

NOTICE OF **ANNUAL GENERAL MEETING**

The Ruralco logo is a circular emblem. It features a dark blue outer ring. Inside this ring is a white circle. Overlaid on the white circle is a stylized, three-lobed shape in a lighter blue color, resembling a stylized 'R' or a flower. The word 'Ruralco' is written in a dark blue, serif font across the center of the white circle.

Ruralco

2017

DATE OF MEETING:

Friday 2 February 2018

TIME OF MEETING:

12pm

PLACE OF MEETING:

Sofitel Sydney Wentworth (Adelaide Room)
61-101 Phillip Street
Sydney, New South Wales, 2000.

NOTICE OF ANNUAL GENERAL MEETING 2017

FOR THE YEAR ENDED 30 SEPTEMBER 2017

RURALCO HOLDINGS LIMITED AND CONTROLLED ENTITIES

ABN 40 009 660 879

BUSINESS OF THE MEETING

ORDINARY BUSINESS

Financial Report For The Year Ended 30 September 2017

Receipt of the Annual Financial Report, the Directors' Report and Independent Auditor's Report for Ruralco Holdings Limited (**Company**) and its controlled entities for the financial year ended 30 September 2017.

RESOLUTION 1: ADOPTION OF THE REMUNERATION REPORT

To consider and, if thought fit, pass the following ordinary resolution:

"That the Remuneration Report for the year ended 30 September 2017 be adopted."

NOTE: This resolution is advisory only and does not bind the Company or the Directors. The Directors will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the Annual General Meeting (AGM) when reviewing the Company's future remuneration policies.

RESOLUTION 2: GRANT OF PERFORMANCE RIGHTS TO THE CHIEF EXECUTIVE OFFICER

To consider and, if thought fit, pass the following ordinary resolution:

"That shareholder approval is given for the Company to grant up to 230,321 performance rights to Mr Dillon pursuant to the Company's Long-Term Incentive Plan and on the terms set out in the Explanatory Statement accompanying this Notice."

RESOLUTION 3: GRANT OF SHARE RIGHTS TO THE CHIEF EXECUTIVE OFFICER TO ACQUIRE MATCHED SHARES

To consider and, if thought fit, pass the following ordinary resolution:

"That shareholder approval is given for the Company to grant up to 7,289 share rights, each to acquire 1 fully paid share in the Company, to Mr Dillon (or his nominee(s)) and the transfer of underlying shares in respect of those share rights, pursuant to the offer for Matched Shares and on the terms set out in the Explanatory Statement accompanying this Notice."

RESOLUTION 4: RE-ELECTION OF DIRECTOR: ELIZABETH JOHNSTONE

To consider and, if thought fit, to pass the following as an ordinary resolution:

"That Elizabeth Johnstone, who retires by rotation in accordance with clause 20.2 of the Company's Constitution, be re-elected as a Director of the Company."

Information about Ms Johnstone appears in the Explanatory Statement accompanying this Notice.

RESOLUTION 5: RE-ELECTION OF DIRECTOR: TRUDY VONHOFF

To consider and, if thought fit, to pass the following as an ordinary resolution:

"That Trudy Vonhoff, who retires by rotation in accordance with clause 20.2 of the Company's Constitution, be re-elected as a Director of the Company."

Information about Ms Vonhoff appears in the Explanatory Statement accompanying this Notice.

RESOLUTION 6: ELECTION OF DIRECTOR: ANDREW MACPHERSON

To consider and, if thought fit, to pass the following as an ordinary resolution:

"That Andrew Macpherson, who has been appointed to the Board since the last Annual General Meeting and offers himself for election, be elected as a Director of the Company."

Information about Mr Macpherson appears in the Explanatory Statement accompanying this Notice.

RESOLUTION 7: RATIFICATION OF THE PLACEMENT

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purpose of ASX Listing Rule 7.4, and for all other purposes, shareholders ratify the issue of 11,219,787 fully paid ordinary shares in the Company pursuant to the institutional placement announced by the Company on 15 February 2017, as detailed in the Explanatory Statement accompanying this Notice."

