



ASX ANNOUNCEMENT

Victorian Coalition Government and Bega Cheese Announce Expansion of Tatura Facility to Supply Middle East Market

Please refer to attached joint announcement of Victorian Minister of Innovation, Services and Small Business with Bega Cheese Limited.

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For further information please contact

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Media release

The Hon Louise Asher MP

Minister for Innovation, Services and Small Business
Minister for Tourism and Major Events

19 February 2012

Victorian Coalition Government and Bega Cheese announce expansion of Tatura facility to supply Middle East market

Victorian Minister for Innovation, Services and Small Business Louise Asher today joined with Bega Cheese in Dubai to announce a significant \$7.8 million expansion of the company's Tatura facility in northern Victoria, generating added investment and jobs in the dairy industry.

The iconic Australian dairy brand and its wholly owned subsidiary Tatura Milk Industries will expand the Tatura cream cheese facility in response to increasing market opportunities in the Middle East.

The \$7.8 million project includes increasing Tatura's production capacity of cream cheese from 15,000 tonnes to 22,000 tonnes per annum.

Minister Asher and the CEO of Bega Cheese Aidan Coleman announced the expansion to assembled buyers, delegates and media at the annual Gulfood trade fair in Dubai, one of the largest food and beverage shows in the world.

"This announcement is a clear sign of the strength of Victoria's dairy industry, and in particular, the opportunities present for our clean, safe and reliable dairy exports to the Middle East region," Ms Asher said.

"I am pleased Bega Cheese has recognised the opportunities in the Middle Eastern market and has joined me on Victoria's largest ever trade mission to the region. More than 100 other companies and organisations in strategic industries such as food and beverage, agribusiness, infrastructure and water management have accompanied the Victorian Coalition Government on this trade mission."

Minister for Agriculture and Food Security Peter Walsh welcomed the announcement in Melbourne, and said Victorian exports of dairy product to the Middle East and North Africa grew by almost 18 per cent from 2009-10 to 2010-11 and were worth \$272 million.

"Victoria accounts for 87 per cent of the value of Australia's dairy exports and has a reputation second to none in terms of both quality and quantity of product available," Mr Walsh said.

"Bega Cheese's Tatura facility will need an extra 30 to 40 million litres of milk per year once the expansion is running at full capacity in three years. This will be a great boost to northern Victoria's dairy producers."

The Tatura facility has been producing cream cheese and specialty frozen milk-fat ingredients for more than 30 years, and exports dairy products to key markets in the Gulf region, including the United Arab Emirates, Kuwait and Saudi Arabia.

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Bega Cheese Chief Executive Aidan Coleman said the expansion had been a 12 month project and would generate added investment and jobs in the dairy industry, and further drive innovation and export outcomes.

“This follows our purchase and investment in the former Kraft site at Strathmerton, which has significantly increased our production capacity in northern Victoria,” Mr Coleman said.

“We are proud to be working with the Victorian Coalition Government on these ongoing trade and investment projects, including the Dairy Nutraceuticals to Asia Program which aims to significantly increase our export of infant formula, and other nutritional powders to Asia and the Middle East.”

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