalf of, or send any documents relating to the Entitlement Offer to, any person in the United States.

Nominees and custodians may not distribute any part of this Offer Booklet, and may not permit any beneficial owner of Shares to participate in the Entitlement Offer, in any country outside of Australia and New Zealand, except with the prior consent of WCB.

4.8 Not investment advice

This Offer Booklet is not a prospectus under the Corporations Act and has not been lodged with ASIC. It also is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. WCB is not licensed to provide financial product advice in respect of the New Shares or any Additional New Shares. This Information does not purport to contain all the information that you may require to evaluate a possible application for New Shares or Additional New Shares, nor does it purport to contain all the information which would be required in a prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with WCB's other periodic statements and continuous disclosure announcements lodged with ASX, which are available on the ASX website at www.asx.com.au.

The New Shares and any Additional New Shares offered under this Entitlement Offer should be considered speculative. Before deciding whether to apply for New Shares and any Additional New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the Information, you have any questions about the Entitlement Offer, you should contact your stockbroker, accountant or other professional adviser.

4.9 Australian taxation

This is a summary of the Australian tax consequences of the Entitlement Offer for Australian resident Shareholders that hold their Shares on capital account for Australian income tax purposes. This summary does not consider the consequences for a Shareholder who:

- is not a resident of Australia for Australian income tax purposes (including a Shareholder that is an Ineligible Shareholder);
- acquired existing shares before 20 September 1985;

- acquires Entitlements otherwise than under the Entitlement Offer (e.g. their Entitlements are acquired on the ASX);
- holds existing shares, New Shares or Entitlements in a business of share trading, dealing in securities or otherwise holds its existing shares, New Shares or Entitlements on revenue account or as trading stock;
- acquired existing shares in respect of which the Entitlements are issued under an employee share scheme; or
- is subject to the 'taxation of financial arrangements' provisions in Division 230 of the Income Tax Assessment Act 1997 (Cth) in relation to their holding of Shares, New Shares or Entitlements.

This summary is necessarily general in nature and is based on Australian income tax legislation and administrative practice in force as at the date of this Offer Booklet. It does not take into account any financial objectives, tax positions or investment needs of any Shareholders and should not be construed as being investment, legal or tax advice to any particular Shareholder.

As the taxation implications of the Entitlement Offer will depend upon a Shareholder's particular circumstances, Shareholders should seek and rely upon their own professional taxation advice before concluding on the particular taxation treatment that will apply to them. Neither WCB nor any of its officers or employees, nor its taxation or other advisors accepts any liability or responsibility in respect of any statement concerning taxation consequences of the Entitlement Offer.

4.9.1 Income tax consequences of Entitlements

Issue of Entitlements

The issue of Entitlements to Australian resident Shareholders should not, of itself, give rise to any amount of assessable income for Shareholders.

Exercise of Entitlements

The exercise of Entitlements should not, of itself, result in any amount being included in a Shareholder's assessable income and should not give rise to any capital gain under the capital gains tax (CGT) provisions.

Eligible Shareholders that exercise their Entitlements will receive New Shares. The amount paid to exercise Entitlements (i.e. the Offer Price) and any non-deductible incidental costs will form the cost base of the New Shares acquired through exercise for CGT purposes.

Sale on ASX or transfer of Entitlements

The Entitlements are classified as assets for CGT purposes. Entitlements may be sold on the ASX or through a sale or transfer to a third person.

Shareholders will have no cost base for their Entitlements under the CGT rules. Shareholders will realise a capital gain equal to the sale price (or deemed market value sale price if Entitlements are sold or transferred for no consideration or on non-arm's length terms) less any incidental costs of disposal. This capital gain will be included in assessable income after the application of current year or carry forward capital losses.

Shareholders will be treated as having acquired their Entitlements on the same date they acquired the Shares which gave rise to the Entitlements. Accordingly, individuals, trusts or complying superannuation funds which have held their Shares for at least 12 months prior to the date of sale or transfer of their Entitlements, should be entitled to discount the amount of any capital gain resulting from the sale of the Entitlements (after the application of any current year or carry forward capital losses).

The amount of this discount is 50% for individuals and trustees and $33\frac{1}{3}\%$ for complying superannuation entities. This is referred to as the 'CGT discount'. The CGT discount is not available for companies that are not trustees. Trustees should seek specific tax advice regarding the tax consequences arising to beneficiaries because of discount capital gains.

Lapse of Entitlements

Entitlements held by Eligible Shareholders that do not exercise or otherwise dispose of their Entitlements will lapse. An Eligible Shareholder will make a capital loss when the Entitlement lapses to the extent of any incidental costs incurred by the Eligible Shareholder.

