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Company Announcements Office
ASX Limited
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DAIRY CONSORTIUM EXECUTES AGREEMENTS TO ACQUIRE MOXEY FARMS

Freedom Foods Group Limited (ASX: FNP) announced today that The Australian Fresh Milk Holdings consortium (AFMH), comprising Leppington Pastoral Company Pty Limited (**LPC**), New Hope Dairy Holdings Co Ltd and Freedom Foods Group Limited (**Freedom Foods**) have executed binding agreements to acquire Moxey Farms, one of Australia's largest single-site dairy operations (**Acquisition**).

Moxey Farms operates a fully integrated dairy farming operation located in the Lachlan Valley, New South Wales, 340 km west of Sydney. Moxey Farms land portfolio covers an area of 2,700 hectares and includes 3,700 milking cows that produce approximately 50 million litres of milk per year, with a large proportion of this milk from a2 cows.

Under the terms of the Acquisition, the Moxey family would continue to operate Moxey Farms in a joint venture with the Perich family under a new Farm Management Agreement with AFMH, ensuring continuity of existing operations for key customers and staff.

The Moxey family will acquire a strategic stake in AFMH, which will have assets and operations across every aspect of the dairy value chain.

General Manager of Moxey Farms Mr Quentin Moxey, said: "We are pleased to partner with AFMH on the development of Moxey Farms and the establishment of additional world class greenfield dairy farming operations in Australia".

The Acquisition will provide Freedom Foods with the opportunity to secure access to a consistent and long-term supply of high quality milk as AFMH explores expansion opportunities to further build on the acquisition of the Moxey operations.

The AFMH consortium arrangement and the Acquisition will provide Freedom Foods access to the highly regarded dairy management team of the Moxey and Perich families. The consortium arrangement will also enable AFMH to leverage Freedom Foods' processing capabilities and New Hope Dairy's Asian footprint to readily access export markets such as China and South East Asia.

Following the completion of the Acquisition of Moxey Farms, AFMH would have in place a scalable operating platform to invest in additional greenfield dairy sites, enabling the consortium to become a significant player in the Australian dairy industry.

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Upon completion, Freedom Foods will hold a strategic 10% equity position in AFMH, with the balance held by Leppington Pastoral, Moxey Family and New Hope Dairy. Freedom's equity contribution will be approximately \$7 million. AFMH will maintain a relatively conservative gearing structure. Both Freedom Foods and New Hope Dairy will have priority access to any increases in milk production at Moxey Farm or greenfields dairy farm sites.

Completion of the transaction is subject to customary closing conditions.

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