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VOTING EXCLUSION STATEMENT FOR RESOLUTIONS 1, 2, 3 AND 7

In accordance with the ASX Listing Rules and the Corporations Act 2001 (Cth) (the **Act**), the Company will disregard any vote(s) cast on the following resolutions by the following persons:

RESOLUTION	PERSONS EXCLUDED FROM VOTING
RESOLUTION 1	<p>The Company will disregard any votes cast on Resolution 1:</p> <ul style="list-style-type: none">by or on behalf of:<ul style="list-style-type: none">a member of the key management personnel of the Company as disclosed in the Company's 2017 Remuneration Report (KMP); ora closely related party of such member (such as close family members and any companies the member controls), regardless of the capacity in which the vote is cast; andas a proxy by a member of the KMP or closely related party of such member, unless the vote is cast as proxy for a person who is entitled to vote on Resolution 1, and:the vote is cast in accordance with a direction on the proxy form; orthe vote is cast by the Chair of the Meeting pursuant to an express authorisation to exercise the proxy.
RESOLUTIONS 2 AND 3	<p>The Company will disregard:</p> <ul style="list-style-type: none">any votes cast in favour of Resolutions 2 and Resolution 3 by or on behalf of Mr Dillon and any of his associates, regardless of the capacity in which the vote is cast; andany votes cast as a proxy by a member of the KMP or a KMP's closely related party, unless the vote is cast as proxy for a person who is entitled to vote on Resolution 2 and Resolution 3, and:the vote is cast in accordance with a direction on the proxy form; orthe vote is cast by the Chair of the Meeting pursuant to an express authorisation to exercise the proxy.
RESOLUTION 7	<p>The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of any person who participated in the issue of the ordinary shares the subject of Resolution 7 and any of their associates, unless the vote is cast as proxy for a person who is entitled to vote on Resolution 7, and:</p> <ul style="list-style-type: none">the vote is cast in accordance with a direction on the proxy form; orthe vote is cast by the Chair of the Meeting in accordance with a direction on the proxy form to vote as the proxy decides.

DETERMINATION OF ENTITLEMENT TO ATTEND AND VOTE

The Directors have determined that for the purposes of the AGM, shares will be taken to be held by the persons who are registered as shareholders as at 7.00pm Australian Eastern Daylight Savings Time (AEDST) on 31 January 2018. This means that any person registered as the holder of a share at 7.00pm (AEDST) on 31 January 2018 is entitled to attend and vote at the AGM in respect of that share. Transactions registered after that time will be disregarded in determining the shareholders entitled to attend and vote at the AGM.

Details regarding the appointment of a proxy or corporate representative are contained in the Notes that accompany this Notice and a proxy form is enclosed.

BY ORDER OF THE BOARD



TIMOTHY ROWE

Acting General Counsel and Group Company Secretary

Dated: 5 December 2017

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EXPLANATORY STATEMENT

The Notice of Annual General Meeting should be read in conjunction with the below Explanatory Statement, which forms part of the Notice of Meeting.

ITEM 1 – FINANCIAL REPORTS

The Corporations Act 2001 (Cth) (the **Act**) requires the Annual Financial Report of the Ruralco Group, the Directors' Report and Independent Auditor's Report, to be laid before the Annual General Meeting (**AGM**).

There will be no formal resolution but shareholders will have the opportunity at the AGM to raise questions about or to comment on those reports and the management and performance of the Company.

Shareholders will be given an opportunity at the AGM to ask questions of the Company's external auditor, KPMG, relevant to the conduct of the audit, the preparation and content of the Independent Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the auditor in relation to the conduct of the audit.

In addition, shareholders may submit written questions to the Company's auditor about the content of the Independent Auditor's Report or the conduct of the audit no later than 5 business days before the date of the AGM (i.e. by no later than 5.00pm Australian Eastern Daylight Savings Time (AEDST) on 31 January 2018) to Computershare at the address on the enclosed reply envelope or by facsimile to +613 9473 2555. Shareholders may also submit their written questions directly to the Company at our registered office at Building A, Level 5, 26-38 Talavera Road, Macquarie Park NSW 2113 by the same time and date as questions are to be submitted to Computershare.

A list of relevant written questions will be made available to shareholders at the AGM. KPMG will either answer the questions at the AGM or table written answers at the AGM. If written answers are tabled at the AGM, they will be made available to shareholders as soon as practicable after the AGM.

