

**TAU SHAREHOLDER AND MARKET UPDATE**

**20 February 2015**

In early December 2014, Trustees Australia Limited (Trustees Australia or the Company) provided an update to ASX about changes to the Company's Balance Sheet compared with the last published financial accounts to 30 June 2014, predominantly as a result of the successful ASX listing of Australian Dairy Farms Group.

Since that time the preparation of the financial report for the half-year ended 31 December 2014 has continued so as to lodge required announcements with ASX on or before 27 February 2015. The process has required some complex changes to the financial reports to comply with accounting standards relating to the deconsolidation of the Australian Dairy Farms Trust and the retained investments in Australian Dairy Farms Group (ASX Code AHF).

The process has highlighted some material positive changes to the Company's consolidated profit performance results compared with the result for the corresponding period for the prior financial year, which have only today been confirmed with its auditors.

While noting that the audit review of the Company's accounts for the half year ended 31 December 2014 is not yet complete, as part of the Company's continuous disclosure requirements, the Directors of Trustees Australia advise as follows:

The results for the half year ended 31 December 2014 are expected to show the Company reporting a Total Comprehensive Income of \$1,637,791 compared with a loss for the corresponding period in the prior year of (\$246,830). The material changes in the underlying components of the result are:

	<b>31 Dec 2014</b>	<b>31 Dec 2013</b>
	<b>\$</b>	<b>\$</b>
Profit on deconsolidation of Trust <sup>1</sup>	709,425	
Unrealised gain on fair value of Convertible Note <sup>2</sup>	514,683	
Loss from other operations	-296,760	-237,765
<b>Net Profit</b>	<b>927,348</b>	<b>-237,765</b>
Unrealised gain on revaluation of Financial Assets <sup>3</sup>	710,443	-9,065
<b>Total Comprehensive Income</b>	<b>1,637,791</b>	<b>-246,830</b>

<sup>1</sup> Deconsolidation of Australian Dairy Farms Trust from Trustees Australia Group

<sup>2</sup> Increase in market value of convertible note in Australian Dairy Farms Group over issue price

<sup>3</sup> Increase in market value of holding of stapled security in Australian Dairy Farms Group (2013: (\$9,065) - Other loss on revaluation)

Australian Dairy Farms Group was listed on 28 October 2014 as a Stapled Security comprised of one fully paid share in Australian Dairy Farms Limited and one fully paid unit in Australian Dairy Farms Trust. The market value of stapled securities in Australian Dairy Farms Group was taken as the closing price on ASX on 31 December 2014 of 27 cents per security in the above calculations.

The Net Asset Backing (NTA) per Trustees Australia share was 28.4 cents on 31 December 2014 (2013: 26.1 cents).

Trustees Australia's current interest in Australian Dairy Farms Group is a direct security-holding of 4,096,200 Stapled Securities (5.73% in Australian Dairy Farms Group) and 145 convertible notes with a face value of \$1,450,000 (approximately 9.21% on a diluted basis as if converted).

For further information please contact:

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