



Murray Goulburn

Supplementary Prospectus

DATED 29 MAY 2015
TO BE READ TOGETHER WITH THE PROSPECTUS
DATED 1 MAY 2015

Issued by
Murray Goulburn Co-operative Co. Limited
ACN 004 277 089

This document is a supplementary prospectus dated 29 May 2015 (**Supplementary Prospectus**). It supplements the prospectus dated 1 May 2015 issued by Murray Goulburn Co-operative Co. Limited ACN 004 277 089 (**Murray Goulburn**) offering Eligible Suppliers fully paid ordinary Shares in Murray Goulburn at price between \$1.00 to \$1.24 per Share (**Prospectus**).

This Supplementary Prospectus must be read together with the Prospectus.

If there is a conflict between the Prospectus and the Supplementary Prospectus, the Supplementary Prospectus will prevail to the extent of the inconsistency. Unless otherwise defined, a term with a defined meaning in the Prospectus has the same meaning in this Supplementary Prospectus (as the context requires).

Approval of the Capital Structure

On Friday, 8 May 2015, Murray Goulburn held an Extraordinary General Meeting (**EGM**) of Shareholders. Shareholders voted in favour of all items of business presented including the adoption of the Capital Structure and related constitutional amendments, the consolidation and conversion of B and C Class Preference Shares to Non-voting Shares and the increase in the aggregate Director fee pool.

All of the Non-voting Shares issued to former B and C Class Preference Shareholders on the conversion of the B and C Class Preference Shares are issued subject to the disclosure in the Prospectus and the Supplementary Prospectus.

Results of the SSO

Under the Prospectus, Murray Goulburn offered its Eligible Suppliers who did not hold sufficient Shares to meet their Share Standard the opportunity to buy additional Shares to bring them up to (or part way to) their Share Standard at a price between \$1.00 and \$1.24 per Share, depending on how long the Supplier has supplied milk to Murray Goulburn. Participation in the SSO was voluntary. Under the SSO, 43.0 million Shares were allocated, which will raise \$49.6 million.

Priority Offer price range

Under the Priority Offer made on the terms set out in the Prospectus and this Supplementary Prospectus, Suppliers who have a Shareholding Reference Number on or before 17 June 2015 and hold shares below the Hard Cap, regardless of whether they qualified for, or participated in, the SSO, have the opportunity to buy Shares in excess of their individual Share Standard up to the Hard Cap for the same price at which Units are issued to external investors under the IPO.

The Indicative Price Range for Units under the IPO, and therefore Shares under the Priority Offer, is \$2.10 to \$3.20 per Unit/Share. The Final Price of Units and Shares offered under the Priority Offer may be set at a price below, within or above the Indicative Price Range.

The Institutional Bookbuild will be used to determine the Final Price of Units and Shares offered under the Priority Offer.

The Priority Offer is expected to open on 9 June 2015 and will close on 24 June 2015.

The Final Price of Units and Shares offered under the Priority Offer is expected to be announced on or about 3 July 2015.

Suppliers who wish to participate in the Priority Offer must complete and return the Priority Offer Application Form attached to or accompanying this Supplementary Prospectus to the Share Registry and pay the Application Monies as set out in the Priority Offer Application Form by 5:00pm on 24 June 2015.

Alternatively, Applicants can apply using the Offer Website at www.MGShareOffers.com.au between 9 June 2015 and 24 June 2015.

Further details of the application process for the Priority Offer are contained in section 9.3 of the Prospectus.

Suppliers who wish to participate in the Priority Offer should read the Prospectus and Supplementary Prospectus carefully before making any decision about whether to purchase Shares and contact the Murray Goulburn Offer Information Line on 1300 477 596 (within Australia) or +61 3 9415 4293 (outside Australia) if they have any questions.

Section 8.2 of the Prospectus provides a detailed explanation of Murray Goulburn's business risks and Section 8.3 of the Prospectus provides detail on the risks arising from the new Capital Structure. You should read the Prospectus in its entirety, including Section 8, before making any decision to invest.