ITEM 2 – RESOLUTION 1: ADOPTION OF THE REMUNERATION REPORT

Under section 250R(2) of the Act, the Company must present the Remuneration Report to shareholders for consideration and adoption at the AGM. The Remuneration Report is set out on pages 51 to 67 of the Company's 2017 Annual Report. It is also available on the Company's website at www.ruralco.com.au. The report:

- explains the structure of and rationale behind the Company's remuneration practices and the link between the remuneration and the Company's performance;
- sets out remuneration details for key management personnel (**KMP**) including the Company's specified Executives; and
- makes clear that the basis for remunerating Non-Executive Directors is distinct from the basis for remunerating Executive Directors.

A reasonable opportunity will be provided for shareholders to ask questions about, or comment on, the Remuneration Report at the AGM.

The resolution is advisory only and does not bind the Directors of the Company. The Board will however consider the outcome of the vote and comments made by shareholders at the AGM when reviewing the Company's remuneration policies for KMP in future years.

VOTING EXCLUSION STATEMENT

A voting exclusion statement, included in the Notice of Meeting, applies to this item.

DIRECTORS' RECOMMENDATION AND CHAIR'S VOTING INTENTION

The Directors unanimously recommend that shareholders vote in favour of Resolution 1 and the Chair intends to vote all available proxies in favour of Resolution 1.

ITEM 3 – RESOLUTION 2: GRANT OF PERFORMANCE RIGHTS TO THE CHIEF EXECUTIVE OFFICER

2017 LTI GRANT

Shareholder approval is being sought to grant Mr Dillion, the CEO and Managing Director of the Company, under the Company's Long-Term Incentive (**LTI**) Plan, 230,321 Performance Rights with a face value of \$632,000 (representing 80% of his fixed remuneration) as his LTI for 2017. The Board considers it appropriate to put this resolution to the shareholders, even if not formally required as any securities acquired in satisfaction of the rights will be purchased on-market.

Each Performance Right gives Mr Dillon the right to acquire one fully paid ordinary share in the Company. Performance Rights granted to Mr Dillon will only vest if certain performance hurdles are met. To align with the long-term interests of shareholders, the performance period is three years from grant until the Performance Rights are tested for vesting. Each Performance Right will be granted for nil consideration and with a nil exercise price. They do not carry any dividend or voting rights or the right to participate in any new issues of shares through any rights or bonus issues.

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The LTI performance measure is cumulative underlying earnings per share (**EPS**). The Board considers this measure appropriate as a performance hurdle for LTIs as it closely aligns Mr Dillon's remuneration with achievement of the Company's growth strategy.

No loans are provided by the Company to Mr Dillon in connection with proposed grant of Performance Rights. Mr Dillon is the only director of the Company who is entitled to participate under the LTI Plan. If shareholder approval is given, the Performance Rights will be granted to Mr Dillon within 12 months of approval.

The actual value, if any, that Mr Dillon will receive from this grant will not be able to be determined until the end of the three year performance period and will depend on whether the performance hurdles set out below are achieved.

PERFORMANCE HURDLES

Vesting of the Performance Rights will occur as follows:

CUMULATIVE UNDERLYING EPS	VESTING %
THRESHOLD	30%
BETWEEN THRESHOLD AND STRETCH	Straight line between 30% and 100%
STRETCH OR ABOVE	100%

The **threshold** for vesting of the 2017 grant is the average of various analysts' published expectations of cumulative underlying EPS, for the performance period. No LTI will vest if cumulative underlying EPS is below the threshold.

For full vesting of the LTI, cumulative underlying EPS must be at a level equivalent to the Ruralco Group achieving a **stretch** target of strong organic growth plus targeted strategic acquisitions. While this figure is not publicly disclosed due to commercial considerations, the Board is satisfied that stretch LTI vesting will only occur if exceptional EPS outcomes are achieved.

LAPSE OF PERFORMANCE RIGHTS AND FORFEITURE

All Performance Rights will lapse if the above performance hurdles are not met. If Mr Dillon were to leave the employment of the Company, in most cases any Performance Rights not vested before that time will lapse. However, the Board has broad discretion if his termination occurs after the first 12 months of the performance period, and is the result of death, total and permanent disablement, retirement or redundancy.

