

**ASX Announcement**

**Australian Rural Capital Limited (ARC) announces \$1.6 million capital raising**

**21 March 2017**

Australian Rural Capital Limited (**ARC**) is pleased to announce it has entered into agreements to raise \$1.6 million in new equity capital in a fully underwritten entitlement offer to existing eligible shareholders. The proceeds of this capital raising will be used to further the development of the funds management business and continue direct investing activities and for general working capital purposes.

The key points of the raising are as below:

- Non-renounceable Entitlement offer of 3,218,660 new shares
- Ratio of 1 new share for every 2.85 shares currently held
- Issue Price of 50 cents per new share
- Proceeds of \$1.6 million (before costs)
- Directors who currently hold approximately 23% of issued capital intend to take up the offer
- The offer includes a Top-Up facility
- Shares trade Ex-entitlement on 23 March 2017
- Record Date is 7.00pm (Sydney time) 24 March 2017
- Closing Date is 13 April 2017 at 5pm (Sydney time)
- Fully Underwritten by Baron Partners Limited
- New Shares expected to commence trading on 24 April, 2017

The issue price of 50 cents per new share represents a 15% discount to the estimated Net Asset Value of an existing ARC share as at Monday 20 March 2017, which was 59 cents per share.

The entitlement offer provides for equal treatment of all existing Eligible shareholders and a Top-up facility (Top Up Facility) is open to all Eligible shareholders who take up their full entitlement.

The Top Up Facility also gives shareholders who currently do not hold a marketable parcel of shares the opportunity to apply for additional new shares, in order to increase their shareholding to a marketable parcel (a marketable parcel is 1,000 shares). In the event of any shortfall in the allocation of any additional shares, the Board and the Underwriter will give priority to those Shareholders in order to enable them to create a marketable parcel. In order to take advantage of the priority shortfall allocation, Shareholders will need to take up their full entitlement.

The Offer Document will be mailed to all shareholders on 28 March 2017 and will include a personalised entitlement and acceptance form. Shareholders should also consult with their stockbroker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Entitlement Offer.

Shareholders should read carefully the details on how to submit their application, which are set out in the Offer Document lodged with the ASX. The Offer Document is able to be downloaded from the ASX website [www.asx.com.au](http://www.asx.com.au)

## Key Dates\*

EVENT	DATE
Announcement of the Offer	21 March 2017
Lodgment of the following documents with ASX: <ul style="list-style-type: none"><li>• an Appendix 3B;</li><li>• this Offer Document; and</li><li>• a cleansing notice under section 708AA(2)(f) of the Corporations Act.</li></ul>	21 March 2017
Notice sent to Option holders regarding participation	22 March 2017
“Ex” Date where the Company’s existing shares will commence trading without the entitlement to participate in the Offer	23 March 2017
Record Date to determine Entitlements under the Offer	7.00pm (Sydney time) 24 March 2017
Dispatch Date to all Shareholders	28 March 2017
Opening Date for the Entitlement Offer	28 March 2017
Last day to extend Entitlement Offer Closing Date	10 April 2017
Closing Date for the Entitlement Offer	13 April 2017
Shares quoted on a deferred settlement basis	18 April 2017
ASX notified of under subscriptions	19 April 2017
New Shares for which valid applications have been received and accepted by the Company will be issued	21 April 2017
Normal trading of New Shares on ASX expected to commence	24 April 2017
Mail out of holding statements for the New Shares	24 April 2017

\*ARC in consultation with the Underwriters, reserves the right, subject to the listing rules of the ASX (**Listing Rules**), the *Corporations Act 2001* (Cth) (**Corporations Act**) and other applicable laws to, without notice, vary any or all of the dates of the Offer (whether or not they are key dates), including extending the Offer, closing the Offer early, accepting late Applications either generally or in particular cases, or withdrawing the Offer.

The Directors of ARC have each informed the Company that they will each be taking up their full entitlement of the New Shares. ARC encourages all Eligible Shareholders to participate in the capital raising.

Further Enquires please contact

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