

Long Term Incentive Plan update

Australian Dairy Nutritionals Limited (**AHF** or the **Company**) is pleased to provide details on the amended Long Term Incentive Plan (LTIP) which has been approved by the Board. The Company recognises the importance of delivering appropriately structured equity incentives to eligible participants which assists in aligning their interests with those of Shareholders of the Company. With this in mind, the Board has approved the attached amended LTIP, which will be put to Shareholders at this year's AGM, which is anticipated to take place on or around October 2026.

The LTIP has been designed to align the performance of eligible participants to the Company's strategic goals, and to retain, reward and attract talent over the long term.

The Board and management considers it important to be able to utilise the LTIP immediately (and before the next AGM) for incentivisation and retention purposes.

Accordingly, if and when offers to eligible participants are made and accepted, in the event that this occurs before the AGM, the Company intends to fulfil these LTIP allocations (which will be non-related party and non-KMP participants) by utilising the Company's existing capacity under ASX Listing Rule 7.1.

The release of this announcement was authorised by the Board of Directors of Australian Dairy Nutritionals Limited.

Ends

Further Details

Australian Dairy Nutritionals Limited

Phone: +61 3 8692 7284

Email: shareholders@adnl.com.au

About Australian Dairy Nutritionals Group

Australian Dairy Nutritionals Group (AHF) is a vertically integrated Australian dairy group which owns high quality organic and organic A2 protein dairy farms, and a processing facility located in Southwestern Victoria, the 'Golden Triangle' of Australia's dairy industry. The Group produces the Ocean Road Dairies Organic A2 protein infant formula range, Australia's first Organic A2 protein infant formula made with farm fresh Australian milk from our organic dairy farms and manufactured at our infant formula factory in Camperdown, Victoria.

Disclaimer – Forward Looking Statements

This announcement may include "forward looking statements" within the meaning of securities laws of applicable jurisdictions. These forward-looking statements are not historical facts but are based on AHF's current expectation, estimates and projections about the industry, in which it operates, and beliefs and assumptions. Readers are cautioned not to place undue reliance on forward looking statements.



Australian Dairy Nutritionals Limited (ACN 057046607)

ASX Code AHF

Long Term Incentive Plan

Plan Rules

The purpose of this Plan is to allow the Board to make Offers to Eligible Participants to acquire securities in the Company.

These Rules outline the terms and conditions upon which Offers will be made, including:

- the process for making and accepting Offers under the Plan (**Part A**);
- the type of securities that may be offered (being Shares, Performance Rights and Options) (**Part B**); and
- the general terms and conditions that apply to Shares and other securities under this Plan (**Part C**).
- capitalised terms are defined in **Part D** of these Rules.

PART A

1 Offers of LTI Securities

1.1 Board to make invitations

- (a) The Board may, from time to time and in its absolute discretion, invite Eligible Participants to participate in a grant of LTI Securities, which may comprise of any one or more of (each a LTI Security):
 - Shares;
 - Performance Rights; and/or
 - Options.(Offer).
- (b) Offers will be made on the terms set out in the Plan and on any additional terms as the Board determines.
- (c) the total number of LTI Securities that may be offered under this Plan in any 3 year period must not exceed 5% of the total issued security capital of the Group (or such other number as the Board determines, subject to the ASX Listing Rules) (Issue Cap).

1.2 Information to be provided to Participants

The Board will advise each Eligible Participant of the following minimum information in connection with an Offer:

- (a) the number of LTI Securities being offered, or the method by which the number will be calculated;
- (b) the amount (if any) that will be payable for the grant or issue of LTI Securities;
- (c) when LTI Securities may vest;
- (d) the procedure for exercising an Option (including any exercise price that will be payable) following vesting and the period(s) during which it may be exercised;
- (e) the circumstances in which Performance Rights and/or Options will lapse;
- (f) any Performance Conditions or other conditions that apply and when such

conditions must be satisfied by;

- (g) any restrictions (including the period of restriction) on Dealing in relation to a Share allocated to the Eligible Participant under this Plan; and
- (h) any Financial Assistance that is offered in connection with the issue of LTI Securities (including any Restricted Period); and
- (i) any other terms and conditions that the Board decides to include or is required by an Applicable Rule.