All Performance Rights held by Mr Dillon (and all shares held in the LTI Plan after satisfaction of the performance hurdles) will be forfeited if the Board determines that Mr Dillon has acted fraudulently or dishonestly, is in breach of his duty to the Company or has (in the Board's opinion) brought the Company into disrepute.

RESTRICTIONS

Upon vesting, any disposal of shares held under the LTI Plan is subject to Board approval while he remains in employment with the Company. If approval is given, shares can only be disposed of during specified trading windows, in accordance with the Company's Securities Trading Policy (a copy of which is available at <http://www.ruralco.com.au/corporate/corporate-governance>).

DISCRETION

The Board retains the discretion to adjust the LTI performance hurdles or vesting outcomes in the event of significant corporate events including capital raisings, divestments and rights issues. The Board has developed principles and determined pre-agreed scenarios in which discretion may be exercised to maintain the integrity of the LTI framework. If this discretion is applied in any year, it will be clearly disclosed and explained.

VOTING EXCLUSION STATEMENT

A voting exclusion statement, included in the Notice of Meeting, applies to this item.

DIRECTORS' RECOMMENDATION AND CHAIR'S VOTING INTENTION

The Directors unanimously (excluding Mr Dillon) recommend that shareholders vote in favour of Resolution 2 and the Chair intends to vote all available proxies in favour of Resolution 2.

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ITEM 4 – RESOLUTION 3: GRANT OF SHARE RIGHTS TO THE CHIEF EXECUTIVE OFFICER TO ACQUIRE MATCHED SHARES

The Board considers it appropriate to put this resolution to the shareholders, even if not formally required as any securities acquired in satisfaction of the rights will be purchased on-market.

The Board has received feedback from shareholders that they would like to see Directors and Executives with increased shareholdings. The Board agrees that executive ownership of shares is desirable for shareholder alignment, and seeks to encourage this through executive remuneration. However, long-term incentives granted to executives in recent years have not vested with the result that most executives relatively small shareholdings in the Company.

The Company does not currently have an Executive Shareholding Policy or Guideline, and the Company's approach will be fully considered in 2018 as part of the Board's review of the Company's executive remuneration framework. In the meantime, the following proposal is a transitional arrangement to address executive shareholdings in the short-term. The Board's proposal is to implement an Executive Share Matching Plan that will encourage the Company's senior executives to purchase shares with after-tax income.

Executives who elect to purchase shares on-market with the after-tax amount of Short-Term Incentive (**STI**) payment will be granted a right to acquire shares from the Company (at no additional purchase cost to the executive), of the same value of shares purchased by them (**Matched Shares**), up a maximum value of \$20,000 of Matched Shares per year.

Conditions attaching to the proposal will encourage executives to maintain their personal investment to ensure the Matched Shares are transferred to them on the Vesting Date.

Accordingly, shareholder approval is sought to grant rights to Mr Dillon that will enable him to acquire up to 7,289 shares if he meets the conditions explained below.

If shareholder approval is given, the rights to Matched Shares will be granted to Mr Dillon within 12 months of approval.

FY18 MATCHED SHARES ENTITLEMENT

Each right to acquire Matched Shares entitles Mr Dillon to acquire one fully paid ordinary share in the Company if certain conditions are met. The Matched Share entitlement will be granted on the same terms as granted to other Executives participating in the Executive Share Matching Plan.

NUMBER OF MATCHED SHARES ENTITLEMENT

The maximum face value of the grant to Mr Dillon is \$20,000, with the actual value being equal to the value of shares purchased by him from the after-tax amount of his STI award for FY17. The number of Matched Share entitlements is determined by dividing the maximum value of the grant by the average closing price of shares over the 5 trading days up to and including 30 September 2017. Based on a 5-day average closing price of \$2.74, the maximum number of Matched Share entitlements to be granted is 7,289 shares.

VESTING DATE

The Vesting Date is 30 September 2020.

VESTING CONDITIONS

The Matched Share entitlements will vest subject to the following vesting conditions:

- Mr Dillon remains in employment until the Vesting Date;
- Mr Dillon continues to be a KMP until the Vesting Date, subject to the Board's discretion; and
- Mr Dillon has not sold or disposed of any of the shares he purchased to enable him to be granted the Matched Share entitlements.

