



BEGA CHEESE LIMITED (ACN 008 358 503)

CONTINUOUS DISCLOSURE POLICY

1.0 INTRODUCTION

Bega Cheese Limited (**Bega Cheese**) is committed to responsible corporate governance, including observing its disclosure obligations under the ASX Listing Rules by keeping the market and shareholders fully and promptly informed about material developments in the business.

The purpose of this continuous disclosure policy is to:

outline the disclosure obligations of Bega Cheese as required by the Corporations Act 2001 (Cth) (**Corporations Act**) and the ASX Listing Rules;

provide guidance to all Bega Cheese employees, particularly directors and management, in recognising and ensuring compliance with continuous disclosure obligations; and

to set out the internal procedures Bega Cheese has established for the release of material price-sensitive information to the Australian Securities Exchange (**ASX**) and the market.

The board of directors of Bega Cheese (Board) has endorsed this continuous disclosure policy as part of Bega Cheese's corporate governance framework.

2.0 CONTINUOUS DISCLOSURE OBLIGATIONS

2.1. The disclosure obligation

Continuous disclosure is a mandatory obligation under the Corporations Act and the ASX Listing Rules. Bega Cheese is required to immediately notify the ASX once it becomes aware of any information which:

- a. a reasonable person would expect to have a material effect on the price or value on the shares of Bega Cheese, or
- b. a reasonable investor is likely to use as part of the basis for making investment decisions,

(**Material Information**).

2.2. Examples of Material Information

Material Information may include information regarding:

- a. the financial performance of Bega Cheese;
- b. entry into, or termination of a major contract of Bega Cheese;
- c. a material acquisition or sale of assets by Bega Cheese;
- d. an actual or proposed takeover or merger;
- e. an actual or proposed change to the capital structure of Bega Cheese;
- f. a proposed dividend or change in dividend policy of Bega Cheese; or
- g. a material legal claim against Bega Cheese or any other unexpected liability.

2.3. Exceptions to continuous disclosure requirements

The ASX Listing Rules provide an exception to continuous disclosure if the following are all satisfied:

- a. a reasonable person would not expect the information to be disclosed; and
- b. the information is confidential and ASX has not formed the view that the information has ceased to be confidential; and

- c. one or more of the following apply:
 - i. it would be a breach of the law to disclose the information;
 - ii. the information concerns an incomplete proposal or negotiation;
 - iii. the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
 - iv. the information is generated for internal management purposes; or
 - v. the information is a trade secret.

An employee must inform the Company Secretary immediately upon becoming aware of any potential Material Information concerning Bega Cheese that may require disclosure, even if it appears to fall within the exception outlined above.

3.0 DISCLOSURE OFFICER AND COMMUNICATIONS WITH THE ASX

The Company Secretary (or the acting Company Secretary in the Company Secretary's absence) has been appointed as the disclosure officer of Bega Cheese and is responsible for implementing and administering this policy.

The disclosure officer is responsible for all communication with the ASX and, along with the Bega Cheese Board, is responsible for making the decisions on what should be disclosed publicly under this policy.

The disclosure officer will monitor all company disclosure practices and make recommendations to the Bega Cheese board on updating this policy in response to changes in internal structure, legislative and regulatory developments and technology advancement.

4.0 REVIEW OF COMMUNICATIONS FOR DISCLOSURE

The disclosure officer will review all Bega Cheese communications to the market to ensure they do not inadvertently breach this policy or Bega Cheese's obligations under the law. Such communications may include:

- a. Bega Cheese media releases;
- b. analyst, investor, or other presentations prepared by Bega Cheese;
- c. prospectuses; and
- d. other Bega Cheese corporate publications.

5.0 REPORTING OF MATERIAL INFORMATION

Once the requirement to disclose information has been determined, the disclosure officer will be the only person authorised to release that information to the ASX.

Information to be disclosed must be lodged immediately with the ASX by the disclosure officer.

Information which should be disclosed to the ASX must not be released publicly until Bega Cheese has received formal confirmation of its release by the ASX.

All information disclosed to the ASX in compliance with this policy must be promptly placed in the "investors" section of Bega Cheese's website following receipt of confirmation from the ASX.