1.3 Acceptance of Offer

- (a) Acceptance of an Offer must be made by the Eligible Participant in accordance with the instructions that accompany the Offer, or in any other way the Board determines.
- (b) The Board may only allow the participation of an where that continues to satisfy any relevant conditions imposed by the Board (which may include, without limitation that the continues to hold an Engagement Arrangement with a member of the Group of the Company at the time of grant).
- (c) Nothing in these Rules or in an Offer limits the Board's ability to treat the conduct of an Eligible Participant in respect of an Offer (including the failure of an Eligible Participant to lodge an election not to participate within the time specified in the instructions accompanying the Offer) as valid acceptance of that Offer under these Rules.

1.4 Offer terms and conditions take precedence

To the extent of any inconsistency, the terms and conditions advised to an Eligible Participant by the Board at the time that an Offer is made will prevail over any other provision of these Rules.

PART B

2 Performance Rights

2.1 Grant

- (a) Where an Eligible Participant has accepted an Offer to participate in a grant of Performance Rights in accordance with rule of these Rules, the Board will grant Performance Rights to the Eligible Participant.
- (b) Unless the Board determines otherwise:
 - (1) no payment is required for the grant of a Performance Right; and
 - (2) Performance Rights may not be registered in any name other than that of the Eligible Participant.

2.2 Vesting

- (a) Subject to rules 8, 9 and 16.4, a Performance Right will only vest where any Performance Condition and any other relevant conditions advised to the Participant by the Board pursuant to rule 1.2 have been satisfied.
- (b) Upon vesting of a Performance Right, a Share will be allocated pursuant to rule 2.3 without any further action on the part of the Participant.

2.3 Allocation

On vesting of a Performance Right, the Board must allocate the number of Shares in respect of which Performance Rights have vested by either:

- (a) issuing Shares to;
- (b) procuring the transfer of Shares to; or
- (c) procuring the setting aside of Shares for, the Participant.

2.4 Lapse of Performance Rights

A Performance Right will lapse upon the earliest to occur of:

- (a) the Performance Right lapsing in accordance with a provision of rule 5, 7, 8 or 9; and
- (b) failure to meet a Performance Condition or any other conditions applicable to the Performance Right within the prescribed period.

3 Options

3.1 Grant

- (a) Where an Eligible Participant has accepted an Offer to participate in a grant of Options in accordance with rule of these Rules, the Board will grant Options to the Eligible Participant.
- (b) Unless the Board determines otherwise:
 - (1) no payment is required for the grant of an Option; and
 - (2) Options may not be registered in any name other than that of the Eligible Participant.

3.2 Exercise pre-conditions

- (a) Subject to rules 8, 9 and 16.4, an Option granted under the Plan will only vest and become exercisable where any Performance Condition and any other relevant conditions advised to the Participant by the Board pursuant to rule 1.2 have been satisfied.
- (b) The exercise of any Option granted under the Plan will be effected in the form and manner determined by the Board, and must be accompanied by payment of

the relevant exercise price (if any) advised to the Participant pursuant to rule 1.2.

3.3 Allocation following exercise

Following the exercise of an Option, the Board must allocate the number of Shares in respect of which Options have been exercised by either:

- (a) issuing Shares to;
- (b) procuring the transfer of Shares to; or
- (c) procuring the setting aside of Shares for, the Participant.

3.4 Lapse of Options

An Option will lapse upon the earliest to occur of:

- (a) 5 years or any other date nominated as the expiry date in the invitation letter;
- (b) the Option lapsing in accordance with a provision of rule 5, 7, 8 or 9; and
- (c) failure to meet a Performance Condition or any other conditions applicable to the Option within the prescribed period.

4 Shares

- (a) Where an Eligible Participant has accepted an Offer to participate in an issue of, or acceptable of a transfer of, Shares in accordance with rule of these Rules, the Board will cause Shares to be issued or transferred (as applicable) to the Eligible Participant.
- (b) Unless the Board determines otherwise:
 - (1) subject to all Applicable Rules, Shares will be acquired through a loan by the Company to the Participant on the terms set out in rule 5 (**Financial Assistance**); and
 - (2) Shares may not be registered in any name other than that of the Participant.