Each vesting condition has been included to encourage share ownership through personal investment by Mr Dillon.

RESTRICTION PERIOD

Any shares provided on vesting of the Matched Share entitlement will be held in trust for Mr Dillon and will be subject to the Company's Securities Trading Policy. They can be held in trust for up to 15 years from the date of grant of the Matched Share entitlements.

FORFEITURE CONDITIONS

Mr Dillon will forfeit his Matched Share entitlements:

- if he sells any of the shares he purchased to enable him to be granted the Matched Share entitlements prior to the Vesting Date; or
- he is no longer a KMP, subject to the Board's discretion; or
- if the Board determines that Mr Dillon has acted fraudulently or dishonestly, is in breach of his duty to the Company or has (in the Board's opinion) brought the Company into disrepute.

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OTHER TERMS

Mr Dillon will receive the Matched Shares entitlement at no cost. The Company has instructed the Trustee of the Ruralco Employee Share Plan Trust to acquire the Matched Shares on-market.

The Trustee will acquire the necessary number of shares to meet its obligation to deliver Matched Shares at the Vesting Date provided Mr Dillon meets the vesting conditions.

As the arrangements have been structured to encourage alignment of executive interests with those of shareholders, the Matched Share entitlements replicate equity interests. While the Matched Shares are held in trust and allocated to the executive, an amount equal to the value of dividends will be distributed to the beneficiary. Mr Dillon will also be able to instruct the Trustee on how to vote at a general meeting of shareholders.

Mr Dillon may participate in bonus issues, rights issues and capital reorganisation, in accordance with the Plan Rules. In the event of a change in control the rights to Matched Share will fully vest to Mr Dillon subject to the discretion of the Board.

No loans are provided by the Company to Mr Dillon in connection with the Matched Share entitlements. Mr Dillon is the only director of the Company who is entitled to participate in the Executive Share Matching Plan.

VOTING EXCLUSION STATEMENT

A voting exclusion statement, included in the Notice of Meeting, applies to this item.

DIRECTORS' RECOMMENDATION AND CHAIR'S VOTING INTENTION

The Directors unanimously (excluding Mr Dillon) recommend that shareholders vote in favour of Resolution 4 and the Chair intends to vote all available proxies in favour of Resolution 4.

ITEM 5 - RESOLUTIONS 4 AND 5: RE-ELECTION OF NON-EXECUTIVE DIRECTORS

The Company's Constitution requires that one-third of the Directors (other than the Managing Director) retire at each AGM, with re-election possible after each term. Ms Elizabeth Johnstone and Ms Trudy Vonhoff will retire as Non-Executive Directors at the end of the AGM and, being eligible, offer themselves for re-election. Set out below are profiles of Ms Johnstone and Ms Vonhoff.

MS ELIZABETH JOHNSTONE - INDEPENDENT NON-EXECUTIVE DIRECTOR - FAICD, LLB, MA(HONS), BA(HONS)

Term of office

Ms Johnstone was first appointed to the Board as a Non-Executive Director in September 2014. She was first elected as a Non-Executive Director by shareholders at the Company's AGM in February 2015 and most recently at the Company's AGM in February 2016.

Skills and experience

Ms Johnstone has extensive experience in company law and corporate governance. She was previously a corporate partner and practice head for company law and governance at Blake Dawson (now Ashurst), and a member of the American Bar Association's International Developments in Corporate Governance Committee. She served for many years as a member of the Auditing and Assurance Standards Board until 2012 and as a member of the Australian Press Council. She is a former Business and Professional Women's Association/QANTAS Business Woman of the Year.