4.9.2 Income tax consequences of New Shares

Dividends on New Shares and Additional New Shares

The New Shares and the Additional New Shares are ordinary shares and the income tax consequences of receiving a dividend or other distribution in respect of the New Shares or the Additional New Shares will reflect those which arise on existing shares.

Disposal of New Shares and Additional New Shares

The disposal of a New Share or an Additional New Share will constitute a disposal for CGT purposes. The cost base of the New Share or the Additional New Share will be the amount paid for it (i.e. the Offer Price) together with certain incidental costs of acquisition and disposal. Where the capital proceeds on disposal of a New Share or an Additional New Share exceed the cost base of the share, a capital gain will be derived. Where the capital proceeds on disposal are less than the reduced cost base, a capital loss will be made. The New Shares will be treated as having been acquired on the date the relevant Shareholder exercised their Entitlements to buy the New Shares. The Additional New Shares will be treated as having been acquired on the date on which the Shareholder applied for the Additional New Shares. This means that the New Shares and the Additional New Shares would need to be held for at least 12 months after the relevant date in order for these shares to be eligible for the CGT discount concession on disposal.

4.9.3 Other Australian taxes

GST should not be payable on the issue, receipt, exercise, sale, transfer or disposal of New Shares, Additional New Shares or Entitlements.

As the Company and Saputo have agreed that they will between them bear any duty which arises in respect of the Offer, the minority shareholders should not be exposed to any stamp duty risk.

4.10 Quotation and trading

WCB has applied to the ASX for official quotation of the New Shares and any Additional New Shares in accordance with the ASX Listing Rule requirements. If ASX does not grant quotation of the New Shares or any Additional New Shares, WCB will repay all Application Monies (without interest).

Subject to approval being granted, it is expected that normal trading of New Shares and any Additional New Shares issued under the Entitlement Offer will commence on 7 July 2016.

4.11 Continuous disclosure

WCB is a 'disclosing entity' under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports.

WCB is required to notify the ASX of information about specific events and matters as they arise for the purposes of the ASX making that information available to the stock markets conducted by the ASX. In particular, WCB has an obligation under the ASX Listing Rules (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its securities. That information is available to the public from the ASX and can be accessed at www.asx.com.au.

Some documents are required to be lodged with ASIC in relation to WCB. These documents may be obtained from, or inspected at, an ASIC office.

4.12 Information availability

Eligible Shareholders can obtain a copy of this Offer Booklet during the Entitlement Offer on WCB's website at www.wcbf.com.au.

A replacement Entitlement and Acceptance Form can also be requested during the period of the Entitlement Offer by calling the Share Registry on 1300 554 474 (inside Australia) or +61 1300 554 474 (outside Australia).

If you access the electronic version of this Offer Booklet, you should ensure that you download and read the entire Offer Booklet. The electronic version of this Offer Booklet on the WCB website will not include an Entitlement and Acceptance Form.

4.13 Foreign jurisdictions

This Information has been prepared to comply with the requirements of the securities laws of Australia and New Zealand.

This Offer Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Entitlement Offer, the Entitlements, the New Shares, any Additional New Shares, or otherwise permit the public offering of the New Shares or any Additional New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Information (including an electronic copy) outside Australia and New Zealand may be restricted by law. If you come into possession of this Information, you should observe such restrictions and should seek your own advice on such restrictions.

Any non-compliance with these restrictions may contravene applicable securities laws.

New Zealand

The Entitlements, the New Shares and any Additional New Shares are not being offered or sold to the public in New Zealand other than to existing shareholders of WCB with registered addresses in New Zealand to whom the offer of the Entitlements, the New Shares and any Additional New Shares is being made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).

This Offer Booklet has not been registered, filed with or approved by any New Zealand regulatory authority. This Offer Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

United States

This Offer Booklet and the accompanying Entitlement and Acceptance Form do not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this Offer Booklet have not been, and will not be, registered under the Securities Act and may not be offered or sold in the United States, except in transactions exempt from, or not subject to, the registration requirements of the Securities Act and applicable US state securities laws.

4.14 Governing law

This Information, the Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the laws applicable in Victoria, Australia. Each applicant for New Shares and Additional New Shares submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

4.15 Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Entitlement Offer that is not contained in this Information.

Any information or representation that is not in this Information may not be relied on as having been authorised by WCB, or its related bodies corporate, in connection with the Entitlement Offer. Except as required by law, and only to the extent so required, none of WCB, nor any other person, warrants or guarantees the future performance of WCB or any return on any investment made pursuant to this Information or its content.

4.16 Withdrawal of the Entitlement Offer

WCB reserves the right to withdraw all or part of the Entitlement Offer and this Information at any time, subject to applicable laws, in which case WCB will refund Application Monies in relation to New Shares and any Additional New Shares not already issued in accordance with the Corporations Act and without payment of interest.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to WCB will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to WCB.