PART C

5 Financial Assistance

5.1 Terms of Financial Assistance

- (a) Financial Assistance will be provided solely to acquire Shares and unless the Offer specifies otherwise, on an interest free basis.
- (b) Subject to this rule 5, Financial Assistance provided to a Participant will be repayable by the Participant in accordance with the terms upon which the Financial Assistance was provided. However, the Board may in its discretion extend the period for repayment of the Financial Assistance or otherwise vary the terms of the Financial Assistance for the benefit of the Participant.
- (c) A Participant may voluntarily repay Financial Assistance to the Company at any time in respect (and only in respect) of Shares to which Performance Conditions do not apply.

5.2 When Financial Assistance is repayable

Unless the terms of an Offer specify otherwise, Financial Assistance must be repaid in full immediately upon the earliest of:

- (a) 5 years from the date the relevant Shares are acquired with Financial Assistance;
- (b) the Participant's Shares being bought back or transferred under rule 15;
- (c) failure to satisfy any Performance Conditions imposed on an accepted Offer to which the Financial Assistance relates;
- (d) 2 months (or a longer period set out in an Offer or determined by the Board in its discretion) after the Participant ceases to be an Employee;
- (e) any material breach by the Participant of this Plan where the breach is not remedied within 30 days of the Company's notice to the Participant to do so; or
- (f) an application being made to a court for an order, or an order being made, that the Participant be made bankrupt (or any similar event in any jurisdiction as determined by the Board in its discretion).

5.3 Amount or method of repayment

If Financial Assistance provided to a Participant becomes repayable, the Company must accept in full and complete satisfaction of the Participant's indebtedness and obligations to it under the Financial Assistance:

- (a) if the applicable Performance Conditions have been satisfied - the total amount owing by the Participant to the Company in cash or by other means agreed between the Participant and the Company; or
- (b) in any case - the transfer to the Company (or its nominee) of the Shares to which the Financial Assistance relates in accordance with rule 15.

5.4 Dividends and other entitlements

- (a) Subject to rule 5.4(b), the Company may retain, or pay to itself on behalf of a Participant, any moneys and any capital distributions that may become payable in respect of a Share in reduction of the amount outstanding under Financial Assistance in respect of that Share.
- (b) A Participant is entitled to sufficient money or capital distribution to meet any tax liability with respect to LTI Securities.
- (c) A Participant may not participate in any dividend reinvestment plan (or similar plan) established by the Company until the Financial Assistance in respect of his or her Shares has been fully repaid.

5.5 Voluntary repayment

A Participant is entitled to make voluntary repayments or prepayments of Financial Assistance in respect of an Offer for which the applicable Performance Conditions, if any, have been satisfied or (at the Board's election) waived.

5.6 Limited recourse

If Financial Assistance is discharged or repaid under rule 5.3 then:

- (a) no further amount will be repayable by the Participant to the Company under the Financial Assistance in respect of the Shares; and
- (b) no further amount will at any time be recoverable by the Company from the Participant in respect of the Financial Assistance.

5.7 Security

- (a) As security for Financial Assistance, each Participant grants to the Company a Security Interest:
 - (1) over the Shares provided under the Plan; and
 - (2) a security interest over all dividends and other amounts paid or payable on those Shares.
- (b) The Company is entitled to retain the certificates (if any) for any Shares provided under this Plan to the Participant, and to impose a holding lock on the Shares.

- (c) A Participant must not create, other than in favour of the Company, any Security Interest over any Shares while they are subject to the restrictions of this Plan without the consent of the Board.

6 Prohibited dealings

- (a) Any Dealing in respect of an LTI Security is prohibited unless:
 - (1) the Board determines otherwise; or
 - (2) the Dealing is required by law.
- (b) Where a Participant Deals with an LTI Security in contravention of rule 6(a), either (in the case of a Performance Right or Option) will immediately lapse or (in the case of Shares issued with Financial Assistance) the Financial Assistance becomes immediately repayable.
- (c) The Board may, at its discretion, impose restrictions on Dealing in respect of any Shares that are either allocated upon the vesting of Performance Rights under rule 2.3 and/or the exercise of Options under rule 3.3 or acquired with Financial Assistance under rule 4(b), and may implement any procedure it considers appropriate to enforce such restrictions.
- (d) An Eligible Participant must not enter into any arrangement that would limit or neutralise the economic risk of holding unvested LTI Securities, including through the use of derivatives, hedging instruments, short sales, or similar arrangements.

