



ASX ANNOUNCEMENT

Bega Cheese announces takeover offer for Peanut Company of Australia Ltd

Bega Cheese (ASX:BGA) today announced an unconditional takeover offer for all the issued shares in Peanut Company of Australia Limited ("PCA") and the signing of a placement agreement and bid implementation agreement with PCA which includes the following key terms:

- Under the Placement Agreement, Bega Cheese will subscribe for 19.99% of the issued shares of PCA ("Placement Shares") for \$1.9m; and
- Under the Bid Implementation Agreement and after issue of the Placement Shares, Bega Cheese will make a \$10m unconditional takeover bid to acquire all the issued shares of PCA not held by Bega Cheese ("Bid").

PCA is located in Australia's peanut capital, Kingaroy QLD, and has been Australia's leading supplier of locally grown peanuts to domestic and overseas customers for over 90 years. PCA is also known globally for its world class peanut research and development program.

Mr Barry Irvin, Executive Chairman of Bega Cheese, said "The acquisition of PCA will help grow the supply of Australian grown peanuts for the manufacture of peanut butter at our Port Melbourne factory and supply to other PCA customers."

Mr Irvin also said "We have plans to increase the domestic supply of peanuts by working with farmers to expand peanut plantings and production. We have a long history of working with farmer suppliers in the dairy industry and we will apply that experience to the peanut industry."

The Bid is an unconditional cash offer.

Bega Cheese is advised by Kidder Williams and Addisons Lawyers.

Shareholder queries with respect to the Bid should be directed to the Bega information line on: 1300 880 751.

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For further information please contact:

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