4.17 Privacy

As a shareholder, WCB and the Share Registry have already collected certain personal information from you. If you apply for New Shares or Additional New Shares, WCB and the Share Registry may update that personal information or collect additional personal information. Such information may be used to assess your acceptance of the New Shares and any Additional New Shares, service your needs as a shareholder, provide facilities and services that you request and carry out appropriate administration.

WCB and the Share Registry may disclose your personal information for these purposes to their agents, contractors or third party service providers to whom they outsource services.

If you do not provide us with your personal information we may not be able to process your application. In most cases you can gain access to your personal information held by the Share Registry on behalf of WCB. We aim to ensure that the personal information we retain about you is accurate, complete and up to date. To assist us with this please contact us if any of the details you have provided change. If you have concerns about the completeness or accuracy of the information we have about you, we will take steps to correct it. You can request access to your personal information held by the Share Registry on behalf of WCB by contacting the Share Registry as follows:

Link Market Services Limited

Locked Bag A14

Sydney South NSW 1235

Tel: 1800 502 355 (within Australia) or +61 1800 502 355 (outside Australia)

5 Glossary

The below terms are defined as follows for the purposes of this Offer Booklet:

Additional New Shares means new Shares which Eligible Shareholders are able to apply for in excess of their Entitlement under the Top Up Facility.

Applicant means a person who has subscribed for New Shares and any Additional New Shares pursuant to the Entitlement Offer.

Application Monies means the money paid by Applicants in respect of the New Shares and any Additional New Shares they apply for under the Entitlement Offer.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial products market operated by that entity known as the Australian Securities Exchange.

Corporations Act means the Corporations Act 2001(Cth), as modified by ASIC Corporations Instrument 2016/84.

CRN means the unique customer reference number allocated to each Eligible Shareholder.

Directors means the board of directors of the Company from time to time.

EDC Business means the everyday cheese business acquired by WCB from Lion on 25 May 2015.

Eligible Shareholder means those persons who:

- are registered as a holder of Shares as at the Record Date, being 7.00pm on 16 June 2016;
- have a registered address on the WCB share register in Australia or New Zealand at the Record Date;
- are not in the United States; and
- are eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

ERP means WCB's enterprise resource planning system.

Entitlement means the offer to Eligible Shareholders to purchase 3 New Shares for every 8 existing Shares held as at the Record Date at the Offer Price of \$6.75 per New Share.

Entitlement and Acceptance Form means the personalised form accompanying this Offer Booklet.

Entitlement Offer means the pro-rata renounceable entitlement offer at the Offer Ratio of New Shares to Eligible Shareholders entitling each such Eligible Shareholder to subscribe for their Entitlement to New Shares at the Offer Price and, where applicable, includes the Top Up Facility.

Foreign Acquisitions and Takeovers Act means the Foreign Acquisitions and Takeovers Act 1975 (Cth).

FYXX means the financial year ending 31 March 20XX.

Ineligible Shareholder means a shareholder who is not an Eligible Shareholder.

Information means the important information included in this Offer Booklet.

New Shares means the Shares offered by WCB pursuant to the Entitlement Offer (but excludes any Additional New Shares offered pursuant to the Top Up Facility).

Offer Booklet means this booklet.

Offer Price means \$6.75 per New Share.

Offer Ratio means 3 New Shares for every 8 existing Shares held as at the Record Date.

Record Date means 7.00pm on 16 June 2016.

Securities Act means the U.S. Securities Act of 1933, as amended from time to time.

Shares means fully paid ordinary shares of WCB.

Share Registry means Link Market Services Limited whose details are provided in the "Corporate Directory" section of this Offer Booklet.

Top Up Facility means the opportunity for Eligible Shareholders who take up all of their Entitlement to also apply for Additional New Shares in excess of their Entitlement.

WCB or Company means Warrnambool Cheese and Butter Factory Company Holdings Limited (ABN 15 071 945 232).

Corporate Directory

Warrnambool Cheese and Butter Factory Company Holdings Limited

Australia: 5565 3100

International: +61 5565 3100

Hours are 9.00am to 5.00pm
(Melbourne time), Monday to Friday, during the
Entitlement Offer period

www.wcbf.com.au

Share Registry

Link Market Services Limited

Level 1, 333 Collins Street

Melbourne VIC 3000

Australia: 1300 554 474

International: +61 1300 554 474

Financial Adviser

Rothschild Australia Limited

Level 41, 50 Bridge Street

Sydney NSW 2000

Australia

Australian Legal Counsel

Clayton Utz

Level 15, 1 Bligh Street

Sydney NSW 2000

Australia