7 Preventing inappropriate benefits

- (a) Where, in the opinion of the Board, a Participant acts fraudulently or dishonestly or is in breach of his or her obligations to the Company, any:
 - (1) unvested Performance Rights or Options held by the Participant; and/or
 - (2) vested but unexercised Options held by the Participant;will lapse and Financial Assistance becomes immediately repayable unless the Board determines otherwise within three months from the date when the Board became aware of the fraudulent or dishonest act or the relevant breach.
- (b) Without limiting rule 7(a), where, in the opinion of the Board:
 - (1) a Participant's LTI Securities vest as a result of the fraud, dishonesty or breach of obligations of either the Participant or of any other person and, in the opinion of the Board, the instruments would not have otherwise vested; or
 - (2) the Company is required by or entitled under law to reclaim an overpaid bonus from a Participant,

the Board may, subject to applicable laws, determine any treatment in relation to the Participant's LTI Securities that have been allocated to the Participant under this Plan in order to comply with the law or to ensure that the Participant does not receive an unfair benefit.

8 Cessation of Engagement Arrangement

- (a) Subject to rule where a Participant ceases to hold an Engagement Arrangement with a member of the Group of the Company, that Participant's LTI Securities will:
- (1) continue to be held by the Participant (or by his or her estate as a representative); and
 - (2) continue to be subject to these Rules and the relevant conditions advised to the Participant by the Board pursuant to rule 1.2, except that any continuous service condition will be deemed to have been waived.
- (b) Notwithstanding rule 8(a), the Board may determine (in its absolute discretion) that some or all of a Participant's LTI Securities will:
- vest or become exercisable;
 - are only exercisable for a prescribed period and will otherwise lapse;
 - continue to be subject to some or all of the Performance Conditions; or
 - lapse on the date of cessation of Engagement Arrangement,
- either prior to or within 60 days after a Participant ceases to hold an Engagement Arrangement with a member of the Group of the Company.
- (c) A Participant's Financial Assistance will be dealt with by rule 5.2(d).

9 Takeover, Scheme of Arrangement and Winding-up

9.1 Takeovers

- (a) In the event of each of:
- (1) a Takeover Bid being made for Shares in the Company (for these purposes, a Takeover Bid will be made when a bidder serves its bidder's statement on the Company);
 - (2) the Board recommending that Securityholders accept any Takeover Bid for Shares in the Company; and
 - (3) a Takeover Bid for Shares in the Company becoming unconditional,

(each a Takeover Event)

the Board in its absolute discretion may determine that all or a specified number of a Participant's unvested LTI Securities vest, having regard to all relevant

circumstances, including whether performance is in line with any applicable Performance Condition over the period from the date of grant of the LTI Securities (Grant Date) to the date of the relevant event described in paragraphs (1) to (3) above, and the portion of any applicable performance period or period of service that has expired at the date of the relevant event.

- (b) Where, pursuant to rule 9.1, the Board determines that LTI Securities vest, the Board must as soon as practicable give written notice to each Participant of the number of LTI Securities that have vested.
- (c) If the Board determines under rule 9.1 that only some of a Participant's unvested LTI Securities will vest, all LTI Securities that remain unvested will lapse, unless the Board determines otherwise.
- (d) Unless the Board determines otherwise, where a Takeover Event occurs, any vested LTI Securities (including those that vest in accordance with rule 9.1):
 - (1) will be exercisable for a period specified by the Board notified to the Participant; and
 - (2) will lapse if not exercised within the specified period.

