

15 November 2016

## ASX ANNOUNCEMENT

### RURALCO HOLDINGS LIMITED (ASX CODE: RHL)

#### RURALCO ANNOUNCES ACQUISITIONS

Ruralco Holdings Limited (**Ruralco**) is pleased to announce two acquisitions that are both milestones in the execution of Ruralco's strategy.

#### **Ruralco invests in ACB, a subsidiary of Steadfast Group**

Ruralco has entered into agreements to acquire a 50% joint venture interest in Ausure Consolidated Brokers Pty Ltd (**ACB**), currently a subsidiary of the Steadfast Group (ASX:SDF), including merging the assets of Ruralco Insurance Pty Ltd (**Ruralco Insurance**) into ACB.

The investment in ACB supports Ruralco's strategy to further expand its financial services offering and enhance its platform to grow in local rural markets.

ACB brings an established business with approx. 15,000 clients, a rural focus, and the strong support of Ausure and the Steadfast Group. The joint venture will allow Ruralco Insurance to leverage better Customer Relationship Management systems, IT support and underwriting capabilities which facilitate opportunities for growth through improved terms and conditions, pricing and products.

The immediate expansion of the insurance broking businesses extends the regional footprint of Ruralco and ACB's insurance book, consolidating the Ruralco Insurance network across Australia.

The established brand of ACB better positions the Ruralco Insurance network for future acquisitions, and provides a foundation platform for growth.

Completion of this transaction is subject to a number of conditions<sup>1</sup>. The transaction is expected to complete over the coming weeks.

#### **Acquisition of the business of TP Jones**

Ruralco's wholly-owned subsidiary, Roberts Limited, has entered into an agreement to acquire the business of TP Jones Pty Ltd (**TP Jones**), a CRT member operating out of four retail locations in the North, North West and Midlands regions of Tasmania.

The acquisition aligns with Ruralco's strategy of targeted expansion of its retail footprint. TP Jones services producers of high value commodities throughout a key agriculture region, with secure access to water.

Completion of the transaction is subject to approval by Ruralco's shareholders and other customary conditions. As former Ruralco director John Tuskin is a minority shareholder in, and former Managing Director of, TP Jones, shareholder approval will be sought at Ruralco's Annual General Meeting on 17 February 2017 on the basis that the transaction is with a related party. Further details on the transaction will be provided in the notice of meeting for the Annual General Meeting.

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<sup>1</sup> Conditions include the completion of smaller bolt-on acquisition by Ruralco Insurance and other customary conditions for transactions of this nature.