



NZX: SML
ASX: SM1

11 March 2020

Synlait to acquire neighbouring Dunsandel farmland

Synlait Milk Limited (Synlait) is to acquire farmland adjacent to its Dunsandel facility for \$25.7 million. Collectively, the farmland forms a 582-hectare unit.

The land enables Synlait to pursue several strategic supply chain and sustainability initiatives that support Dunsandel's long-term operation and expansion. These include:

- greater control over water rights. The land will provide Synlait with certainty over access to water and disposal of its factory processing water;
- developing a rail siding adjoining Dry Store 4. Synlait will advance commercial terms now the land has been secured. The rail siding creates supply chain efficiencies identified as part of the Dry Store 4 warehouse project. On completion, containerised goods will be transported by rail between Dunsandel and Lyttelton, significantly reducing Synlait's environmental footprint by removing approximately 16,000 truck movements annually; and
- opportunities to evaluate and trial sustainable farming practices and carry out on-farm research. This supports Synlait's 10-year sustainability targets, which include a commitment to evolve best practice farming in New Zealand through the company's Lead With Pride programme.

Synlait CEO Leon Clement commented: "Our purpose at Synlait is doing milk differently for a healthier world and this land provides a unique opportunity to pursue on-farm sustainability initiatives and reduce our environmental footprint whilst creating further supply chain efficiencies in our business. We're excited about this opportunity and look forward to updating you on our plans as they progress."

Synlait has received Overseas Investment Office consent for the acquisition.

For more information about Synlait visit www.synlait.com or contact:

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