Current Directorships/Appointments

- Chair of ASX Corporate Governance Council (since October 2017)
- Chair & Non-Executive Director of KinCare Community Services Limited and related companies (since September 2012),
- Non-Executive Director and Chair of Audit & Risk Management Committee of the Royal Flying Doctor Service (South East Section) (since 2010)
- Non-Executive Director and member of the Audit & Risk Committee of Macquarie University Hospital Operations Ltd (until March 2017)

Current Ruralco Committee roles/memberships

- Chair of the Audit, Risk & Corporate Governance Committee
- Member of the Investment Review Committee
- Member of the Nomination & Remuneration Committee

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MS TRUDY VONHOFF – INDEPENDENT NON-EXECUTIVE DIRECTOR – GAICD, MBA, BBUS (HONS), SF FIN

Term of office

Ms Vonhoff was first appointed to the Board as a Non-Executive Director in September 2014. She was first elected as a Non-Executive Director by shareholders at the Company's AGM in February 2015 and most recently at the Company's AGM in February 2017.

Skills and experience

Ms Vonhoff has over 30 years' experience leading businesses in the financial services industry and brings a strong strategy, financial, commercial and risk management skills to Ruralco. She previously held senior Executive positions with Westpac and AMP, including leading Westpac's Commercial Banking and Agribusiness unit, which further developed her strong interest in and understanding of agribusinesses. She also has extensive corporate governance and people and culture experience through her Non-Executive roles with AMP Bank Limited and Cabcharge Australia Limited

Current Directorships/Appointments

- Non-Executive Director and Chair of the Risk Committee of AMP Bank Limited (since June 2012)
- Non-Executive Director and Chair of the Remuneration and Nominations Committee of Cabcharge Australia Limited (since August 2015)
- Non-Executive Director and Chair of the Audit and Risk Committee for Tennis NSW Limited (since December 2012)

Current Ruralco Committee roles/memberships

- Chair of the Nomination & Remuneration Committee
- Member of the Investment Review Committee
- Member of the Audit, Risk & Corporate Governance Committee

DIRECTORS' RECOMMENDATION AND CHAIR'S VOTING INTENTION

The Directors unanimously (excluding Ms Johnstone in respect of Resolution 4 and Ms Vonhoff in respect of Resolution 5) recommend that shareholders vote in favour of Resolutions 4 and 5 and the Chair intends to vote all available proxies in favour of Resolutions 4 and 5.

ITEM 6 – RESOLUTION 6: ELECTION OF DIRECTOR

Mr Andrew Macpherson is eligible to be elected as a director of the Company and offers himself for election. Mr Macpherson was appointed to the Board on 5 December 2017.

Skills and experience

Mr Macpherson has close to 30 years' experience in financial and management consulting and served as Regional Managing Director for global consulting firm, Accenture, until he retired in 2005. His areas of specialisation are technology strategy and the implementation of technology to transform business operations. Since retiring from Accenture he has been involved with a number of early stage technology businesses in the areas of biometrics, online retail and customer loyalty. He has an extensive agricultural background, having grown up on a farm in the New England district of New South Wales and through his cattle breeding property in the Hunter Valley.

Current Directorships/Appointments

- Non-Executive Director of Melbourne IT Limited (since July 2017)
- Chair of WorkVentures Limited, a not-for-profit IT social enterprise (since April 2017)
- Non-Executive Director of OneVue Holdings Limited (since October 2016)
- Chair and Non-Executive Director of Sirca Limited (since July 2016)

DIRECTORS' RECOMMENDATION AND CHAIR'S VOTING INTENTION

The Directors unanimously (excluding Mr Macpherson) recommend that shareholders vote in favour of Resolution 6 and the Chair intends to vote all available proxies in favour of Resolution 6.

ITEM 7 – RESOLUTION 7: RATIFICATION OF PLACEMENT

On 24 February 2017, the Company issued 11,219,787 fully paid ordinary shares in the Company under a placement (**Placement Shares**) to institutional investors at an issue price of A\$2.66 per share to raise a total of approximately A\$29.9 million. The Company issued the relevant shares under its placement capacity pursuant to ASX Listing Rules 7.1 and 7.4. Ratification of the issue is sought by Resolution 7.

ASX LISTING RULE REQUIREMENTS

ASX Listing Rule 7.1 imposes a limit on the number of equity securities (including ordinary shares) that a company can issue or agree to issue without shareholder approval. Generally, a company can issue up to 15% of its issued equity securities in a 12 month period (subject to certain exceptions) without shareholder approval.

ASX Listing Rule 7.4 provides that an issue by a company of equity securities made without shareholder approval under ASX Listing Rule 7.1 is treated as having been made with approval if the issue did not breach ASX Listing Rule 7.1 when made and shareholders subsequently approve it.

