

Conditions under which Brownes will enter into an <u>Exclusive Milk Supply Agreement</u> (publish term 3 or 5 years)

Statement of Circumstances;

Brownes Standard Form Exclusive Milk Supply Agreement applies to milk sourced entirely in the State of Western Australia.

Brownes will procure milk based on its medium and longer term demand forecasts for the sale of finished dairy products to the domestic West Australian market.

Objectives pertaining to entering into an EMSA

- Desirable flat milk supply
- Needs to meet current finished product demand for months of Jan August
- Average price for a standard litre of milk is detailed in the EMSA
- This EMSA will be replaced on the website in an event of Brownes reaching the maximum projected requirements for the season(s) under contract.
- The minimum price and terms in this EMSA is not subject to negotiation.

Minimum Price

Brownes EMSA minimum price is based on firstly the supply and demand dynamics in the West Australian market and secondly the management and processing of excess seasonal milk supply into lower value storable commodity products the value of which is entirely determined by global dairy supply and demand forces.

For further information or to request an application to supply milk please contract milksupply@brownesdairy.com.au