



## ASX ANNOUNCEMENT

### BEGA TO PAY BROKERS A HANDLING FEE

Bega Cheese will pay a handling fee in respect of valid acceptances received from eligible retail Warrnambool Cheese & Butter Shareholders.

Subject to the terms outlined in Appendix 1, Bega Cheese will pay a handling fee of 0.75% (Handling Fee) to you if you are admitted as a market participant under the ASX Operating Rules and a participant under the ASX Settlement Operating Rules (Broker) in respect of valid acceptances received on or after 14 November 2013 from Bega Cheese in connection with the Offer (Acceptances), where such Acceptances are from your clients and were procured by you.

Further information in respect of claiming the handling fee is outlined in Appendix 1.

A handwritten signature in black ink, appearing to read 'B.A. Irvin', with a wavy line underneath.

Barry Irvin  
Executive Chairman

14 November 2013

---

For further information please contact

Barry Irvin  
Executive Chairman  
Bega Cheese Limited  
ABN 81 008 358 503  
[www.begacheese.com.au](http://www.begacheese.com.au)  
02 6491 7777

David Williams  
Corporate Adviser to Bega Cheese Limited  
Kidder Williams Limited  
Phone: (03) 9246 4200  
Mobile: 0414 383 593

## APPENDIX 1 – BROKER HANDLING FEES

Subject to the terms below, Bega Cheese will pay a handling fee (**Handling Fee**) to any stockbroker who is admitted as a market participant under the ASX Operating Rules and a participant under the ASX Settlement Operating Rules (**Broker**) in respect to valid acceptances received on or after 14 November 2013 from Eligible Warrnambool Cheese & Butter Shareholders in connection with the Offer (**Acceptances**), where such Acceptances are from clients of the Broker and were procured by the Broker.

A Handling Fee will only be payable in respect of a formal Acceptance as set out below.

An **Eligible Warrnambool Cheese & Butter Shareholder** is one who is:

- not a Broker or an Associate of a Broker; and
- recorded on the register of Warrnambool Cheese & Butter Shareholders as holding at least 500 Warrnambool Cheese & Butter Shares as at the date of Acceptance.

The Handling Fee payable in respect of an Acceptance will be 0.75% of the value of the Offer Consideration to be provided as a result of that Acceptance subject to:

- the minimum Handling Fee payable in respect of any Acceptance being \$50 (excluding GST); and
- the maximum Handling Fee payable in respect of any Acceptance being \$750 (excluding GST).

The value of the Bega Cheese share component of the Offer Consideration will be calculated based on the closing price of Bega Cheese Shares on the ASX on the last trading day of the Offer Period.

The Handling Fee will not be increased.

The Handling Fee is payable to Brokers only in respect of Acceptances which they procure from their clients. The Handling Fee is not payable to Warrnambool Cheese & Butter Shareholders and will not be paid in respect of Warrnambool Cheese & Butter Shares held by the Broker or an Associate of the Broker on its own account.

In claiming the Handling Fee in respect of an Acceptance, the relevant Broker will be taken to have represented to Bega Cheese that neither it nor one of its Associates is the accepting Warrnambool Cheese & Butter Shareholder and the Handling Fee will not be passed on or otherwise shared directly or indirectly with the accepting Warrnambool Cheese & Butter Shareholder.

The Handling Fee will only be payable to a Broker if it submits to Link Market Services Limited:

- a) a valid and duly completed claim form (Claim Form) which sets out:
  - i. the Broker's Participant Identification Number; and
  - ii. a representation that neither the Broker nor any of its Associates is the accepting Warrnambool Cheese & Butter Shareholder and that the Handling Fee will not be passed on or otherwise shared directly or indirectly with the accepting Warrnambool Cheese & Butter Shareholder; and

- b) a list of Acceptances (Acceptance List) which contains:
- i. the registered name for each Warrnambool Cheese & Butter Shareholder to which the Claim Form relates;
  - ii. the Holder Identification Number or Securityholder Reference Number for each Eligible Warrnambool Cheese & Butter Shareholder to whom the Claim Form relates;
  - iii. the number of Warrnambool Cheese & Butter Shares in respect of which each Eligible Warrnambool Cheese & Butter Shareholder has accepted the Offer and the date of the relevant Acceptance(s); and
  - iv. if any Acceptance over an issuer sponsored holding was affected by an Acceptance Form, a copy of such form bearing the Broker's stamp.

by 5.00pm (Melbourne time) on the day that is five business days after the end of the Offer Period. The Broker must provide any additional evidence reasonably requested by Link Market Services or Bega Cheese to satisfy Bega Cheese that such Acceptance(s) meet the requirements for the payment of the Handling Fee.

Claim Forms and Acceptance Lists must be requested by email from the Link Market Services email address below. The Claim Form and Acceptance List must be submitted to Link Market Services in hard copy format and must also be emailed to the Link Market Services email address below.

Claim Forms and Acceptance Lists must be forwarded to:

Bega Cheese Limited  
C/- Link Market Services Limited  
Attention: Capital Markets  
Locked Bag A14  
Sydney South NSW 1235  
By email: [capitalmarkets@linkmarketservices.com.au](mailto:capitalmarkets@linkmarketservices.com.au)

The Handling Fee will be payable in respect of any Acceptances received during the Offer Period on or after the date of this Third Supplementary Bidder's Statement.

No Handling Fee will be paid in respect of any Acceptance for which more than one Broker tenders a Claim Form.

Each Broker should submit only one Claim form, which covers all Acceptances in respect of which the Broker is claiming the Handling Fee.

For any Warrnambool Cheese & Butter Shareholder on the CHESSE sub-register, where that Warrnambool Cheese & Butter directly requests Bega Cheese, and not the relevant Broker, to initiate acceptance of the Offer on their behalf, that Broker will not be entitled to receive the Handling Fee.

No Handling Fee is payable in respect of a CHESSE Holding where an Acceptance Form has been sent to Link Market Services directly by Warrnambool Cheese & Butter Shareholder or through another agent.

No Handling Fees will be paid in respect of Acceptances that are not treated as valid by Bega Cheese or are validly withdrawn (if withdrawal rights exist).

Bega Cheese reserves the right to aggregate any Acceptances in determining the Handling Fee payable to any Broker if Bega Cheese reasonably believes that a party has structured holdings of Warrnambool Cheese & Butter to take advantage of the Handling Fees. Bega Cheese may in its absolute discretion determine any disputes regarding whether a Handling Fee is payable.

Subject to the terms set out above, it is intended that payment of the Handling Fee in respect of any Acceptances will be made by cheque by the later of:

- a) ten business days after the date of receipt of Link Market Services of Acceptance Forms (where applicable) bearing the Broker's stamp, the Broker's unqualified Claim Form and the Acceptance List (together with such additional material reasonably requested by Link Market Services or Bega Cheese); and
- b) twenty business days after the end of the Offer Period.

Bega Cheese reserves the right to amend the terms of the payment of the Handling Fees by notice on the ASX.