27 May 2013

Australian Stock Exchange Announcement

Market Announcements
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

Supplementary Target's Statement

In accordance with section 647(3)(b) of the *Corporations Act*, we attach a copy of CIC's Supplementary Target's Statement dated 27 May 2013.

The Supplementary Target's Statement encloses a copy of the ASX announcement previously made by CIC on 23 May 2013, and has been lodged with ASIC for compliance purposes.

For inquiries, contact:
Col Alexander
Managing Director and Chief Executive Officer
Telephone 02 6230 0800
Email: col.alexander@cicaustralia.com.au

AUSTRALIA

CIC Australia Limited

(ACN 008 665 834)

First Supplementary Target's Statement

In relation to the Offer by Peet Limited to acquire all of your shares in CIC

This document is a Supplementary Target's Statement under section 644 of the Corporations Act. It is the first Supplementary Target's Statement issued by CIC Australia Limited (**CIC**) in relation to the off-market takeover bid for all of the shares in CIC by Peet Limited (ABN 56 008 665 834) (**Peet**). This document supplements, and is to be read together with, the Target's Statement dated 24 April 2013 (***Target's Statement***). This document will prevail to the extent of any inconsistency with the Target's Statement. Unless the context requires otherwise, terms defined in the Target's Statement have the same meaning where used in this document.

This document is dated and was lodged with ASIC on **27** May 2013. Neither ASIC nor any of its officers takes any responsibility for the contents of this Supplementary Target's Statement.

This Supplementary Target's Statement should not be taken as personal financial advice, as it does not take into account your individual investment objectives, financial and taxation situation or particular needs. You may wish to obtain independent financial and taxation advice before making a decision whether or not to accept the Offer.

Update on takeover bid and CIC finance facility

Please see the ASX announcement attached to this document which contains details of developments in relation to Peet's takeover bid, and CIC's Multi-Option Facility with St George Bank.

Further information

For further information, call 1800 815 610 (toll free for callers within Australia) or +61 8256 3357 (callers outside Australia), Monday to Friday between 9.00am and 5.00pm (Sydney time), if you have any questions or require assistance.

Approval

This Supplementary Target's Statement has been approved by a resolution passed by the Directors of CIC Australia Limited.

Signed by Col Alexander
CEO/Managing Director

AUSTRALIA

23 May 2013

Australian Stock Exchange Announcement

Market Announcements
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20 Bridge Street
SYDNEY NSW 2000

Update on Peet takeover bid and CIC finance facility

The takeover bid by Peet Limited ("Peet") for all of the shares in CIC Australia Limited ("CIC")(ASX Code: CNB) is now unconditional, and Peet has most recently reported an interest in 84.17% of CIC's shares. Accordingly, control has passed to Peet, and the CIC board will soon be in the process of arranging the appointment of Peet's nominees to the board.

St George Bank MOF refinancing

Shareholders will also have seen from previous announcements to the ASX by both CIC and Peet that one of CIC's significant financing facilities, the Multi-Option Facility ("MOF") with St George Bank, will now become repayable on 30 September 2013 as a result of the change of control. The amount to be repaid on that date is expected to be approximately $15 million. As at the date of this announcement, the amount drawn under the MOF is $32 million.

CIC does not have this amount available as current cash resources nor is it likely to be available from expected cash flows between now and 30 September. As the directors noted in the Target's Statement, it will therefore be necessary to repay or refinance the amount from other external sources.

Due to the imminent appointment of Peet's nominees as a majority of the CIC board, the method by which CIC will obtain those funds is still uncertain. Peet has stated[1] that if it ultimately achieves 90% acceptances under its bid then a capital raising to repay the MOF will not be required. However, if Peet does not achieve this level and so cannot proceed to compulsory acquisition then a significant equity raising from CIC shareholders may be required, in which Peet would expect to participate. In the event of such a capital raising, minority shareholders in CIC who have not accepted Peet's offer will be

[1] Peet's First Supplementary Bidder's Statement, dated 13 May 2013

required to contribute additional capital in order to avoid having their interests in CIC diluted at that time.

The MOF has historically provided CIC with access to working capital. Any capital raising may be substantial as it would need to cover the MOF repayment, future working capital and potentially additional capital to take on new projects in the immediate future.

It is anticipated at this stage the required capital raising could be in the range of $25m to $30m, however, the exact quantum will be a decision of the new CIC Board.

Risks of remaining a minority shareholder

As a consequence of the above matters, CIC wish to reiterate the risks set out in the Target's Statement of remaining a minority shareholder after the close of Peet's bid. These risks include (but are not limited to) the real risk of CIC needing to undertake a significant capital raising, and the risk of dilution for those shareholders who do not contribute further capital. Peet has also stated that if it acquires less than 90% of CIC, it intends that CIC retain cash to fund the business and repay debt and would not pay a dividend.

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