9.2 Compromises, arrangements and other transactions

- (a) The Board may, in its absolute discretion, determine that all or a specified number of a Participant's LTI Securities vest or cease to be subject to restrictions (as applicable) having regard to all relevant circumstances, including whether performance is in line with the Performance Conditions over the period from the Grant Date to the date of the event, and the portion of any applicable performance period or period of service that has expired at the date of the relevant event, if any of the following events occur:
 - (1) a Court orders a meeting to be convened in relation to a proposed compromise or arrangement for the purposes of, or in connection with;
 - (A) a scheme which would, if it becomes effective, result in any person (either alone or together with its related bodies corporate) owning all of the shares in the Company; or
 - (B) a scheme for the reconstruction of the Company or its amalgamation with any other company or companies;
 - (2) members of the Company approve any compromise or arrangement referred to in rule 9.2(a)(1);
 - (3) any person becomes bound or entitled to acquire Shares in the Company under:
 - (A) any compromise or arrangement referred to in rule 9.2(a)(1) which has been approved by the Court;
 - (B) section 414 of the Corporations Act; or
 - (C) Part 6A.1 or Part 6A.2 of the Corporations Act;

- (4) a resolution is proposed to be put to Securityholders proposing a voluntary winding up;
 - (5) an order is sought for the compulsory winding up of the Company; or
 - (6) the Board in its discretion determines that any other transaction, event or state of affairs is likely to result in a change in the Control of the Company.
- (b) Where the Board makes a determination pursuant to rule 9.2(a), the Board will, as soon as practicable, give written notice to each Participant of the number of LTI Securities that have vested.
 - (c) If the Board determines that only some of a Participant's unvested LTI Securities will vest, all LTI Securities that remain unvested will lapse, unless the Board determines otherwise.
 - (d) Unless the Board determines otherwise, where an event occurs as described in paragraphs 9.2(a)(1) to (6) above occurs, any vested Options (including those that vest in accordance with rule 9.2(a)):
 - (1) will be exercisable for a period specified by the Board notified to the Participant; and
 - (2) will lapse if not exercised within the specified period.

9.3 Effect on Shares

On the occurrence of a Takeover Event or an event described in Rule 9.2(a), any Dealing restrictions in respect of Shares (either allocated on vesting of Performance Rights and/or exercise of Options or acquired with Financial Assistance), will cease to have effect.

10 Power to adjust Performance Rights and/or Options and the exercise price

- (a) Prior to the allocation of Shares to a Participant upon vesting of Performance Rights or exercise of Options, the Board may make any adjustments it considers appropriate to the terms of a Performance Right and/or Option granted to that Participant in order to minimise or eliminate any material advantage or disadvantage to a Participant resulting from a corporate action or capital reconstruction.
- (b) Without limiting rule 10(a), if:
 - (1) Shares are issued pro rata to the Company's Securityholders generally by way of a bonus issue (other than an issue in lieu of dividends or by way of a dividend reinvestment) involving capitalisation of reserves of distributable profits;
 - (2) Shares are issued pro rata to the Company's Securityholders generally by way of a rights issue; or
 - (3) any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company is effected,

then the Board may, in its discretion, adjust:

- (4) the number of Performance Rights or Options to which each Participant is entitled;
 - (5) the number of Shares to which each Participant is entitled upon vesting of Performance Rights or exercise of Options;
 - (6) any amount payable on vesting of the Performance Rights or exercise of Options; or
 - (7) where appropriate, a combination of (4), (5), and/or (6) above, in the manner determined by the Board, having regard to the ASX Listing Rules and the general principle set out in rule 10(a).
- (c) Where additional Performance Rights or Options are granted to the Participant under this rule 10, such Performance Rights or Options will be subject to the same terms and conditions as the original Performance Rights or Options granted to the Participant (including without limitation, any Performance Conditions) unless the Board determines otherwise.
- (d) As soon as reasonably practicable after making any adjustments under this rule 10, the Board must give notice in writing of the adjustment to any affected Participant.

11 Dividends and other rights associated with Shares

The following rules apply in respect of Shares allocated to a Participant under this Plan:

- (a) the Participant is entitled to receive all dividends and other distributions or benefits payable to the Participant in respect of the Shares;
- (b) the Participant is entitled to exercise, the voting rights attaching to the Shares, either generally or in a particular case;
- (c) any bonus Shares that are issued in respect of the Shares will be issued to the Participant; and
- (d) if a Participant becomes entitled to rights under a rights issue in respect of the Shares, the Participant may deal with or exercise those rights

12 Withholding

- (a) If the Company is obliged, or reasonably believes it may have an obligation, as a result of or in connection with any LTI Securities granted, Shares allocated or Financial Assistance given under this Plan, to account for:
 - (1) income tax or employment taxes under any wage, withholding or other arrangements; or
 - (2) any other tax, social security contributions or levy or charge of a similar nature,

then Company is entitled to be reimbursed by the Participant for the amount or amounts so paid or payable.

