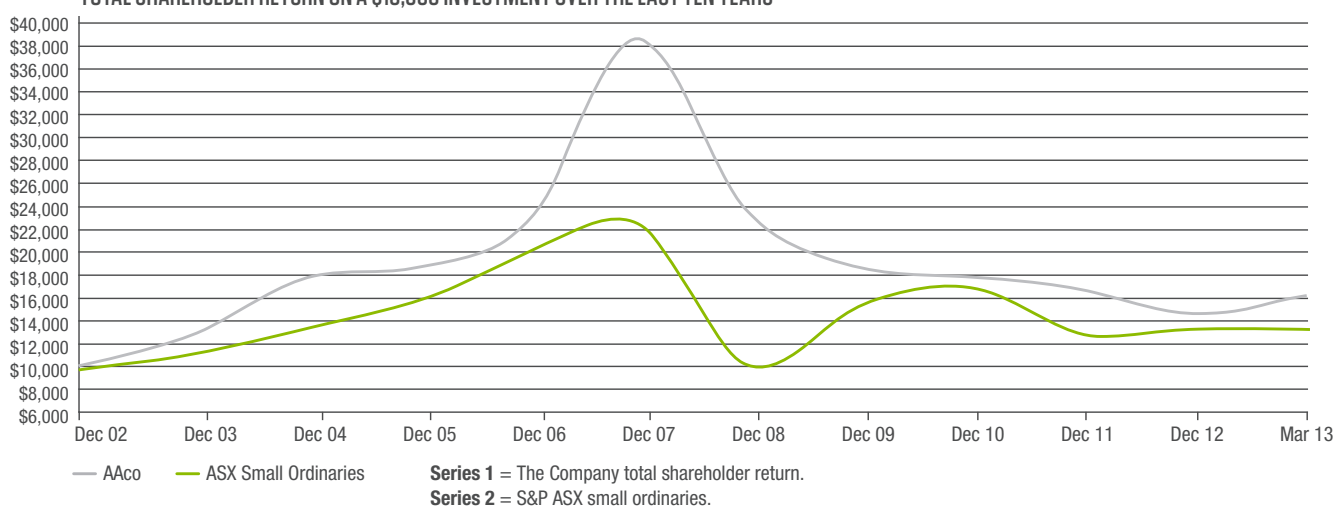


REMUNERATION REPORT (AUDITED) (CONTINUED)

6. Company performance and link to remuneration (continued)

Company performance and its link to long term incentives (continued)

TOTAL SHAREHOLDER RETURN ON A \$10,000 INVESTMENT OVER THE LAST TEN YEARS



7. Executive contractual arrangements

Remuneration arrangements for KMP are formalised in employment agreements. Details of these contracts are provided below.

Group employees are employed by the subsidiary company A.A. Company Pty Ltd.

Managing Director/Chief Executive Officer

The Managing Director/Chief Executive Officer is employed under an executive service agreement. The agreement has no fixed term and provides that:

- ▶ The Managing Director/Chief Executive Officer may terminate his employment by giving six months written notice. No STI's or LTI's will apply to any financial year during which employment ceases and the treatment of LTI options previously issued will be determined at the Board's discretion.
- ▶ The Company may terminate the Managing Director/Chief Executive Officer's employment by six months written notice or provide payment in lieu of the notice period based on the Managing Director/Chief Executive Officer's fixed component plus a variable component in recognition that termination during a financial year affects the ability to earn a performance incentive during that year. The treatment of LTI options previously issued will be determined at the Board's discretion.
- ▶ The Company may summarily terminate the Managing Director/Chief Executive Officer's employment if serious misconduct has occurred.

Managing Director/Chief Executive Officer - Mr. D. Farley

Mr. D. Farley was appointed Managing Director/Chief Executive Officer on 1 December 2009.

Under the terms of the present contract:

- ▶ The Managing Director/Chief Executive Officer receives fixed remuneration of \$633,600 per annum (excluding superannuation).
- ▶ The Managing Director/Chief Executive Officer's STI opportunity is a cash bonus up to a maximum of \$200,000 per annum plus a DEA of 50% of the cash bonus awarded in any year as performance rights. The terms of this DEA are the same as for the KMP's. This means that two thirds of the total STI award for any year will be paid in cash and one third as a DEA.
- ▶ The Managing Director/Chief Executive Officer will be entitled to an LTI benefit up to a maximum of 50% of fixed remuneration.
- ▶ After cessation of employment the Managing Director/Chief Executive Officer will be restrained from participating in a business in competition with the Company, in the beef trade industry and soliciting Company staff for the 12 month period from termination date.
- ▶ For a period of twelve months after employment ends, the Managing Director/Chief Executive Officer may not engage in business dealings with a customer or supplier of the Group with whom the Managing Director/Chief Executive Officer has had work related dealings during the previous six months with a view to causing the person to cease doing business or reduce the amount of business which the person would normally do with the Group.