If joint disclosure between Bega Cheese and a third party is necessary or desirable (for example, under the terms of any agreement), Bega Cheese will endeavour to ensure that relevant parties have the opportunity to review the content of the disclosure before its

release, provided that such review does not adversely impact on the Bega Cheese's ability to comply with its disclosure obligations.

6.0 AUTHORISED SPOKESPERSON

Bega Cheese's authorised spokespersons are the chief executive officer (CEO) and the Executive Chairman.

On occasions the Executive Chairman can authorise other spokespersons, but any comments made must be limited to their area of expertise.

No employee or associated party (such as consultants, advisers, lawyers, accountants, auditors, investment bankers etc) are permitted to comment publicly on matters confidential to Bega Cheese. Any information which is not public should be treated by the employees as confidential until publicly released.

Authorised spokespersons will liaise with the disclosure officer to ensure all proposed public comments satisfy this continuous disclosure policy.

7.0 MANAGING MARKET SPECULATION AND RUMOURS

Generally, Bega Cheese has a “no comment” policy on market speculation and rumours which must be observed by all employees and consultants.

However, Bega Cheese will comply with any request by the ASX to comment upon a market report or rumour.

Bega Cheese will not provide the media with exclusive interviews, stories or information that contain Material Information before disclosing that information to the market.

Bega Cheese may, in very exceptional circumstances, request a trading halt to maintain orderly trading in Bega Cheese securities and to manage disclosure issues. Such exceptional circumstances may include:

- a. if confidential price sensitive information is prematurely or inadvertently made public and where an immediate release cannot be made which would fully inform the market;
or
- b. where it may be necessary to arrange a press conference and briefings in advance of making a formal announcement.

The Bega Cheese Board is responsible for making all decisions in relation to trading halts. If the Board is not immediately available, the Chairperson is authorised to request a trading halt on behalf of Bega Cheese without consultation.

8.0 DISCLOSURE DURING A PRE-RESULTS PERIOD

During the time between the end of the financial year or half year and the release of the results for that period, Bega Cheese will not discuss financial performance, broker estimates and forecasts, or pre-result analysis with shareholders, the investment community or the media, unless the information discussed has already been disclosed to the ASX.

If the process of preparing financial statements reveals any Material Information not previously disclosed, that information will be disclosed immediately and will not be held back for disclosure in the financial statements.

9.0 ONGOING DISCLOSURE AND COMMUNICATIONS

In addition to ensuring that all Material Information is lodged with the ASX, Bega Cheese will also keep the market and shareholders fully and promptly informed through its website.

The Bega Cheese website features a discrete “investors” section to ensure that Material Information about the company can readily be accessed by all interested parties.

The “investors” section of the Bega Cheese website sets out, among other things:

- a. full-year and half-year financial results materials, including financial accounts; and
- b. all other company announcements made to the ASX.

Information lodged with the ASX will be available on Bega Cheese’s website as soon as practicable after the ASX confirms receipt of that information. All website information will be continuously reviewed and updated to ensure all information is current, or appropriately dated and archived.

10.0 CONSEQUENCES FOR BREACH OF CONTINUOUS DISCLOSURE OBLIGATIONS AND THIS POLICY

The Board of Bega Cheese takes continuous disclosure very seriously. Non-compliance with continuous disclosure obligations under this policy may constitute a breach of the Corporations Act and/or the ASX Listing Rules, which can result in the following consequences:

- a. a criminal offence under the Corporations Act, a costly fine, imprisonment or both;
- b. a civil offence under the Corporations Act and a costly fine;
- c. infringement notices for alleged contraventions issued to Bega Cheese;
- d. a claim by a third party for compensation. A third party who incurs a loss as a result of a breach of Bega Cheese’s continuous disclosure obligations may commence an action against Bega Cheese, or any employee who was involved in the breach;
- e. damage to Bega Cheese’s reputation; and/or
- f. disciplinary action against the employee by Bega Cheese and in serious cases, dismissal.

This document was approved by the Bega Cheese Board on 30 May 2011, with effect from the date that Bega Cheese is listed on the ASX.