- (b) Where rule 12(a) applies, the Company may make arrangements with the Participant for payment or reimbursement of the amounts referred to in rule 12(a). Those arrangements may include, without limitation:
 - (1) the provision by the Participant of sufficient funds to reimburse the Company for the amount (by salary deduction or otherwise); or
 - (2) the sale, on behalf of the Participant, of Shares allocated pursuant to these Rules for payment or reimbursement of these amounts as well as the costs of any such sale.

13 Amendments

13.1 Power to make amendments

- (a) Subject to rule 13.2, the Board may at any time by resolution:
 - (1) amend all or any of the provisions of the Plan;
 - (2) amend the terms or conditions of any LTI Security granted or Financial Assistance given under the Plan; or
 - (3) suspend or terminate the operation of the Plan.
- (b) Notwithstanding rule 13.2, the Board may waive, amend or replace any performance measure in a Performance Condition attaching to an LTI Security if the Board determines that the original Performance Condition is no longer appropriate or applicable (including, without limitation, a particular stock market index is no longer published, extraneous economic circumstances or a corporate action, including a discounted rights issue, that impacts on the performance measure), provided that the interests of the relevant Participant are not, in the opinion of the Board, materially prejudiced or advantaged relative to the position of the Participant that was reasonably anticipated at the time of the relevant grant.

13.2 Restrictions on amendments

Without the consent of the Participant, the Board may not exercise its powers under rule 13.1(a) in a manner which reduces the rights of the Participant in respect of any LTI Security already granted other than an amendment introduced primarily:

- (a) for the purpose of complying with or conforming to present or future laws governing or regulating the maintenance or operation of the Plan or similar Plans, in any jurisdiction in which invitations under the Plan have been made;
- (b) to correct any manifest error or mistake; or
- (c) to take into consideration possible adverse tax implications in respect of the Plan arising from, amongst others, adverse rulings, changes to tax legislation and/or changes in the interpretation of tax legislation by a court of competent jurisdiction.

13.3 Notice of amendment

As soon as reasonably practicable after making any amendment under rule 13.1, the Board will give notice in writing of that amendment to any Participant affected by the amendment.

14 Participants based overseas

14.1 Overseas transfers

If a Participant is transferred to work in another country and, as a result of that transfer, the Participant would:

- (a) suffer a tax disadvantage in relation to his or her LTI Securities (this being demonstrated to the satisfaction of the Board); or
- (b) become subject to restrictions on his or her ability to Deal with the LTI Securities allocated to the Participant in respect of those LTI Securities because of the security laws or exchange control laws of the country to which he or she is transferred,

then, if the Participant continues to hold an office or employment with the Company, the Board may decide that:

- (c) some or all of the Participant's Performance Rights will vest, with the balance (if any) continuing to be held on the original terms; or
- (d) some or all of the Participant's Options will vest and become exercisable, with the balance (if any) continuing to be held on the original terms.

14.2 Non-Australian residents

When an LTI Security is granted under the Plan to a Participant who is not a resident of Australia, the provisions of the Plan apply subject to such alterations as the Board determines, having regard to any relevant laws and/or matters of convenience and desirability for the Participant or to the Company in relation to the LTI Security.

15 Share buy-back or transfer

15.1 When Shares are bought back or transferred

Shares held by a Participant will be bought back and cancelled if:

- (a) the Participant elects to transfer them to the Company in satisfaction of any outstanding Financial Assistance under rule 5.3(b);
- (b) Financial Assistance has become repayable and either the relevant Performance Conditions have not been satisfied at the repayment due date, or the Participant has not repaid the Financial Assistance in accordance with rule

5.3(a) by the repayment due date; or

- (c) the relevant Performance Conditions have not been satisfied by the last date for their satisfaction (if applicable) or have otherwise failed to be satisfied.

15.2 Buy back price

- (a) The consideration for the buyback is the full satisfaction of any Financial Assistance provided in connection with the acquisition of those Shares, even if the amount of Financial Assistance was or has been reduced to nil.
- (b) The Board may determine that the Company should pay to the Participant greater consideration than set out in rule 15.2(a), for example if the Participant has made voluntary repayments or has had dividends or other distributions credited to the Participant's Financial Assistance balance prior to the buy back.