Key Offer statistics ⁽¹⁾

	Low	Mid-point	High
Indicative Price Range ⁽²⁾	\$2.10	\$2.65	\$3.20
Number of Shares on issue at the Supplementary Prospectus date	324.0 million	324.0 million	324.0 million
Non-voting Shares expected to be on issue as a result of the conversion of B and C Class Preference Shares on 3 July 2015	15.3 million	12.1 million	10.1 million
Total Shares and Units to be offered under the IPO and the Priority Offer ⁽³⁾	215.5 million	170.8 million	141.4 million
Gross Proceeds under the IPO and the Priority Offer ⁽⁴⁾	\$450.4 million	\$450.4 million	\$450.4 million
Gross Proceeds under the IPO, the SSO and the Priority Offer ⁽⁴⁾	\$500.0 million	\$500.0 million	\$500.0 million
Combined total number of Shares and Units on issue at Completion of the IPO ⁽³⁾	554.8 million	506.9 million	475.5 million
Indicative IPO Price/pro forma FY16 NPAT per Unit/Share ⁽⁵⁾	13.6x	15.6x	17.7x
Dividend per Share/distribution per Unit in respect of FY16 ⁽⁶⁾	15.5 cents per Share/Unit	17.0 cents per Share/Unit	18.1 cents per Share/Unit
Implied FY16 dividend/distribution yield on new Shares and Units offered	7.4%	6.4%	5.6%

(1) The Forecast Financial Information set out in Section 7 of the Prospectus has been prepared on the basis of the assumptions set out in Sections 7.11.1 and 7.11.2 and should be read in conjunction with the discussions of the pro forma Financial Information in Section 7, including the sensitivities set out in Section 7.12 and the risk factors set out in Section 8. These statistics are expressed as a range and are based on the Indicative Price Range.

(2) This is the indicative range for the Final Price of Units offered under the IPO and Shares offered under the Priority Offer. The Final Price may be set below, within or above the Indicative price Range. Units and Shares may be traded below the lower end of the Indicative Price Range.

(3) This includes the Units to be issued to Eligible Employees under the Employee Gift Offer.

(4) Based on the Indicative Price Range.

(5) This ratio is commonly referred to as price/earnings or P/E ratio.

(6) Assumes 100 percent payout ratio (with no retention of capital from the Milk Pool) and represents the sum of the interim dividend/distribution to be paid in or around February/March 2016 and final dividend/distribution to be paid in or around August/September 2016. Dividends on Shares and distributions on Units in FY16 will be fully franked. There is no guarantee that Murray Goulburn will always have available franking credits to fully frank the dividends/distributions in respect of subsequent years.

AFSL of the Responsible Entity

The Responsible Entity has been granted an AFSL (No. 472856).

Establishment of the MG Unit Trust and the Sub-trust

Each of the MG Unit Trust and the Sub-trust were established on 1 May 2015 pursuant to the Trust Constitution and the Murray Goulburn Sub-trust Trust Deed, respectively. The MG Unit Trust was registered as a managed investment scheme under the Corporations Act on 28 May 2015 (ARSN 606 103 637).

Minor amendments to the Note Terms and CPS Terms

The Note Terms and CPS Terms have been amended since the date of the Prospectus to include an additional term providing that while all of the CPS are held by the same party that holds all of the Notes, Murray Goulburn may determine to pay an additional distribution on Notes equal to the dividend that would otherwise have been paid on CPS and not pay the dividend on CPS. In this circumstance the Sub-trustee will receive a distribution on Notes that is sufficient for the Responsible Entity to pay a distribution on Units equal to the dividend paid on Shares on the same day that it receives the distribution on Notes. Murray Goulburn will not be required to pay a distribution on Notes that would be greater than the aggregate amount that would otherwise have been paid as distributions on Notes and dividends on CPS.

Execution of documents

Murray Goulburn and the Responsible Entity have entered into each of the following documents that are referred to in the Prospectus:

- Relationship Deed on 18 May 2015.
- Continuous Disclosure Deed Poll on 26 May 2015.
- Profit Sharing Mechanism Deed on 26 May 2015.

Statement of Directors

This Supplementary Prospectus is authorised by each Director who consents to its lodgement with ASIC and its issue.

Important Notices

This Supplementary Prospectus was lodged with the Australian Securities and Investments Commission (**ASIC**) on 29 May 2015. Neither ASIC, nor its officers, take any responsibility for the contents of this Supplementary Prospectus or for the merits of the investment to which the Prospectus and this Supplementary Prospectus relates.

The information contained in this Supplementary Prospectus is general financial product advice and does not take into account the investment objectives, financial situation or particular needs of any prospective investor. Please consult your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest or if you do not fully understand the contents of these documents.