The issue of the Placement Shares was within this 15% limit. Nevertheless, the Board, by Resolution 7 seeks shareholder approval under ASX Listing Rule 7.4 to approve the prior issue of the Placement Shares made without approval under ASX Listing Rule 7.1. Resolution 7 has been proposed to provide the Company with the maximum flexibility to issue further securities (if necessary) under ASX Listing Rule 7.1 without needing to seek further approval from shareholders. The requirement to obtain shareholder approval for a future issue, at the time of issue, could limit the Company's ability to take advantage of opportunities that may arise.

The effect of approval of Resolution 7 will be that the issue of the Placement Shares will not be counted towards reducing the number of securities which the Company can issue in the future without shareholder approval under the 15% limit imposed by ASX Listing Rule 7.1. The result is that the 15% limit under ASX Listing Rule 7.1 will be "refreshed", to the extent of the approval so that the Company has a renewed ability to issue securities up to the 15% limit.

If Resolution 7 is not approved by shareholders, it may limit the ability of the Company to issue securities without shareholder approval until the Company's 15% limit is replenished, in accordance with ASX Listing Rule 7.1.

INFORMATION REQUIRED BY ASX LISTING RULE 7.5

In accordance with ASX Listing Rule 7.5, the Company provides the following information:

Number of securities issued: A total of 11,219,787 Placement Shares were issued by the Company on 24 February 2017.

Issue price: The Placement Shares were issued for an issue price of A\$2.66 per Placement Share.

Terms of securities: The Placement Shares issued are fully paid ordinary shares in the Company and rank equally with all other fully paid ordinary shares on issue.

Persons to whom securities issued: The Placement Shares were issued to eligible institutional investors. The placement was managed by Insight Capital Advisers and Wilsons. None of the allottees of the Placement Shares were Directors, associates of Directors or related parties of the Company.

Use of funds raised: The funds raised from the issue of the Placement Shares were, or will ultimately be, used (among other things):

- to fund the acquisition of the Company's announced acquisitions in line with its Future Farming Strategy;
- to provide enhanced balance sheet flexibility; and
- for general corporate purposes.

VOTING EXCLUSION STATEMENT

A voting exclusion statement applies to this item and is included in the Notice of Meeting.

DIRECTORS' RECOMMENDATION AND CHAIR'S VOTING INTENTION

The Directors unanimously recommend that shareholders vote in favour of Resolution 7 and the Chair intends to vote all available proxies in favour of Resolution 7.

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NOTES:

PROXIES

If you are a shareholder entitled to attend and vote, you may appoint one or two proxies. Where two proxies are appointed, you may specify the number or proportion of votes that each may exercise, failing which each may exercise half of the votes. A proxy need not be a shareholder of the Company and can be an individual or a body corporate.

If you want to appoint one proxy, please use the form provided with this Notice of Meeting. If you want to appoint two proxies, please follow the instructions on the front page of the proxy form.

The Company's Constitution provides that, on a show of hands, every person present and qualified to vote shall have one vote. If you appoint one proxy, that proxy may vote on a show of hands, but if you appoint two proxies neither proxy may vote on a show of hands.

If you appoint a proxy who is also a shareholder or is also a proxy for another shareholder, your directions may not be effective on a show of hands. However your directions will be effective if a poll is required.

A body corporate appointed as a shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the AGM. The representative should bring to the AGM evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

APPOINTING THE CHAIR OF THE MEETING ACTING AS YOUR PROXY

You may appoint the Chair of the Meeting as your proxy. The Chair of the Meeting will be deemed to be your proxy if you sign a Proxy Form but do not name a proxy or if the person you appoint as proxy does not attend the Meeting.

If you direct the Chair how to vote on a particular item of business the Chair must vote in accordance with your direction.

If you have appointed the Chair of the Meeting as your proxy and you do not give any voting instructions for Resolution 1 (Remuneration Report), then by signing and returning the Proxy Form you will be expressly authorising the Chair to exercise the proxy as the Chair sees fit in respect of that item of business, even though Resolution 1 is connected directly or indirectly with the remuneration of the Company's KMP.