15.3 How Shares are bought back

- (a) A Participant and the Company must do whatever is necessary or desirable to effect a buy- back or transfer of Shares when required under rule 15. Each Participant irrevocably appoints the Company and each of its Directors and secretaries from time to time severally as its attorney to sign any document necessary or desirable, and carry out any act, on that Participant's behalf for the purposes of this rule 9.
- (b) If it is impractical to buy back Shares to which this rule 15 applies, or if the Board in its discretion otherwise determines, the Company may instead of buying back the relevant Shares direct that they be transferred to a person nominated by the Company. Any such transfer will discharge the Participant's Financial Assistance in the same way as a buy back would have done if conducted under this rule 15.

16 Miscellaneous

16.1 Shares issued under the Plan

- (a) Any Shares issued under the Plan will rank equally in all respects with other Shares for the time being on issue by the Company except as regards any rights attaching to such Shares by reference to a record date prior to the date of their issue.
- (b) If the Company is listed on the ASX, the Company will apply for quotation of Shares issued under the Plan within the period required by ASX.

16.2 Rights and obligations of Participants

- (a) Unless expressly provided under a Participant's employment:
- (1) the rights and obligations of any Participant under the terms of his or her Engagement Arrangement with the Company are not affected by his or her participation in the Plan;
 - (2) these Rules will not form part of and are not incorporated into any contract of any Participant (whether or not they are an employee of the Company);
 - (3) the grant of LTI Securities on a particular basis in any year does not create any right or expectation of the grant of LTI Securities on the same basis, or at all, in any future year; and
 - (4) no Participant has any right to compensation for any loss in relation to the Plan, including:
 - any loss or reduction of any rights or expectations under the Plan in any circumstances or for any reason (including lawful or unlawful termination of employment or the Engagement Arrangement);
 - any exercise of a discretion or a decision taken in relation to a grant of LTI Securities or in relation to the Plan, or any failure to exercise a discretion under these Rules; or
 - the operation, suspension, termination or amendment of the Plan.

16.3 Power of the Board

- (a) The Plan is administered by the Board which has power to:
- (1) determine appropriate procedures for administration of the Plan consistent with these Rules including so as to implement an employee share trust for the purposes of delivering and holding Shares on behalf of Participants upon the vesting of Performance Rights or the exercise of Options; and
 - (2) delegate the exercise of any of its powers or discretions arising under the Plan to any one or more persons for such period and on such conditions as it may determine.
- (b) Except as otherwise expressly provided in the Plan, the Board has absolute and unfettered discretion to act or refrain from acting under or in connection with the Plan and in the exercise of any power or discretion under the Plan.

16.4 Waiver of terms and conditions

Notwithstanding any other provisions of the Plan, the Board may at any time waive in whole or in part any terms or conditions (including any Performance Condition) in relation to any LTI Securities granted or allocated to a Participant under this Plan.

16.5 Dispute or disagreement

In the event of any dispute, disagreement or uncertainty as to the interpretation of the Plan or in relation to a right arising from or related to the Plan or to any LTI Securities granted under it, the decision of the Board is final and binding.

16.6 Approved leave of absence

Subject to applicable laws, at the discretion of the Board, a Participant who is granted an approved leave of absence and who exercises his or her right to return to work under any applicable award, enterprise agreement, other agreement, statute or regulation may be treated as not having ceased to hold an Engagement Arrangement for the purposes of the Plan.

16.7 Communication

- (a) Any notice or other communication provided under or in connection with the Plan may be given by personal delivery or by sending the same by post or email to:
- (1) in the case of a company, to its registered office;
 - (2) in the case of an individual, to the individual's last notified address; or
 - (3) where a Participant is a director or employee of the Company, either to the Participant's last known address, email address or to the address of the place of business at which the Participant performs the whole or substantially the whole of the duties of the Participant's office or employment.
- (b) Where a notice or other communication is given by post, it is deemed to have been received 48 hours after it was put into the post properly addressed and stamped. Where a notice or other communication is given by post or email, it is deemed to have been received on completion of transmission.

16.8 Data protection

By participating in the Plan, the Participant consents to the holding and processing of personal data provided by the Participant to the Company for all purposes relating to the operation of the Plan.

16.9 Laws governing Plan

The Plan, and any LTI Securities granted and allocated under it, are governed by the laws of Victoria and the Commonwealth of Australia.

PART D

17 Definition and Interpretation

Definitions

ASX	ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires
Applicable Rule	means an applicable law or rule of securities exchange that the Company's Securities are quoted on.
Board	the board of directors of the Company, any committee of the Board or a duly authorised person or body to which the Board has delegated its powers under this Plan
Cessation Date	the date on which a Participant ceases to hold an Engagement Arrangement with a member of the Group of the Company
Company	Australian Dairy Nutritionals Limited ACN 057 046 607
Control	has the meaning given in section 50AA of the Corporations Act
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Deal or Dealing	in relation to an LTI Security, any dealing, including but not limited to: (a) a sale, transfer, assignment, encumbrance, option, swap, any alienation of all or any part of the rights attaching to the LTI Security; (b) any attempt to do any of the actions set out in paragraph (a) above; and (c) any hedging (including any dealing with a derivative instrument intended to "lock in" a profit relating to an LTI Security, and any other transactions in financial products that operate to limit the economic risk associated with holding an LTI Security)
Eligible Participant	an ESS Participant who the Board determines is eligible to participate in the Plan, including any employee, director, contractor, consultant or other service providers (such as distributors) engaged by a member of the Group.
Engagement Arrangement	means any contract, agreement, or arrangement under which a person provides services to a member of the Group, including an employment contract, service agreement, or consultancy agreement.
ESS Participant	has the meaning given in section 1100L of the Corporations Act 2001 (Cth).
Group	means the Company and each of its related bodies corporate (as that term is defined in the Corporations Act 2001 (Cth)).
Financial Assistance	has the meaning given in rule 4(b).

Listing Rules	the official Listing Rules of the ASX as they apply to the Company from time to time
LTI Security	A Share, Performance Right or Option (as the case may be)
Offer	an invitation to an Eligible Participant made by the Board under rule 1.1 to apply for, or participate in a grant of, LTI Securities and in substantially the form of Schedule 1 (Options) or Schedule 2 (Performance Rights) or as otherwise approved by the Board from time to time.
Option	an entitlement to receive a Share subject to satisfaction of applicable conditions (including any Performance Condition) and compliance with the applicable exercise procedure (including payment of any applicable exercise price)
Participant	a person who holds an LTI Security under the terms of this Plan from time to time
Performance Condition	one or more conditions which must be satisfied or circumstances which must exist before a LTI Security vests under these Rules
Performance Right	an entitlement to a Share subject to satisfaction of applicable conditions (including any Performance Condition)
Plan	the Australian Dairy Nutritionals Limited ACN 057 046 607 Long Term Incentive Plan as set out in these Rules
Restricted Period	means the period during which Securities are subject to the restrictions in these Rules on sale, transfer, and other actions, being the period specified in, or in accordance with, an Offer.
Rules	the terms and conditions of the Plan as set out in this document as amended from time to time.
Security Interest	means an interest in an asset which provides security for, or protects against default by, a person for the payment or satisfaction of a debt, obligation or liability including a mortgage, charge, bill of sale, pledge, deposit, lien, encumbrance, hypothecation, first right of refusal, voting right or arrangement for the retention of title or any agreement, option or other arrangement to grant such an interest or right.
Share	a fully paid ordinary share in the capital of the Company
Subsidiary	means a body corporate which is a subsidiary of the Company within the meaning of section 9 of the Corporations Act
Takeover Bid	has the meaning given in section 9 of the Corporations Act

17.2 Interpretation

In the Plan, the following rules apply unless a contrary intention appears:

- (a) headings are for convenience only and do not affect the interpretation of the Plan unless the context requires otherwise;
- (b) any reference in the Plan to any statute or statutory instrument includes a reference to that statute or statutory instrument as from time to time amended, consolidated, re-enacted or replaced;

- (c) any words denoting the singular include the plural and words denoting the plural include the singular; and
- (d) where any word or phrase is given a definite meaning in this Plan, any part of speech or other grammatical form of that word or phrase has a corresponding meaning.