The Chair intends to vote undirected proxies in favour of each item of business, subject to any voting exclusions that may apply to the proxy.

DIRECTING YOUR PROXY HOW TO VOTE

If you want to direct your proxy how to vote on a particular item of business please mark the appropriate box on the Proxy Form.

If you mark the abstain box for a particular item of business you are directing your proxy not to vote on that item.

If you do not mark any box on a particular item of business and your proxy is not the Chair, you are directing your proxy to vote as he or she decides, subject to any voting exclusions that may apply to the proxy.

VOTING BY ATTORNEY

A shareholder may appoint an attorney to attend and vote on its behalf. For an appointment to be effective for the Meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company at its registered office or one of the addresses listed below for the receipt of proxy appointments at least 48 hours prior to the commencement of the Meeting.

To be effective the proxy form must be received by Computershare not later than 12pm (AEDST) on 31 January 2018 or 48 hours before the time and day of any adjourned AGM.

EXECUTION OF PROXY FORMS

Where shareholders are individuals, the proxy form must be signed:

- if shares are held by one individual, by that shareholder;
- if the shares are held in joint names, by any one of them.

Where shareholders are companies, the proxy form must be signed:

- if it has a sole director who is also sole secretary, by that director (and stating the fact next to, or under the signature on the proxy form);
- in the case of any other company by either two directors or a director and secretary.

If the person signing the proxy form is doing so under a power of attorney, or is an officer of a company outside those referred to above but authorised to sign the proxy form, the power of attorney or other authorisation (or a certified copy of it), as well as the proxy form, must be received by the Company by the time and at the place specified below.

NOTICE OF ANNUAL GENERAL MEETING 2017

FOR THE YEAR ENDED 30 SEPTEMBER 2017

RURALCO HOLDINGS LIMITED AND CONTROLLED ENTITIES
ABN 40 009 660 879

DELIVERY OF PROXY FORMS

Proxy forms may be delivered in person, by mail, by fax or online to Computershare as follows:

IN PERSON:

Computershare Investor Services Pty Limited
Yarra Falls
452 Johnston Street Abbotsford
Victoria, 3067, Australia

BY MAIL:

Computershare Investor Services Pty Ltd
GPO Box 242 Melbourne
Victoria, 3001, Australia

BY FAX:

1800 783 447 (within Australia)
+61 3 9473 2555 (outside Australia)

ONLINE:

www.investorvote.com.au

INTERMEDIARY ONLINE INFORMATION:

For shareholders that use Intermediary Online subscribers only (custodians) - please visit www.intermediaryonline.com to submit your voting intentions.

You may submit your proxy online by using your smartphone or by visiting www.investorvote.com.au. To use this option, you will need your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) and your allocated Control Number as shown on your proxy form. You will be taken to have signed the proxy form if you lodge it in accordance with the instructions on the website.

To use your smartphone voting service, scan the QR code which appears on the top of your proxy form and follow the instructions provided. To scan the QR code you need to have already downloaded a free QR code reader app to your smartphone. When scanned, the QR code will take you directly to the mobile voting site. A proxy cannot be appointed electronically if they are appointed under a power of attorney or similar authority. The online proxy facility may not be suitable for shareholders who wish to appoint two proxies with different voting directions. Please read the instructions for online proxy submissions carefully before you lodge your proxy.

BODY CORPORATE REPRESENTATIVE

Any corporation wishing to appoint an individual to act as its representative at the AGM may do so in accordance with section 250D of the Act by providing that person with:

- a "Certificate of Appointment of Corporate Representative" which can be obtained from Computershare; or
- a letter or certificate authorising the person to act as the corporation's representative in accordance with the corporation's constitution; or
- a copy of the resolution appointing the representative, certified by a secretary or director of the corporation.

ADMISSION TO THE AGM

Shareholders who will be attending the AGM in person, and who will not be appointing a proxy, are asked to bring the proxy form to the AGM to assist in registering your attendance and number of votes. Please arrive 20 minutes prior to the start of the Meeting to facilitate this registration process.

Shareholders who do not plan to attend the AGM are encouraged to complete and return the proxy form for each of their holdings of shares.

A replacement proxy form may be obtained from Computershare:

TELEPHONE:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)